HER MAJESTY’S GOVERNMENT

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

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7 March 2016
House of Commons

Monday 7 March 2016

The House met at half-past Two o’clock

PRAYERS

[Mr Speaker in the Chair]

BUSINESS BEFORE QUESTIONS

TRANSPORT FOR LONDON BILL [Lords]
Consideration of Bill, as amended, opposed and deferred until 14 March (Standing Order No. 20).

Oral Answers to Questions

EDUCATION

The Secretary of State was asked—

Syrian Refugees

1. Gavin Newlands (Paisley and Renfrewshire North) (SNP): What steps she is taking to provide additional educational support to young Syrian refugees resettled in the UK. [903895]

The Secretary of State for Education (Nicky Morgan): The Scottish Government currently fund a guardianship service that is unique to Scotland that offers specific support with welfare, education and the immigration process to local authorities and unaccompanied children. Will the UK Government follow in the Scottish Government’s footsteps and increase support for young refugees in the UK?

Nicky Morgan: I think we all agree that those who are seeking refuge from war-torn areas and conflict zones where they have been in situations of immense stress and disruption need all the support they can get. We have a system of appointing caseworkers who work with each family or individual who comes here to seek refuge, to identify their needs. In particular, they ensure that children with special educational needs or mental health needs get support, as well as those who have additional educational issues such as needing extra language support.

Mr David Burrowes (Enfield, Southgate) (Con): Following the Government’s welcome decision on 28 January to provide additional refuge for unaccompanied minors coming from conflict zones such as Syria, but also from Europe, what discussions have been held in the Department about providing additional support for those who reach these shores, and to provide them with the effective support they need?

Nicky Morgan: My hon. Friend recently visited the camp in Calais, and he will know that a cross-Government taskforce has been set up to ensure that all those who claim asylum or come to live in the United Kingdom under the resettlement programme get that support. In my previous answer I outlined the particular areas that my Department takes an interest in, and we must ensure that support is delivered for those with special educational needs, mental health needs, and those who require additional educational support such as language support.

Keith Vaz (Leicester East) (Lab): I welcome the steps taken so far. What we have learned from previous arrivals of refugees—for example the Ugandan Asians who
came to Leicester many years ago—is that the involvement of the diaspora community is extremely important to make people feel at home. What steps have been taken to ensure that the Syrian diaspora is involved in this process?

Nicky Morgan: The Government are extremely sensitive to working right the way across the United Kingdom, particularly with local authorities, and to consider the backgrounds of those coming here and their particular needs. Some will, of course, want to be near to those from their communities and the diaspora; for others there may be reasons why perhaps that is not right, given their particular needs. Great care is taken. People’s needs are assessed and then they are given a guarantee that housing, education and other provision will be ready and waiting when they arrive here.

Andrew Gwynne (Denton and Reddish) (Lab): Given that so far the resettlement and asylum dispersal programmes have been pretty unevenly matched across the country, what extra support can be given to local authorities that are taking in a large number of people? That is often matched with challenging situations in schools, in terms of both school places and school standards, and those areas need extra support.

Nicky Morgan: We work right across the Government, and we have included powers in the Immigration Act 2014 to ensure that help is available to local authorities, particularly those that take in unaccompanied asylum-seeking children. Kent has taken many of those children, but they have also gone right across the country. Financial help is available through the budget of the Department for International Development, and we have committed £129 million to assist with local authority costs over years two to five of the resettlement scheme. There is additional help for children with special educational needs, and additional funding—including through the pupil premium—for those who have English as an additional language. It is, of course, right to highlight the problems, but the question from the right hon. Member for Leicester East (Keith Vaz), and my knowledge of the local area, show that those who come to this country can have huge success and make an enormous contribution to it. We must never forget that.

Free Childcare

2. Karen Lumley (Redditch) (Con): What progress the Government have made on implementing provision of 30 hours of free childcare for working parents. [903896]

4. Julian Sturdy (York Outer) (Con): What progress the Government have made on implementing provision of 30 hours of free childcare for working parents. [903898]

16. Oliver Colvile (Plymouth, Sutton and Devonport) (Con): What progress the Government have made on implementing provision of 30 hours of free childcare for working parents. [903911]

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): We are delivering on our commitment to provide working parents of three and four-year-olds with 30 hours of free childcare. To ensure providers can deliver high quality childcare, we will increase funding for childcare by more than £1 billion by 2019. The Childcare Bill has cleared its parliamentary stages. Twenty five local authorities will be piloting the programme in the summer, ahead of full delivery in the summer of 2017.

Karen Lumley: Will my hon. Friend join me in congratulating St George’s in Redditch for the fantastic work it already does? Does he agree that the 30 hours of free nursery education will make such a difference to one of the most deprived parts of my town?

Mr Gyimah: My hon. Friend is absolutely right. Families in deprived parts of Redditch will see £5,000 a year as a result of the 30 hours of free childcare. If they need further support, they can get it through the child tax credit system. The 30 hours of free childcare will help families with the cost of living, enable them to work more hours and give children the best start in life.

Julian Sturdy: I very much welcome the fact that one of the pilot schemes is in York. I congratulate the Minister on all his work on that. As the Minister knows, there is some concern among nursery providers over the future funding levels, driven by the disparity between the amount local authorities pay. Will the Minister consider introducing a funding review to ensure that providers are being paid fairly and reaches providers on the frontline.

I am particularly impressed by the innovation in childcare that we have seen in York, which is why we chose it as one of our early implementers. I would be delighted to visit again.

Oliver Colvile: Has my hon. Friend made an assessment of the number of nursery places in Plymouth, and of whether there is enough provision and capacity?

Mr Gyimah: My hon. Friend asks a very important question. The key point is that doubling the entitlement of free childcare is not the same as doubling the demand for childcare. Many parents already buy more than 15 hours and there is spare capacity in the system. The £6 billion funding going into childcare each year should incentivise more providers to enter the market. Where there are specific local difficulties, £50 million has been made available through the spending review to tackle capacity constraints.

Joan Ryan (Enfield North) (Lab): I have heard nothing today to assure me that when parents seek the 30 hours free childcare they will be able to find them. I do not know if the Minister is aware that in Enfield since 2010 482 early-years childcare places have been lost and 114 providers have disappeared. When parents are looking for those places, I would be very surprised if they are there on the ground. What will the Minister do to ensure that he can meet the promises his Government have made?
Mr Gyimah: I am afraid I have to disagree with the right hon. Lady. In the previous Parliament, the childcare sector created 230,000 new places. I am confident that with record investment the sector will rise to the challenge of delivering the 30 hours. It is about time that we stopped talking down the childcare sector and recognise the continued growth of the industry.

Wes Streeting (Ilford North) (Lab): At recent constituency surgeries, I have had representations from both private providers and state maintained nurseries telling me that the funding simply will not be there. It is no good blaming the sector or blaming local authorities for the fact that the Government have a model that is half-baked, underfunded and running behind time. What is the Minister going to do to make sure that the pledge the Conservatives made to parents at the general election is made real through the availability of places and, crucially, the funding to go with it?

Mr Gyimah: Let me puncture the hon. Gentleman’s question with a dose of reality. The Government are investing more in childcare than any previous Government. At a time when other Departments are facing financial constraint, the Government have made childcare a strategic priority. That is why we undertook the first ever cost of childcare review to ensure that funding is fair to providers and sustainable for the taxpayer.

Carol Monaghan (Glasgow North West) (SNP): The National Audit Office report published last week raised concerns about how the 30 hours of childcare for some three and four-year-olds could impact on current provision for disadvantaged two-year-olds. What steps will be taken to ensure that increased provision for one group will not impact on the good work being done with disadvantaged two-year-olds?

Mr Gyimah: The hon. Lady asks a good question, and the answer is that there will be no adverse impact on the offer for two-year-olds. We were the first Government to introduce 15 hours of free childcare for disadvantaged two-year-olds, and that will carry on. We have increased the hourly rate for the funding for two-year-olds and ensured that the early-years pupil premium continues, so that two, three and four-year-olds who are particularly disadvantaged do not fall even further behind.

Chloe Smith (Norwich North) (Con): The Minister is right to talk about incentivising providers to come forward, and this is a big opportunity, but may I urge him to take into account the needs of different types of provider—childminders, as well as nurseries and all the other types of setting—all of which should be able to take part in this larger and exciting opportunity?

Mr Gyimah: I totally agree with my hon. Friend. One of the great things about the UK childcare market is the diversity of provision—childminders, nurseries, school nurseries—available to parents, as it means we can meet all parents’ needs, especially when it comes to work. We will make sure that flexibility for parents is at the heart of how the 30 hours is delivered.

Jenny Chapman (Darlington) (Lab): It really is all about delivery. The Minister talks about meeting all parents’ needs, but already 59 local authorities say they do not have the places to meet current obligations to three-year-olds, never mind the additional hours. What is he going to do?

Mr Gyimah: Once again, I shall give a dose of reality: 99% of four-year-olds and 96% of three-year-olds are accessing the existing 15 hours of childcare. I am happy to compare our record with that of the previous Labour Government. After 13 years in office, it had provided 12.5 hours of free childcare. In half that time, the Conservative party has provided 30 hours of free childcare. Labour never offered anything for disadvantaged two-year-olds; we have a programme for disadvantaged two-year-olds. We are investing more than any previous Government. It might not like it, but it must accept it: the Conservatives are the party of childcare.

Jenny Chapman: My party introduced Sure Start. There was no Sure Start and there were no children’s centres—no universal offer for any kind of childcare—prior to the Labour Government in 1997. The test of this will be how many families actually use the additional hours and who those families are. How has the Minister managed to construct a system where a household with an income of £200,000 a year benefits from the additional hours, whereas 20,000 single parents on the minimum wage will not be eligible? How has he managed to come up with something so deeply unfair?

Mr Gyimah: Let me explain the policy to the hon. Lady. She should be familiar with it by now. Our eligibility criteria make absolute sense. To get 30 hours of free childcare, someone needs to be in work and earning more than £107 a week and not more than £100,000 a year—it does not matter if they are a lone parent. That means that if anybody in the family earns more than £100,000 a year, they will not be eligible. I know that Labour Members do not want to hear it, but Labour’s childcare voucher scheme meant that parents earning more than £1 million could get childcare subsidies but the self-employed could not. We are not allowing that to happen in our childcare scheme.

STEM Subjects

3. Derek Thomas (St Ives) (Con): What steps her Department is taking to support provision of STEM subjects in schools.

The Minister for Schools (Mr Nick Gibb): The Government are determined to make Britain the best place in the world to study science, technology, engineering and maths. Our reforms to the curriculum and qualifications are designed to raise standards to match the best internationally. Our networks of maths hubs and science learning partnerships are supporting schools with the aim of improving the quality of maths and science teaching, and a £67 million package will train up to 17,500 maths and physics teachers by 2020.

Derek Thomas: In my constituency, there are a number of new skilled and well-paid jobs in engineering, space, renewable energy and other highly skilled, high-tech sectors, including the Navy. What further message can I take back to employers to assure them that schools have the resources and expertise to inspire and prepare our young people for these jobs in west Cornwall and the
Isles of Scilly, and what more can the Department do to ensure that we have the engineers we need as a nation for the future?

Mr Gibb: My hon. Friend, as a member of the Science and Technology Committee, is a keen advocate of the high-tech sector and particularly of the Goonhilly satellite earth station in Cornwall. He is right to share the Government’s determination to improve STEM skills in this country. That is why the Government fund the Cornwall and West Devon maths hub and the Cornwall science learning partnership, which provide support to schools in west Cornwall and the Isles of Scilly to improve maths and scientific education. We are also reforming technical and professional education and taking steps to improve the quality of careers advice to young people.

8. [903903] Kevin Hollinrake (Thirsk and Malton) (Con): Families for schools does an excellent job arranging for business people to visit schools to inspire the next generation of entrepreneurs, including science and technology entrepreneurs. Will the Secretary of State outline plans to engage more business people with more schools to encourage more young people to help build our enterprise economy, particularly in science and technology?

Mr Gibb: That is precisely what is happening. The local enterprise partnerships are working closely with the careers and enterprise companies because we want to ensure that there is a connection between employers and schools so that a generation of young people inspired by technology can get to know what jobs are available in the technology sector, where, incidentally, earnings are on average 19% higher than for those not working in that sector.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the Minister agree that no Prime Minister was more passionate about science, technology and mathematics and their power to liberate individuals’ potential than Harold Wilson? Does he further agree that Harold Wilson set up the Open University and all those polytechnics that became our new universities in order to help in that process of changing our culture? Can we not now build our enterprise economy, particularly in science and technology?

Mr Gibb: I am delighted to join the hon. Gentleman in passing on my congratulations. It is good to see inspirational, imaginative and innovative programmes that are designed to encourage more young people with science backgrounds to come into teaching.

Mr Gibb: The hon. Gentleman seemed to get a bigger cheer for mentioning Harold Wilson than he would have done if he had mentioned the current leader of the Labour party. I absolutely agree with the hon. Gentleman, however, about the importance of inspiring young people.

University technical colleges have been established to do precisely that, and we have seen a huge increase in the number of young people taking STEM A-levels, with the number taking maths A-level going up by 18% so that some 82,000 young people are now taking it. It has become the single most popular A-level choice, while both physics and chemistry A-level entries have increased by 15%.

Carol Monaghan (Glasgow North West) (SNP): We currently have a situation in which the income threshold for non-EU workers could be raised to £35,000, which will cause issues for many STEM teachers currently working in UK schools, as well as for teachers that could be recruited from abroad. Will the Minister explain to schools that have gaping holes in STEM teaching positions how he is working with the Home Office to ensure that we can continue to recruit from abroad?

Mr Gibb: As the hon. Lady will know, there is a consultation taking place with the Home Office on these very issues, and it will report in due course.

Damian Green (Ashford) (Con): One of the traditional problems with getting more students to study STEM subjects has been the difficulty of persuading girls to take such subjects up to A-level and beyond. Does the Minister have any evidence to show that policies to encourage more girls to take up these very important subjects are working?

Mr Gibb: My right hon. Friend is absolutely right. The Government recently set out an ambition to see a 20% increase in the number of girls’ entries to science and maths A-levels by 2020. We established, with industry, the Your Life campaign, which is designed to encourage young people, and especially girls, to choose maths and physics. We have seen a huge increase in the number of girls taking A-levels in physics, from 5,800 in 2010 to 6,800 this year, and in maths, from 28,000 in 2010 to 31,000 this year. However, there is still more to do.

Tristram Hunt (Stoke-on-Trent Central) (Lab): In Stoke-on-Trent, we have decided to do something about the crisis in maths teaching. Will the Minister congratulate inspiring head teachers Roisin Maguire and Mark Stanyer, along with the city council and the Denise Coates Foundation, on establishing the £1 million maths excellence partnership, which was opened by Sir Michael Wilshaw last week to attract maths graduates to Stoke and to support the continuing professional development of current classroom teachers?

Mr Gibb: I am delighted to join the hon. Gentleman in passing on my congratulations. It is good to see the Careers & Enterprise Company has made on improving careers education and inspiring young people about the world of work.

5. Craig Tracey (North Warwickshire) (Con): What progress the Careers & Enterprise Company has made on improving careers education and inspiring young people about the world of work.

Mr Sam Gyimah: The Careers & Enterprise Company has made excellent progress in its start-up year. It is opening up schools to the world of work and opening up the world of work to schools, which, as all experts agree, is a key ingredient of high-quality careers education and guidance.
Craig Tracey: I was delighted to meet representatives of the Careers & Enterprise Company recently in my role as chairman of the all-party women and enterprise group. What steps will be taken to ensure that great models and mentors are provided to supplement the company’s work, and that students from all backgrounds are aware of the wealth of opportunities that are available to them once they have left education?

Mr Gyimah: That is an excellent question. In the past, too much emphasis has been placed on one-to-one careers advice, which is often provided too late and not delivered effectively. That is why £70 million has been made available over the current Parliament to fund careers services, including a new national mentoring scheme that will focus on the most disadvantaged. My hon. Friend is absolutely right about mentors, especially for young girls, and especially in relation to STEM subjects and professions.

Rebecca Harris: Does my hon. Friend agree that the old careers service is all too often regarded as a source of mild and gentle humour by people when they remember their schooldays, perhaps because they were approached too late? Is it not enormously important for businesses and, indeed, employers throughout all sectors to offer work experience—and not just to young people, to whom I know many Members offer that here in the House?

Mr Gyimah: My hon. Friend is absolutely right. Careers advice has long been the punchline for a joke, and many people found that the advice that they were given did not make sense to them at all. In our careers strategy, we are focusing on real, practical employer interactions so that the world of work can go into schools, and so that children can see what is out there, have their passions roused, and work out what is best for them.

Mr Gordon Marsden (Blackpool South) (Lab): The Minister will be delighted, because he has lost the punchline for his joke. He should go easy on the self-congratulation, given that the Government have presided over the disintegration of careers services for young people. Cuts have decimated council-led youth support and Connexions, and the Department has failed to include work experience in the curriculum. No wonder the CBI told it that the careers service was broken. Young people will need that help from the Careers & Enterprise Company recently in my constituency. Is it not that a successful multi-academy trust, and that is a situation that we want replicated across the university technical college movement, because UTCs are stronger inside multi-academy trusts.

Mr Gyimah: The hon. Gentleman talks as though there had once been a golden age of careers advice and service, but anyone could tell him that there has never been such a golden age. The missing piece in careers advice and guidance was employer interaction, and that is what the excellent Careers & Enterprise Company is setting up. As part of its strategy, it is rolling out enterprise advisers, and 30 local enterprise partnerships have signed up to be part of that. Every school will have an enterprise co-ordinator to link it to the world of work.

University Technical Colleges

7. Gareth Johnson (Dartford) (Con): What progress the Government are making on supporting the establishment of university technical colleges.[903902]

The Minister for Skills (Nick Boles): With 59 university technical colleges open or in development, we are well on the way to meeting our manifesto commitment of opening a UTC within reach of every city.

Gareth Johnson: Will the Minister join me in welcoming the excellent work being carried out by the Leigh UTC in my constituency? UTCs play an increasingly vital role in ensuring that we have the engineering and scientific skills that are needed in the workplace. Will he do all that he can to ensure that the Leigh UTC is allowed to flourish?

Nick Boles: Yes, and I thank my hon. Friend for all the work that he is doing with the Leigh UTC. It is a particularly good example, not least because it is part of a very successful multi-academy trust, and that is a situation that we want replicated across the university technical college movement, because UTCs are stronger inside multi-academy trusts.

Priority School Building Programme

9. Rachael Maskell (York Central) (Lab/Co-op): What plans she has to expand the Priority School Building programme.[903904]

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): The Priority School Building programme was established to rebuild and refurbish those schools in the very worst condition across the country. The £4.4 billion programme is targeting funding to address urgent condition need at 357 schools. The Department has made no decision in relation to a third phase to the programme.

Rachael Maskell: The Priority School Building programme, which was downgraded in the last Major Projects Authority report, has resulted in just one school in York being earmarked for repairs, rather than addressing the urgent needs of 10 schools, including three overdue rebuilds. It is costing the local authority £1.23 million just to keep those schools open. Will the Minister meet me to discuss the urgent need for funding for school buildings in York? Will he also review the Education Funding Agency’s condition survey, given that the data collected do not provide the comprehensive evidence base necessary to match local authority priorities?

Mr Gyimah: I would be delighted to meet the hon. Lady to discuss the issues in York. Just to give her an update, two schools are being rebuilt or refurbished in York Central under the Priority School Building programme. Carr Infants School is under construction as part of PSBP phase 1, and Badger Hill Primary School will have its condition need met under PSBP phase 2. A total of seven schools have applied for both phases and are being considered, but I would be happy to meet her to discuss these matters.
Edward Timpson: My hon. Friend has, in many ways, highlighted the basic principle behind our consultation on a new national funding formula—it is simply about fairness. The old system has for decades been too complex, convoluted and unfair, with even disadvantaged children being disadvantaged by it. This change is long overdue, and it cannot be right to have anything other than a needs-based system. That is what we want to implement, and we want to work with everyone to make sure that we make it happen.

Fiona Mactaggart (Slough) (Lab): But the Minister will be aware that children in schools in which a high proportion of pupils are on free school meals are much less likely than they were five years ago to be able to be taught by a qualified teacher in art, dance, music or drama. Two thirds of professional parents pay for additional lessons in those subjects, but parents on lower wages are much less likely to be able to afford them. Are working-class kids going to be excluded from the creative subjects in our education system?

Edward Timpson: The right hon. Lady has an admirable track record of pursuing the more creative side of school life—I admire her persistence in doing so—but right across the country many schools with strong heads are recruiting heads of music, dance and drama, and providing many other extra-curricular activities. We have a basic strong curriculum, which all children need to be taught, and we are supporting disadvantaged children through the pupil premium, the pupil premium plus and special educational needs reforms to ensure that they get the support that they need, and the rounded and grounded education we want for all children. We need to make sure that schools are making such decisions and strong heads know exactly how to achieve that.

Martin Vickers (Cleethorpes) (Con): Coming from a disadvantaged background is just one reason for poor educational attainment, and in coastal communities such as my constituency, that is a particular issue. In addition to the national teaching service, what support is given to areas such as mine?

Edward Timpson: The national teaching service has been an important innovation in trying to ensure that we have a strong teaching workforce in all parts of the country, including my hon. Friend’s constituency. That is why we have made significant investment in those areas where recruitment has been more difficult in the past, such as in STEM subjects, among others. It is also why we continue to ensure that we pay the pupil premium to those schools so that, through the virtual school heads and other support, they are getting the standard of teaching they deserve.

John Pugh (Southport) (LD): Will the Minister explain further how the new proposed national curriculum will cater for the needs of disadvantaged pupils? In particular, can he explain the following sentence in today’s written statement:

“For pupils with high needs, the local authority remains the right level at which to distribute funding”?

Edward Timpson: That is correct.
Lucy Frazer: (South East Cambridgeshire) (Con): On Friday, I had the opportunity to meet representatives of Blue Smile, a local charity in Cambridgeshire that makes provision for those suffering from mental health issues. I was told that many schools use their pupil premium for the services of Blue Smile to help to deal with mental health issues in their schools. Does the Minister agree that the provision of mental health services in schools to solve issues at a very early stage is crucial?

Edward Timpson: My hon. and learned Friend is right to highlight the importance of establishing as early as possible the underlying causes of a child’s ability or inability to learn in school, which can be a result of emotional and mental health issues. That is why some schools are being extremely innovative about how they access pupil premium money to offer individual support to those children so that they are able to be in the best space possible to learn to the best of their ability.

Mrs Sharon Hodgson: (Washington and Sunderland West) (Lab): We know that summer schools address educational inequalities among some of our most disadvantaged pupils, as well as helping to tackle holiday hunger, yet recent surveys show that 64% of schools are worried they will not be able to offer this vital intervention because of a Government cut sneaked out just before Christmas—that was perhaps not the kind of Christmas present that vulnerable pupils were hoping to receive from the Minister. With the attainment gap now wider than it was when the Prime Minister came to office, summer schools have proven very effective in helping to give disadvantaged children a good start at secondary school. Why are Ministers ignoring this evidence and scrapping funding for summer schools?

Edward Timpson: The hon. Lady raises an area of education of which I have seen some excellent examples. However, she must remember the backdrop against which we are taking the education system forward. We have protected funding, with more money going into primary and secondary education than ever before, as well as a protected pupil premium of £2.5 billion over the next year. We have a strong curriculum for primary school children so that they learn the basics and have the building blocks to ensure that they have a brighter future. It is for schools to decide how they can achieve that, but they have the money to make it happen.

Schools Admissions Appeals Process

12. Tulip Siddiq: (Hampstead and Kilburn) (Lab): What assessment she has made of the effectiveness of the schools admissions appeals process.

The Minister for Schools (Mr Nick Gibb): When parents are refused a place for their child at a school of their choice, it is important that they have the opportunity to appeal that decision. A robust system is in place for handling admissions appeals, including complaints about appeal maladministration. We are currently reviewing the admissions systems, including whether changes to the school admission appeals code are necessary. We will conduct a full public consultation on any changes in due course.

Tulip Siddiq: The Secretary of State recently stated her ambition for the Government potentially to ban civil society organisations from raising concerns about the admissions processes of schools. Those organisations perform an important public duty. Constituents have been in touch with me to say that they find the admissions process too complex and too lengthy to deal with by themselves. Does the Minister agree that banning civil society organisations from raising concerns will not only exacerbate the difficulties that parents already face, but further enable breaches of the admissions code?

Mr Livid: The purpose of that announcement was to enable the chief schools adjudicator to focus on the concerns of parents and not to have the system absorbed by the need to handle multiple objections by campaigning organisations. That was a recommendation of the adjudicator as a consequence of her experiencing those issues in her term of office.

Mr James Gray: (North Wiltshire) (Con): I think that the Minister is referring to secular organisations that have been trying to clog up faith school application and appeals processes. Will he confirm to the House that the code of practice brought in at the beginning of this year will specifically prevent that sort of thing from occurring?

Mr Gibb: Yes. The announcement made by my right hon. Friend the Secretary of State was to ensure that the school admissions process is fair, that parents—and only parents—can object to admission arrangements in their area if they regard them as unfair, and that it is not used as a campaigning tool.

Numeracy Standards

13. Chris Green: (Bolton West) (Con): What steps the Government are taking to improve maths and numeracy standards in primary schools.

The Minister for Schools (Mr Nick Gibb): The Government are committed to raising standards in primary maths. We have introduced an ambitious new national curriculum that places greater focus on written and mental arithmetic. Long multiplication, long division and fractions are now compulsory for all pupils. We have strengthened primary mathematics assessment, removed the use of calculators from key stage 2 tests, and pledged to introduce a multiplication tables check for all pupils at the end of year 6.

Chris Green: I thank the Minister for his reply. Improving the standards of maths and numeracy in primary schools is crucial for children in later life, as they provide the foundation for more advanced learning. What are the Government doing to ensure that more children leave primary school with the expected levels of maths and numeracy?

Mr Gibb: We have launched a network of 35 maths hubs. These school-led centres of excellence are driving the transformation of teaching based on best practice internationally. Hubs have delivered a successful teacher exchange with Shanghai and have introduced high-quality Singapore textbooks to schools. Increasing numbers of primary school teachers are working with hubs to adopt effective south-east-Asian mastery approaches to teaching to ensure that every child leaves primary school with the expected levels of maths and numeracy.
Kelvin Hopkins (Luton North) (Lab): May I press the Minister a little further? I have experience of teaching statistics to A-level students, and I have observed that some of those students could not do simple arithmetic because they never learned multiplication tables in early primary education. I suspect that that is still a problem today. What are the Government doing to ensure that all our children are required specifically to learn multiplication tables in their early years at primary school?

Mr Gibb: We have introduced into the new primary curriculum a requirement that by the end of year 4 all children will know their multiplication tables to 12 times 12. We will introduce a multiplication check next year to ensure that every child knows their multiplication tables by heart. That is a wonderful achievement. If we can ensure that every child leaves primary school knowing their multiplication tables by heart, it will transform mathematics teaching in this country at secondary school and beyond.

Faith Schools

15. Sir Edward Leigh (Gainsborough) (Con): If she will make an assessment of the contribution of faith schools to society.

The Minister for Schools (Mr Nick Gibb): Church and faith schools have made a significant contribution in helping to shape our education system over many years. They are among our best performing schools in the country and parents of all faiths and of none value them for the quality of their education and their strong ethos. We continue to work closely with faith organisations to ensure that the religious character of their schools is maintained and developed.

Sir Edward Leigh: All that is undeniable: faith schools are extraordinarily popular, so why do the Government insist on the cap of 50% on people of a faith attending a new free school? We all know that the Government’s hidden agenda is that they do not want 100% Muslim schools, but the fact is that few Muslim schools are oversubscribed anyway, so all this is doing is preventing the Catholic and Anglican new free schools from coming on stream. Why not abolish the cap and let freedom prevail?

Mr Gibb: The 50% limit on faith admissions to free schools ensures that the new high-quality school places that they provide are available to local children, not just those of a particular faith, and it helps to ensure that those pupils receive an inclusive and broad-based education. We are always happy to hear representations on how best to achieve those goals and I would certainly welcome applications to establish, for example, more Catholic free schools, but I understand why the Catholic Church in particular is reluctant to do so.

Topical Questions

T1. [903920] Mr Gavin Shuker (Luton South) (Lab/Co-op): If she will make a statement on her departmental responsibilities.

The Secretary of State for Education (Nicky Morgan): I hope that hon. Members will be glad to hear that today we have published proposals for consultation to start the process of introducing a national funding formula for schools from 2017-18. These plans will ensure that every school and local area, no matter where it is in the country, is funded fairly. It will ensure that pupils with similar needs attract the same level of funding and give headteachers far more certainty over future budgets. Areas with the highest need will attract the most funding, so pupils from disadvantaged backgrounds will continue to receive significant additional support. That is a key part of our core mission to have educational excellence everywhere.

Mr Shuker: Luton Girls’ Academy was given £100,000 by the Secretary of State’s Department but never opened. I have repeatedly asked the Department for Education to tell me whether that money has been paid back, yet neither written parliamentary questions nor freedom of information requests have garnered an answer. When will she tell me how much money was wasted on this free school project?

Nicky Morgan: The hon. Gentleman received a letter from the Under-Secretary of State, Lord Nash, on 29 January 2015 telling him why the project could not go ahead and that it had fallen short of the rigorous criteria we have set. Total pre-opening revenue costs for Luton Girls’ Academy will be published by the end of March. In line with our transparency agenda, our policy is to publish expenditure data clearly, and that means that we publish the full pre-opening revenue cost of cancelled or withdrawn free school projects, once the amount of expenditure has been finalised and taking into account any repayments.

T2. [903921] Michael Fabricant (Lichfield) (Con): When I was sitting over there on the Opposition Benches I asked Prime Minister Tony Blair what he was going to do about Staffordshire, which was always in the bottom 20 for funding compared with other local education authorities. He agreed with me and said it was very unfair, and then he did nothing. May I commend the Secretary of State for getting on with this wonderful consultation? What recommendation would she give to my constituents, teachers and parents, to ensure that we get fairer funding for schools in Staffordshire?

Nicky Morgan: I thank my hon. Friend very much, and I am delighted that we are making progress on this important issue. Is it not typical that it takes a majority Conservative Government to do that? I urge my hon. Friend to encourage his constituents and schools in his constituency, such as John Taylor High School, which I recently had the pleasure of visiting, to ensure that they take part in this important consultation.

Lucy Powell (Manchester Central) (Lab/Co-op): As the MP for the home of British cycling, may I take this opportunity to pay tribute to the amazing success of the British cycling team in the track world championships last week? On the day before International Women’s Day, the incredible Laura Trott should be singled out for her medal haul. Let us hope she is paid as much as her male colleagues, if not more—something that the Secretary of State does not seem very good at achieving for women in her own Department.
There will be 156 new GCSE and A-level specifications taught from September. With just 17 teaching weeks left of this school year, how many of those are ready?

**Nicky Morgan:** I thank the hon. Lady. Is it not typical that she identifies an issue—the gender pay gap—which her party did nothing to address when it was in power? It is this party that is publishing the regulations to make sure that public sector and private sector organisations will disclose that. The gap is not widening; it is narrowing. I join her in congratulating the cycling team, including Laura Trott, on their tremendous achievements. Ofqual is working with the exam boards to make sure that all the specifications are ready. I understand that more than 65 are now ready, but there is further information on that to be made public by Ofqual.

**Lucy Powell:** That is right: just 65 or 66 of the 156 specifications are ready—less than half. Core EBacc subjects, such as sciences and modern foreign languages, are still to be approved. The Government’s own workload challenge promised teachers a lead-in time of one year for significant changes to qualifications, but as matters stand teachers will have just weeks or no time at all to prepare for these huge changes. Is not the truth that the Government’s fixation with micromanaging every part of the curriculum—including, we hear this week, the use of exclamation marks—is causing the delay, and that they are way behind with these new exams? It is no wonder we have a teacher shortage.

**Nicky Morgan:** The exam boards have already published the specifications and assessment materials in draft. They are working their way through to make sure that the specifications are ready to be published. We want to give teachers as much notice as possible—[Interruption.] Is it not typical that the Opposition need to learn the lesson that the Vote Leave campaign needs to learn as well—that if they talk about the negatives all the time, they will find that those are self-fulfilling? If they want to set out an alternative, they need to do that with some policies. What we on the Government Benches are doing is raising the standards of our qualifications. I met Ofqual last week to talk about specifications. It is making progress. [Interruption.] Either the hon. Lady wants to raise standards in our education system or she does not. By the nature of her question, she clearly does not.

T4. [903923] **Mr Alan Mak** (Havant) (Con): Archie Hayward, a 15-year-old student from Warblington school in Havant, is the first British teenager to secure work experience at the CERN science laboratory in Switzerland. Will the Minister join me in congratulating Archie and confirm that the Government will continue to support careers in science and technology?

**The Minister for Schools** (Mr Nick Gibb): I join my hon. Friend in congratulating Archie and confirm that the Government will continue to support careers in science and technology.

T3. [903922] **Bill Esterson** (Sefton Central) (Lab): A headteacher in my constituency showed me the sample paper for this year’s key stage 2 SATs. The paper included questions about the subjunctive form, past progressive, subordinating, conjunction and many other such gems. I am tempted to ask how many Members here could answer questions on those topics, but the more important question is how many children could do so. Does the Minister understand the concerns put to me by head teachers that they want the very highest standards for the children they are looking after, but, far from helping to raise standards, such an approach runs the risk of setting 10 and 11-year-olds up for failure?

**Mr Gibb:** It is important to understand the scale of the reforms to the primary curriculum. In four or five years every child could be leaving primary school knowing their multiplication tables by heart and being a fluent reader because of our focus on phonics, eliminating illiteracy in this country, and for the first time in several generations primary schools are explicitly teaching English grammar. The hon. Gentleman should welcome these reforms.

T6. [903925] **Craig Tracey** (North Warwickshire) (Con): Virtual school heads are taking great steps in promoting the educational achievements of all children looked after by their local authority. Will the Minister join me in encouraging the progress of virtual school heads such as mine in North Warwickshire and ensure that they help to facilitate the entitlement to a good education for all children and young people in care?

**Edward Timpson:** I am more than happy to do so. The reason we put the role of virtual school heads on a statutory footing in the last Parliament is that they make a significant contribution, acting as the pushy parent promoting the educational progress and achievement of children in care by championing their needs and working closely with schools. Since March last year, they have had responsibility for managing the pupil premium plus, which provides an extra £1,900 for every child in care to enable them to access the extra support that makes sure they can really fulfil their potential.

T5. [903924] **Paul Blomfield** (Sheffield Central) (Lab): This morning I spoke to the headteacher of one of Sheffield’s best-performing secondary schools, which is in my constituency. The Secretary of State talks about the need for certainty in the funding formula, but that headteacher is deeply concerned by the uncertainty created by the lack of detail in this morning’s statement. Like all good heads, he plans in advance, and he is now recruiting for 2017, but he is unsure what his funding will be in that year. When can I tell him that he will know whether he is a winner or a loser as a result of the consultation?

**Nicky Morgan:** It is important that we understand the basic principles behind why we are having a consultation on the funding formula—that the same pupils, with the same characteristics, across the country need to attract the same amounts of money. There will obviously be another consultation on the details, but it is important that we know about the weightings behind the factors and that there is certainty and transparency for all schools going forward. We have said there will be a phased transition, and that we will be very mindful of
those schools where there is potential for there to be less funding, to make sure they are not destabilised. However, it is absolutely right that it is this Government who have grasped this nettle after many years of previous Governments absolutely flunking that test.

T9. [903928] Michelle Donelan (Chippingham) (Con): Will my hon. Friend please join me in recognising the vastly improved design and technology GCSE, which comes into play next year and which will help to inspire vastly improved design and technology GCSE, which will help to inspire young professionals?

Mr Gibb: Yes, we have made some significant reforms to the D and T GCSE and A-level, working closely with the Design and Technology Association and the James Dyson Foundation to ensure we have high-quality D and T qualifications that lead on to higher education, apprenticeships and high-quality employment in the sector. I hope the qualification itself will lead to more young people taking it.

T7. [903926] Tulip Siddiq (Hampstead and Kilburn) (Lab): Last week I attended an event organised by Positively UK and the Royal Central School of Speech and Drama in my constituency to celebrate the lives of women living with HIV. Does the Minister agree that not enough is being done to educate children in schools about HIV and the support available to women living with it?

Mr Gibb: The hon. Lady raises a very important issue. It is one of the very few explicitly statutory requirements that young people in secondary school have to be taught about the dangers of HIV. I share her concern. We need to improve the quality of PSHE education throughout our system.

Andrew Rosindell (Romford) (Con): The Minister will be aware of the huge pressure on school places in the London borough of Havering and in all other London boroughs at the moment, particularly with the new bulge classes being imposed on primary schools, such as Gidea Park primary school in my constituency. What extra funding and support will the Government give to schools that face such pressures at this time?

Nicky Morgan: Havering local authority received £23 million of basic need funding for places between 2011 and 2015, which helped to create nearly 3,000 new places. It has also been allocated a further £47 million to create the places needed by 2018. I should also say that we are pleased that a new free school is scheduled to open in Romford this September. Concordia Academy will provide 630 additional primary places in the area, and I hope my hon. Friend will work with other providers to encourage more free schools to be built in the local area.

T8. [903927] Ann Coffey (Stockport) (Lab): The recent, and latest, children’s home data-pack shows that there has been little change in the numbers of children placed at some distance from their home areas since 2012, despite the introduction of welcome new regulations.

The underlying problem continues to be the unequal distribution of children’s homes across the country. What more can be done to support local authorities to work together and use their commissioning powers to ensure more local provision of children’s homes?

Edward Timpson: I share the hon. Lady’s concern that a large number of children are still being placed out of area in residential care—although of course there are always exceptions. I recognise that it is better to provide a further £80 million of support for the SEN reforms in 2016-17, including an additional £15 million for the independent supporters who act as catalysts for change in enabling families and young people better to navigate the system. Some 45,000 families have already benefited from that extra support.

T10. [903929] Ian Lavery (Wansbeck) (Lab): Free school meals are a lifeline for many vulnerable families in my constituency, yet there are still too few families getting the benefit. Does the Minister agree that local authorities that have the data required to identify these kids should have an automatic, perhaps a statutory, obligation to do so?

Nicky Morgan: I thank the hon. Gentleman. I know that his colleague, the hon. Member for, I think—[Interruption.]

Ian Lavery: I am sorry, Mr Speaker. I thank the hon. Gentleman. I know that his colleague, the hon. Member for—I think—[Interruption.]

Ian Lavery: Thank you. I thank the hon. Gentleman. I know that his colleague, the hon. Member for—[Interruption.]

Edward Timpson: I agree that all families who are entitled to free school meals should be able to obtain them. There are issues to do with the collection of data and the sharing of information between different benefits, but I am keen, as I say, to make progress on this very important matter.

Mr Speaker: I think Birkenhead was the place the Secretary of State had in mind.

Mims Davies (Eastleigh) (Con): Given the strong link, in some cases, between early-age cannabis use and future mental health issues, what is the Minister’s assessment of efforts by schools to tackle and deter illegal drug use?

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): The Government have taken steps to tackle behaviour and discipline in schools, and teachers’ powers to search pupils for prohibited items, including illegal drugs, have been strengthened. They have the power to discipline pupils for misbehaviour and to confiscate, retain or dispose of a pupil’s property as a disciplinary penalty where reasonable to do so. A school’s behaviour policy should set out its approach to confiscating prohibited items.
Louise Haigh (Sheffield, Heeley) (Lab): Last week, Sir Michael Wilshaw warned of a brain drain due to the recruitment and retention crisis in teaching that the Minister is well aware of. I appreciate the Minister’s earlier answer about the use of qualified teachers in classes being up to schools, but does he share my concern that teaching assistants are increasingly being used to teach SEN and low-attaining pupils?

Mr Gibb: I do not accept the comments of Her Majesty’s chief inspector of schools. We are doing everything we can to recruit. Despite increasing pupil numbers, and the challenge of a strong economy and the strengthening graduate jobs market, we are ensuring that there are now record numbers of teachers in our classrooms. There are 13,000 more teachers in our classrooms today than in 2010. Recruitment in teaching is a challenge. I use every platform I have to extol the virtues and rewards of teaching to help raise the status of the teaching profession. What does the hon. Lady do?

Mr Andrew Turner (Isle of Wight) (Con): Will the Minister join me in welcoming the development of high-quality curriculum materials under the banner of Education Destination, which uses the Isle of Wight’s natural environment and attractions to teach outside the classroom?

Mr Gibb: Yes, of course. Field trips, and trips to the theatre and to museums and so on, are a very important part of education, and we would encourage more schools to organise as many such trips for young people as possible.
Royal Naval Deployment: Mediterranean

3.34 pm

Mr Alistair Carmichael (Orkney and Shetland) (LD): (Urgent Question): To ask the Secretary of State for Defence to make a statement on the announcement that the Royal Navy will join NATO forces in the interception and return of migrants and refugees in the Mediterranean.

The Secretary of State for Defence (Michael Fallon): The scale of the migration challenge requires NATO, the European Union and other countries across Europe to work together to address both its symptoms—the constant flow of migrants and the conditions we see them face—and the causes in Syria and beyond. We must also work with local civilian authorities to tackle the gangs that profit from smuggling migrants.

The United Kingdom has already been engaged for several months, with the Home Office ship VOS Grace deployed in the region since November with a detachment of Border Force officers.

On 11 February, NATO Defence Ministers took the decision to deploy NATO ships, better to enable Turkish and Greek coastguards to intercept the migrant boats and disrupt the smugglers’ business model. Standing NATO maritime group 2 arrived in the region within 48 hours of that decision and has been conducting initial reconnaissance and surveillance of illegal crossings since then.

The NATO Secretary-General outlined in a statement yesterday evening that discussions between NATO, Turkey and Greece have agreed that NATO vessels can now operate in Greek and Turkish territorial waters.

We have, therefore, decided that the UK contribution is to send Royal Fleet Auxiliary Mounts Bay and a maritime Wildcat helicopter to the Aegean. Their roles will be to support the NATO monitoring and surveillance task. They will work alongside three Border Force boats: the VOS Grace, the cutter Protector, which is on its way to the region, and a further cutter, which is expected to start operations later this month. Together they will support the Turkish and Greek coastguards and the EU Frontex mission.

The Prime Minister is attending today’s EU-Turkey summit on migration. Contributing to the EU and NATO missions to counter smuggling is only part of the Government’s wider approach to tackling the root causes of irregular migration. The United Kingdom is leading the way in tackling those issues at their source, providing significant amounts of aid to assist in stabilising troubled regions and lessening the need for people to leave. In the meantime, the Royal Navy deployment is an important part of the international effort to assist the Turkish and Greek authorities in reducing this criminal and dangerous people trafficking.

Mr Carmichael: I thank the Secretary of State for that answer and, in particular, for coming to the Chamber to make the statement. He describes a series of tactics, many of which will find broad support in this House, but it seems to me that, in particular, they do not add up to a strategy. Today’s press refers to a “war against people traffickers”. If we are to win that war, we need to cut off from the people traffickers the supply of those who are desperate enough to pay to use them. Of course, in the longer term that means getting peace in their countries of origin, but in the short to medium term, surely it means a series of safe and legal routes into Europe, the expansion of the refugee family scheme and the introduction of humanitarian visas.

What will happen to those seeking refuge who are intercepted in the Aegean? Will they be taken back to Turkey? Does that not run contrary to the principle of non-refoulement, which is at the centre of international refugee law?

What will be done to keep under review the widely questioned status of Turkey as a “safe country” to which people can be returned? Is the Defence Secretary aware of the reports from Human Rights Watch describing people being sent from Turkey back to Syria? What impact do the Government think that action will have on the flow of refugees elsewhere? The Secretary of State will, I am sure, be aware that last year 35,000 people came to Europe through Russia. What will be the impact on that land route if the sea route is to be closed down? What will that mean for the deployment of resources elsewhere in the Mediterranean, in particular assisting those travelling from Libya to Italy? The Secretary of State will be aware that the coastguard cutters were deployed on that route last year. Will they be available to help those who get into difficulty on that route, on which there have been many more deaths by drowning than there have been on the route through the Aegean sea?

If this is to be a war against people trafficking, I fear that, as with all wars, there will be innocent victims. The innocent victims, it seems to me, will be those who are desperate enough to undertake the journeys across the Aegean, across the land routes and across other parts of the Mediterranean. Will the Secretary of State assure me and the House that those people will be uppermost in the Government’s consideration?

Michael Fallon: There are, of course, already innocent victims of that people trafficking. Several hundred have drowned this winter, and several thousand drowned last year. It is in all our interests to reduce the number of people who attempt the dangerous crossing. The right hon. Gentleman is right that we have to work at cutting off the supply much further back. We have done that through our contribution to the reconstruction of Syria and our aid programmes in Pakistan and Afghanistan, and much further south in east and west Africa. On the creation of safe routes, I am not convinced that establishing some routes as safer than others will do anything to reduce the flow. On the contrary, we need to increase the capacity of, in particular, the Turkish authorities and the Turkish coastguard to intercept the boats before they set off on that very dangerous crossing.

The right hon. Gentleman asked me specifically about interception. The position is that if a boat in distress can be intercepted in Turkish waters by the Turkish authorities—perhaps alerted by the helicopters that are now deploying from the international force—there is a greater chance that the Turkish coastguard will be able to return that boat to the Turkish side. If such a boat is intercepted in international or Greek waters, it is more likely to be taken to one of the Greek reception points. So far as the effect on the alternative route that opened up last summer from Libya to Italy is concerned, HMS Enterprise is
still on station in the Tyrrhenian sea and only yesterday rescued around 100 people. It is important to begin to establish a policy of return, so that there is less incentive for migrants to attempt those extremely dangerous crossings and less incentive for criminal gangs to make money out of their doing so.

John Redwood (Wokingham) (Con): If it is now established European Union and UK policy that illegal migrants should be returned, why are not the instructions to the personnel on our boats simply to take people back to where they have come from if they do not have legal papers or if they are not genuine asylum seekers?

Michael Fallon: My right hon. Friend the Prime Minister is in Brussels today discussing the entire issue of returns with European Union and other countries that are attending that meeting. It is unlikely that RFA Mounts Bay will be involved in rescuing people from boats in distress. Of course, the law of the sea places that obligation on her, but she will be further off the coast. It is more likely that a helicopter will be able to identify boats closer to shore in immediate distress that can be picked up by the Turkish or the Greek authorities and returned under their law.

Toby Perkins (Chesterfield) (Lab): I am sure that the thoughts and gratitude of the whole House are with the men and women aboard RFA Mounts Bay as they join the NATO deployment in the Aegean sea. Once again, the crisis demonstrates how the British armed forces play a crucial role, not only in securing our domestic security but in contributing to peace and stability across the world.

People trafficking is the world’s second largest form of organised crime, generating billions from the misery and suffering of some of the planet’s most desperate people. There is a real urgency not only to deterring and bringing to justice the people responsible, but also to deterring the victims from undertaking the perilous journey. Although we welcome the role that RFA Mounts Bay will play, it is a small contribution to a gigantic crisis. That may be a reminder of the fact that the Royal Navy’s surface fleet has been reduced by a sixth since 2010.

Does the Secretary of State feel that our naval resources are too stretched to play a larger role in this operation? Does he believe that, rather than protecting UK seas, the three Border Force vessels are in the Aegean because of the reduction in naval capacity caused by the 2010 strategic defence and security review? To that end, what more can he tell us about the ways in which he believes the EU helps us to keep Britons safe?

Michael Fallon: I am grateful to the hon. Gentleman for his comments. Let me reciprocate by sending our good wishes to Captains Layton and the crew of Mounts Bay, the 200 Royal Marines embarked on her and the helicopter squadron accompanying her.

So far as sufficiency is concerned, there are five NATO ships on station at the moment—a German ship, which is the flagship of the group, a Greek ship, a Canadian ship, an Italian ship and a Turkish ship—and ours makes that six ships spread out across the Aegean. Of course, there are 22 other members of NATO, and I hope that they will consider what contribution they can make. Mounts Bay is a substantial ship and, with a helicopter platform, it can contribute significantly to the surveillance, particularly of the middle part of the Aegean. We envisage that Mounts Bay will operate mainly in waters just west of Chios.

In so far as the shipbuilding strategy is relevant, we are developing the strategy in the light of the SDSR, as the hon. Gentleman knows, and we hope to complete it later this year. On his attempt to bring NATO and European Union membership into this, let me make this clear to him: the mission in the sea between Libya and Italy is a European Union mission, because in dealing with the new Libyan Government, it may need the legal authorities that the European Union can add; the group deployed in the Aegean is a NATO mission, because it of course involves a ship of the Turkish navy and is largely dealing with migrants from Turkey, which is a member of NATO. That perfectly illustrates that we need to be members of both NATO and the European Union, and that being members of both gives us the best of both worlds.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I thank my right hon. Friend for his statement and, indeed, the Royal Navy for its commitment to this mission, which demonstrates that we have an important role to play in European defence and security. By making it clear that this is a NATO mission, he underlines the point that NATO provides the security of our continent, not the European Union, as the Government seek to pretend.

Michael Fallon: This is a NATO mission—it was proposed by Germany, which is leading this particular standing maritime group—but the equally important mission in the Tyrrhenian sea, between Sicily and Libya, is a European Union mission. There are other examples of European Union missions—in Bosnia, and off the horn of Africa—that have been equally effective in saving lives.

Brendan O’Hara (Argyll and Bute) (SNP): We welcome the decision by the UK Government to join NATO in trying to tackle the truly awful levels of human trafficking in the Mediterranean. However, we believe that this has to be a two-pronged approach—one that involves stopping the trafficking, but also involves rescuing and resettling the refugees. May I put on the record my thanks to the people of Bute in my constituency, who have shown such support and compassion to the refugees who have arrived in their community, and may I pay tribute to the Scottish Government, who have given our refugees the best possible chance to integrate as fully as possible? As the crisis worsens, the need for the UK Government to commit to take 3,000 unaccompanied vulnerable and
displaced children becomes an ever more urgent priority. Further to that and looking at the bigger picture, when will the Secretary of State update the House, as he promised he would do, on the Government’s military strategy in Syria?

Michael Fallon: On the first point, I welcome the contribution Scotland is making. I am sure that the hon. Gentleman will want to know that some of the Royal Marines on board Mounts Bay are from Arbroath on the east coast of Scotland. I am glad that he welcomes the mission.

On refugees, the hon. Gentleman will know that we have committed to take refugees from the camps in Syria and to take unaccompanied children that the United Nations High Commissioner for Refugees identifies further west in Europe. We have played a leading part in that, as we did in the reconstruction conference on the future of Syria.

So far as military operations in Syria are concerned, we regularly update the information on the Ministry of Defence website. I am very happy to answer any additional questions the hon. Gentleman has.¹

Heidi Allen (South Cambridgeshire) (Con): I welcome the Secretary of State’s statement and the role of the Navy. Many hands do, indeed, make light work. Forgive me for being over-simplistic, but I would like to understand whether our latest offering is purely about moving bodies back to coastlines, or whether it integrates somehow with the resettlement of refugees and the chaos that our European neighbours find themselves in.

Michael Fallon: The primary purpose of the mission is to provide monitoring, surveillance and reconnaissance of the migration route across the Aegean, which will better enable the Turkish and Greek coastguards to intercept the boats and disrupt the business model of the criminal traffickers. When they can intercept the boats in either Turkish or Greek waters, they are better able to rescue those on board before they get too far out to sea in the more dangerous areas.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Obviously, preventing people from risking their lives by making such a dangerous journey is the right thing for the EU and NATO to try to do. However, 13,000 people who have already arrived in Greece are at the Macedonian border in terrible wet, damp and cold conditions, including children with bronchitis. The Secretary of State has said that the British Government will not take any of them. Where does he think those 13,000 people should go?

Michael Fallon: The British Government are taking refugees from Syria, as we have made clear, and some of them have arrived here in the United Kingdom. My right hon. Friend the Prime Minister is urging his European counterparts to get to grips with the problem of those who have arrived inside the Schengen area and to take steps to ensure that they are not shuttled from one fence to the next. Europe has to adopt a more sensible policy.²

Bob Stewart (Beckenham) (Con): May I ask my right hon. Friend about the rules for interception? For instance, what would happen if the people on these makeshift craft refused to get on board a royal naval vessel or, indeed, if the people traffickers opened fire on our sailors or marines?

Michael Fallon: It was certainly our experience last year that migrants in boats that were sinking or in distress very much welcomed the presence of the Royal Navy and were very eager to get on board the ships that we had deployed, because they knew that they would be safe. The traffickers appear to take very great care not to be on the vessels and have them launched by those who are being smuggled. Where they can be identified—this is where the monitoring and surveillance can assist—they can be charged and prosecuted, as they are being in parts of Turkey.

Keith Vaz (Leicester East) (Lab): I welcome this deployment. As the Secretary of State knows, 1 million migrants entered the EU last year, 885,000 of them through Greece. Last week, Europol told us that 90% of those who have entered have come as a result of assistance from criminal gangs. We are in this place because of the failure of the EU, and in particular Frontex, to deal properly with those gangs, and there has been no alternative to the business model that the traffickers are adopting. Does he agree that Turkey is the critical country, and the issue is to stop the boats leaving in the first place? Key to that is giving Turkey the resources that the EU promised—€3 billion—to get it to assist with this difficult problem.

Michael Fallon: I agree with almost all that. It is important that the European Union follows through on its commitment of financial help for Turkey, and we must build up the capacity of the Turkish coastguard. I hope that this deployment will build up a picture of the information and intelligence that the Turkish coastguard needs, so that it can start to intercept vessels before they leave Turkish waters. Those vessels can then be returned to Turkey, and that will be the clearest possible signal to people who are paying large sums of money that the journey will be futile, and they will be discouraged from making it.

Mr Christopher Chope (Christchurch) (Con): Is my right hon. Friend satisfied that Turkey is doing enough at the moment to help? Tens of thousands of plastic dinghies are being imported by Turkey from China to allow this trade to continue, and similarly, phoney lifejackets are being sold in Izmir. Why are the Turkish Government not doing something about that?

Michael Fallon: Of course the Turkish Government can do more, but so can other Governments, such as the Greek Government. There is a lack of capacity in both Greece and Turkey to deal with what is now migration on a substantial scale. We all need to help, and the European Union must get a grip of its migration policy. Turkey will need help, but it must also be more robust in dealing with migration routes. This Government have decided that we too, with the largest Navy in Europe, ought to help where we can.

Mr Kevan Jones (North Durham) (Lab): I welcome this deployment and wish RFA Mounts Bay and her crew all the best. What is the legal status of immigrants if they are picked up by Mounts Bay, and particularly if they claim asylum? We faced that issue when we were in office and there were operations off the coast of Somalia.

Michael Fallon: The legal position is that people cannot claim asylum on board Mounts Bay if it is not in UK territorial waters, so that is not as easy as the hon. Gentleman might think. We are working with other Governments to develop a policy that will ensure that those who are picked up in international waters can be returned to Turkey. At present, those who are picked up in Turkish waters by the Turkish coastguard can be taken back to Turkey, but as I have said, if they are picked up in Greek or international waters—the boundary there is complex and indeed disputed around the islands of the eastern Aegean—at the moment they will be taken to a place of safety in Greece.

Mrs Anne Main (St Albans) (Con): Given that this is an extremely lucrative trade for people smugglers and that, as the Minister says, Turkey does not have the capacity to do this on its own, how can we be sure that this is not a revolving door involving migrants who are being taken back to Turkey, allowed to stay there a while, and then get back on boats again to try their luck several times?

Michael Fallon: The best assurance that I can give my hon. Friend is that we are determined to try to help Turkey to break that business model, by ensuring that those who smuggle and send women or unaccompanied children on insecure boats for what may be a short but still a very dangerous sea crossing, can be identified, charged and prosecuted through the Turkish courts, so that we eventually discourage the flow from the beginning.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): From Mare Nostrum in 2014, which we failed to finance properly, to the Frontex operations, there is a singular lack of strategy and sense of urgency. The deployment of Mounts Bay was actually announced two months ago, and I am not really clear on what it is doing that had not already been previously announced. On a very specific point, may I invite the Secretary of State to put in writing his understanding of the legal position of anybody picked up by Mounts Bay? Frankly, my understanding is closer to that of my hon. Friend the Member for North Durham (Mr Jones) than it is to the position the Secretary of State has just enunciated.

Michael Fallon: The deployment of Mounts Bay was announced late last night following the agreement reached between NATO, Greece and Turkey by the Secretary-General, so the right hon. Lady is not right on that. It is not the aim of Mounts Bay to pick up large numbers of migrants—she will be further offshore than that. As I say, the objective is for her to be able to deploy her helicopter, help the rest of the NATO standing group, the Turkish and Greek coastguards and the Frontex operation to build up a proper picture of where migrants are setting off from and to help them to be intercepted before they get into international waters. I am very happy to write to her about the legal point she raises.

Robert Jenrick (Newark) (Con): When I visited the points of embarkation and arrival, I spoke to migrants and refugees. I found them to be extremely well informed and responsive to clear signals when Governments actually give them. The migrants I spoke to were under the very strong impression that they were extremely unlikely to be turned around in the Mediterranean and returned to Turkey. On the experience of the migrants I spoke to, my right hon. Friend would surely agree it is essential that Europe is brave, intercepts as many crafts as possible and returns them to Turkey. News of that would be heard by migrants, refugees and the people smugglers, and they would take note of it. It is the only sure way to deter the trade.

Michael Fallon: I agree with my hon. Friend. Signals are picked up very quickly and very clearly by large numbers of young men further down the chain in Pakistan, Afghanistan, Iraq and, as we have seen on the Libyan coastline, further south in Africa itself. What has not happened so far is any policy of returns—nobody has actually been sent back. We need to start with those who are intercepted in Turkish waters and send them back to Turkey, so that we start to stem the flow.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): On Friday, I had the pleasure of meeting members of the Oasis Cardiff centre in my constituency and the Cardiff and Vale Sanctuary Support group. They do amazing work in supporting people who have made hazardous journeys in horrendous circumstances. I also met the UN humanitarian co-ordinator, the former Member for Eddisbury, who raised concerns about the widening instability in the Lake Chad region and across the Sahel, which is another driving factor in forcing people to make such hazardous journeys. Is the Secretary of State satisfied that enough global and regional attention is being applied to that instability and those conflicts, as well as to those in Syria and Iraq?

Michael Fallon: The hon. Gentleman is right. When I visited HMS Bulwark last summer just a few weeks after she had begun operations in the Mediterranean, she had already picked up some 20 to 25 different nationalities from east Africa and west Africa. That is why it is important to help to tackle this problem much further back at source, and to do what we can to stabilise the regions, grow their economies and give young men there every incentive to stay and build a life there rather than to set out on these very hazardous journeys. We are contributing substantially to development in Africa, both in the east and the west, and we have latterly announced new peacekeeping missions to South Sudan and to Somalia.

Antoinette Sandbach (Eddisbury) (Con): I welcome this deployment. Does capability exist on the Royal Navy ship to gather evidence—in particular, on the seaworthiness of the boats—and statements from people who are picked up, so they can be used in future prosecutions to tackle the criminal gangs who traffic them?

Michael Fallon: Yes, Mounts Bay and our other units deployed there are well able to gather the information to which my hon. Friend refers. The key is that it be brought together and to the attention of the Turkish authorities
so that they can start to bear down more heavily on these operations, nail the masterminds behind these criminal gangs, get them charged and prosecuted and start to reduce the flow.

Mrs Madeleine Moon (Bridgend) (Lab): I appreciate that Mounts Bay will be on an observation and deterrence mission, but the chances are it will be involved in picking up migrants. What personnel will be there from the Home Office and what training will be given to staff in working with vulnerable, isolated children and vulnerable adults who might well be picked up but whom we do not want returned into the hands of people traffickers?

Michael Fallon: Those deployed on the Border Force cutters have that kind of training, but Mounts Bay is a much larger ship—16,000 tonnes—and will be operating in deeper waters to the west of Chios, so it is less likely, although not impossible, that it will be picking up large numbers of migrants; it is its helicopter that we hope will be identifying boats in distress, much closer to the shore, and working closely with the two respective coastguards.

Mr Steve Baker (Wycombe) (Con): EU Navfor concentrates on Somali piracy but claims in its mandate to provide support to other EU missions. Will the Secretary of State explain why it has not been able to meet this tasking without NATO support and when he expects EU Navfor to expand to the point where it is capable of deploying British naval power without NATO?

Michael Fallon: Maritime standing group 2 operates in the eastern Mediterranean, and so is the logical group to deploy to the Aegean, and happens also to comprise a Greek and a Turkish ship, which is equally important when operating in Aegean waters, as well as a Canadian, a German and an Italian vessel. In this instance, therefore, the NATO group was ideally placed. As my hon. Friend says, however, EU Navfor, commanded from Northwood, is bearing down on piracy in the horn of Africa. It has been a very successful mission, and it is an EU mission because if we are to enable the pirates to be prosecuted in third countries, we need the legal instruments available to the EU that would not, for example, be available to NATO. That is another illustration of how it is useful to be members of both the EU and the alliance.

Andrew Gwynne (Denton and Reddish) (Lab): I welcome the Defence Secretary’s announcement. Does he foresee the need for an additional deployment of Royal Navy ships in the Mediterranean to assist those already there, including the two Border Force cutters? In respect of those two cutters, what assessment has been made of the impact on policing our own waters, which is obviously of equal importance to people living in the UK?

Michael Fallon: We will certainly keep our deployment under review. As I said, we have Mounts Bay now and the three Border Force cutters in the Aegean, as well as HMS Enterprise in the Tyrrhenian sea helping to police the route between Libya and Sicily. We can do that and still fulfil our other standing commitments, to which the hon. Gentleman might be referring, in both the Gulf and home waters. The Border Force cutters have the assistance of military personnel on board, supplementing the Border Force, and Royal Marines to add force protection.

Andrew Bridgen (North West Leicestershire) (Con): Chancellor Merkel’s unilateral and ill-advised announcement that Germany’s borders were open and that everyone was welcome hugely compounded the migration problem by creating a huge pull factor. What assurances has my right hon. Friend had from the German Chancellor that she will not repeat that mistake, and what EU laws allowed her to make a decision in the first place that ultimately caused a lot of misery and cost an awful lot of lives?

Michael Fallon: The German Chancellor is in Brussels today, engaging with my right hon. Friend the Prime Minister in a search for better control of migration policy. So far as the legal basis for what is happening inside Europe at the moment is concerned, it is of course the Schengen area, of which we are not part. We still retain control of our own borders, but that does not absolve us of the humanitarian responsibility to help where we can, and it does not absolve us as one of the larger countries in Europe from continuing to call on European countries to get some grip on the migration crisis.

Tom Brake (Carshalton and Wallington) (LD): With more refugees being sent back to Turkey, I must ask the Secretary of State again the questions posed by my right hon. Friend the Member for Orkney and Shetland (Mr Carmichael): what protection is in place for the refugees going back to Turkey to ensure that they will not be sent back to Syria; and is the Secretary of State confident that Turkey is a country to which refugees can be safely returned?

Michael Fallon: We certainly abide by our international obligations under the refugee convention, which means that we could not return any individual to a country where they might be in danger of persecution or inhuman treatment. That is why, as I said, those picked up in international waters or in Greek waters will not be returned to Turkey in the first instance. There are discussions going on with the Turkish Government to be sure that anyone who is returned to Turkey from outside Turkish waters can be dealt with safely.

Mr Robin Walker (Worcester) (Con): In associating myself with the tributes paid to the Royal Navy, the Royal Marines and Border Force personnel, does the Secretary of State agree that it is not just they who we should thank, but their loved ones and families whom they leave at home and who want the separation to be as short as possible? What further support can we provide on the intelligence and policing front to go after the linchpins of these criminal gangs that prey on human weakness and people’s desperation?

Michael Fallon: My hon. Friend is right to draw the House’s attention to the hidden heroes—the families who stand behind our servicemen and women and who cannot know, of course, because it is the nature of service life, when unexpected deployments are likely to
arise. Quite often, they will not know just how long they are expected to last. On my hon. Friend’s point about intelligence, there is increasing co-operation on counter-terrorism and intelligence-sharing with the authorities in Turkey, Turkey itself has been subject to terrorist attacks from Daesh, and has every interest in co-operating with us.

Christopher Pincher (Tamworth) (Con): My right hon. Friend has fielded many questions on the terrible situation off the coast of Turkey in the Aegean, but it has also been pointed out that there is a migration challenge from north Africa across the Mediterranean. Will he say what steps the Italian naval forces and coastguard are taking to enhance their ability to intercept refugee boats?

Michael Fallon: My hon. Friend is right to draw our attention to the other route, which opened up significantly last summer and is beginning to open up again as the seas moderate. It is a longer route and a much more dangerous one. In answer to his specific point, the Italians are bearing the brunt of the naval effort south of Sicily. They have the most ships there and they are committed to continuing to develop the reception centres and the processing of the migrants that are rescued and taken to Sicily.

Jason McCartney (Colne Valley) (Con): Does my right hon. Friend agree that this Royal Navy deployment shows the importance of the Type 26 global combat ship programme, not least because these frigates will have the flexibility to embark a Chinook, for example, and play a really important role in future humanitarian efforts—not least, of course, because David Brown Gear Systems in Lockwood in my constituency, which my right hon. Friend has visited, is in the supply chain?

Michael Fallon: I recall my visit to David Brown and seeing the gearing systems already being designed and produced. My hon. Friend is right about the usefulness of the forthcoming Type 26 frigates. What is important above all in this particular operation, of course, is the ability of the ship to carry a helicopter, and that is what Mounts Bay will bring. However, I note my hon. Friend’s point about the future development of the Type 26 design.

Wendy Morton (Aldridge-Brownhills) (Con): I recently spent a day at sea with HMS Portland as part of the armed forces parliamentary scheme to learn more about the crucial work of the Royal Navy and the excellent work of our armed forces. Will my right hon. Friend outline the work and the role of the Royal Navy to date in helping to tackle the migration crisis?

Michael Fallon: The Royal Navy has been engaged in the Libyan route. Last summer, HMS Bulwark was first on the scene, and it has rescued several thousand migrants, whom it has helped to be resettled in Italy. HMS Enterprise is on station there now, continuing that task, and she rescued about 100 migrants yesterday. As I said earlier, Mounts Bay is on station west of Chios in the Aegean. I imagine that it will not be too long before her helicopter is involved in physically saving lives, as the Royal Navy has already done and has done down the centuries.

Alex Chalk (Cheltenham) (Con): The Royal Navy deployment that was announced today will turn up the heat on the traffickers and help to keep migrants and asylum seekers safe. Does not our ability to take these steps, alongside our other commitments, underscore why it is right to increase defence spending for each year of this Parliament?

Michael Fallon: Yes, it does. The Royal Navy itself is the biggest beneficiary of the increase in defence spending that my right hon. Friend the Chancellor announced in his July Budget, and of which we gave more details in the strategic defence review. Defence expenditure will start to rise again in three weeks, for the first time for six years, and will continue to rise in every year of the current Parliament. That is because we are putting the public finances that we inherited in order, and because we are running a strong economy.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Thousands of stranded refugees are currently in Idomeni, a small village on the Greek border with Macedonia, waiting the decision at the EU summit that could determine their fate. It has just been reported that a young boy has been killed after being accidentally electrocuted at the camp. Does the Secretary of State accept that the human cost of this crisis is too high, and that it is clear that much more needs to be done to tackle the problem than simply deploying ships to the Aegean?

Michael Fallon: Lives have been lost already. Thousands drowned in the Mediterranean last year, and several hundred drowned this winter. However, I hope that the hon. Lady would not decry the contribution that we are making. The Royal Navy saved lives last year, and it will be saving lives this year through the operation that was announced today.

Mr Speaker: Let us hear from a cerebral inquisitor.

Mr Speaker: Yes—Mr Jacob Rees-Mogg.

Mr Jacob Rees-Mogg (North East Somerset) (Con): I thank my right hon. Friend for his characteristic courtesy in coming to the House in person to answer the urgent question. Is this not a very interesting case study of the difference between the European Union and NATO? NATO manages to get on and save lives in a problematic situation for which the EU must take at least a large share of the blame, and which has been exacerbated by the consequences of Chancellor Merkel’s decision. While NATO is there, actively doing things, the best—the most mealy-mouthed meeting of murmuring Ministers—that can be provided by the European Union does nothing.

Michael Fallon: My hon. Friend’s views on this matter are fairly well known, and I have to tell him that, sadly, I do not entirely share them. To me it does not really matter; in the end, under whose auspices this mission is organised. The European Union mission is in the sea between Libya and Italy; this happens to be a NATO mission. What is most important, I think, is that the mission takes place and we become involved in saving lives, whatever the auspices under which the mission happens to be organised.
Mr David Nuttall (Bury North) (Con): Does my right hon. Friend agree that the fact that NATO has had to be called upon to protect the Greek border is further evidence that the European Union is incapable of securing its own borders? Does he also agree that people would be well advised to bear that in mind when they vote in the referendum on 23 June?

Michael Fallon: My hon. Friend and I might not agree on everything that people should have to bear in mind when it comes to the referendum. Both Greece and Turkey are members of NATO, and that is why I think that this mission has a greater chance of success under NATO’s auspices. I hope that other countries will join the mission and, despite what my hon. Friend said earlier, I hope that there will be a successful outcome to the discussions in Brussels today and that the European Union will rise to the challenge of coping with what is a quite extraordinary migration crisis.

Kevin Foster (Torbay) (Con): Over the past few months, I have met marines and servicemen and women on the ships that have been involved in these rescues, and some of their tales have been absolutely heartbreakingly. It is welcome that they are bringing their professionalism to this deployment. Does the Secretary of State agree that if we are to smash the business model that these criminal gangs profit from, it is vital to break the link between being smuggled to Europe in dangerous unseaworthy boats and being resettled?

Michael Fallon: I absolutely agree with that. There are clearly people smugglers in Turkey who are making huge amounts of money from this operation and have no care at all about whether those whom they push off in those unstable boats will make it safely to the Greek islands. The sooner we can start to disrupt that evil trade, the better.

Point of Order

4.21 pm

Ian Austin (Dudley North) (Lab): On a point of order, Mr Speaker. Last week, NHS England announced its Healthy New Towns programme. I was interested in that because seven of the 10 towns involved are in the south, none is in the midlands and, despite the links between poverty and ill health, eight are in Conservative constituencies. I wanted to find out whether organisations in the west midlands had submitted bids, and if not, why not. I asked NHS England for that information, but it refused to give me a list of those who had submitted bids to the programme. It also refused to tell me the basis on which the bids had been allocated, saying that this contained commercially sensitive information, even though all I wanted to know was the geographical areas from which bids had been received, rather than the names of the bidders themselves. I tabled four named-day parliamentary questions to the Department of Health and got the same ridiculous, contemptuous reply to each of them:

“The Department does not hold information on the applications to the Healthy New Towns programme.”

Frankly, that is unbelievable; I do not think that any sensible person could believe that answer for a minute.

First, Mr Speaker, is it in order for the Department to provide such incredible answers? Secondly, why are the Department of Health and its Ministers now routinely refusing to answer questions about lots of different NHS issues, claiming that they are the responsibility of NHS England and nothing to do with the Department itself? Is it in order for Ministers to provide such utterly contemptuous responses to Members’ questions, and for Government Departments and public bodies to refuse to provide this basic information?

Mr Speaker: Order. I am grateful to the hon. Gentleman for his point of order. As he knows, the Chair is not responsible for the content of ministerial answers, although there is a general understanding in this place that Ministers’ answers should be both timely and substantive. If he is dissatisfied with the paucity or the emptiness of the replies that he receives, or if he judges, simply as a matter of fact, that he has received no answer at all, the best recourse available to him is to approach the Procedure Committee, of which, as Chairman, the hon. Member for Broxbourne (Mr Walker) is a distinguished ornament, and who, happily, whether by serendipity or contrivance, is present in the Chamber to hear that point of order. I trust that any exchange between them, whether in conversation or correspondence, will be fruitful.

The only other observation that I would make to the hon. Member for Dudley North (Ian Austin) is that he and I were at university together more than 30 years ago and he was a very persistent woodpecker then. Nothing that has happened in the intervening three decades has caused me to revise my opinion on that, so if people feel that they can just go on ignoring him, they are probably in for something of a rude shock, because he does not give up—he tends to go on and on and, if necessary, on. I hope that the hon. Gentleman’s palate has been satisfied, at least for today.
Policing and Crime Bill

Second Reading

4.25 pm

The Secretary of State for the Home Department (Mrs Theresa May): I beg to move, That the Bill be now read a Second time.

As hon. Members of this House are aware, since 2010 the Government have implemented the most radical programme of police reform in decades. That programme is bringing about real and substantial change, and has made policing more accountable, more efficient and more effective. At the same time, we have ensured that policing plays its part in helping to get this country’s finances back on track. We reduced police budgets, saving £1.5 billion in cash terms from 2010-11 to 2015-16, and crime has fallen. Today, crime is down by more than a quarter since 2010, according to the independent crime survey for England and Wales.

However, the task of police reform is not yet finished. Last autumn, through the spending review, we protected police spending in real terms over the course of this Parliament, once the local precept is taken into account. But no one should be under the illusion that this settlement allows police forces to ease off on the throttle of reform. Over the course of this Parliament we must continue to apply the lessons of the past five and a half years and ensure that policing can respond not just to the challenges of today, but to the challenges of tomorrow, too.

Crime has fallen, but it is still too high. The public rightly expect the highest standards of integrity and professionalism from the police. The challenges ahead are complex and difficult: the growing threat from terrorism; the changing menace of serious and organised crime, fraud and cybercrime; and the increasing role technology plays in crime. We are also seeing increasing numbers of people having the confidence to come forward to report child sexual abuse and other crimes such as domestic abuse and sexual violence.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Home Secretary was talking a moment ago about cybercrime and the changing nature of crime. She makes claims about crime numbers falling, but does she not accept that in fact crime is changing? I have here answers from the Home Office stating that it is dealing with 1,000 cases a week of terrorism-related material, 70% of which is from Daesh. There are huge changes in the types of extremist activities online. Does she accept that crime is changing and might not be falling?

Mrs May: I say to the hon. Gentleman that the figures from the independent crime survey show that crime has fallen by more than a quarter since 2010. Crime is indeed changing. That is precisely why we have set up the National Cyber Crime Unit inside the new National Crime Agency, which was formed over the past five and a half years. He cites a figure of 1,000 pieces of internet material, but that is a slightly different issue; it refers to the number of pieces of material on the internet that are now being taken down on average every week by the counter-terrorism internet referral unit. Members of the public and others are able to refer pieces of material to the police, and we have a very good relationship there, with the police working with the companies to take that material down. He rightly says that the quantity of the material that is being taken down, a lot of which will relate to Daesh, is significant. That is one of the reasons why we have not only worked to have the CTIRU here in the UK, but have worked with our European partners to ensure that at Europol a comparable European body has been set up, and it is also working to take down terrorist and extremist material from the internet.

Huw Irranca-Davies (Ogmore) (Lab): The Secretary of State mentioned the exploitation of teenagers, and I am sure she is aware of the Children’s Society’s “ Seriously Awkward” campaign. Several constituents have written to me about this asking whether I could raise the issue of whether there is scope within this Bill to address teenage sexual exploitation, particularly that of 16 and 17-year-olds, and the use of drugs and alcohol. They specifically ask for more powers for the police to intervene to stop the sexual exploitation of vulnerable 16 and 17-year-olds through drugs, through drink, and through coercion and grooming, and for a new offence to be brought forward to deal with those who use drugs and alcohol. Does she think that is a possibility?

Mrs May: The hon. Gentleman mentions the serious matter of the exploitation of those who are perhaps above the age of consent, which therefore raises different issues for the police and for the policing of those crimes. However, the police do have the powers to deal with that today, but I am sure that the issue will be raised during the course of debate on this Bill. It is right to point out that, when we talk about sexual exploitation, it is not just younger children who are potentially subject to it, but teenagers of the age to which he refers.

If policing is successfully to meet the challenges that it faces over the next five years, we must continue to reform it to drive efficiency, new capability, and higher levels of professionalism and integrity. This Bill is directed towards those ends.

Let me turn now to the provisions in the Bill. Many in this House will know of excellent examples of collaboration between the emergency services in different parts of the country. Although each of the emergency services has its own primary set of responsibilities, there is clearly scope to unlock the benefits that can be derived from closer working, including reducing costs. For example, in Cheshire, the police and the fire and rescue service are integrating most of their back-office functions and establishing a single, shared headquarters by April 2018, delivering estimated savings of nearly £1.5 million a year and improving the quality of service to the public.

Andrew Gwyne (Denton and Reddish) (Lab): Will the Home Secretary also urge some joined-up thinking on her ministerial colleagues, because there are some huge opportunities as a result of the devolution agenda? In places such as Greater Manchester, for example, where the boundaries of the police and crime commissioner, the mayor and the fire authority are coterminous, there is an opportunity to join up the services as a single unit. In other devolved areas, there is not that coterminosity, which then deprives them of the same type of shared services.

Mrs May: First, the hon. Gentleman is right about Greater Manchester. Obviously, it has taken a number of steps in that direction. The fire and rescue service has signed an agreement to work with North West Ambulance Service so that it can respond to cardiac arrest cases in...
the region. The critical risk intervention team in Greater Manchester brings police, fire and rescue and ambulance services together, showing in a very real sense how, on the ground, this collaboration can be very effective and bring a better service for people.

The hon. Gentleman is right that the coterminosity issue is a factor in some of these devolution deals. I am very clear that police and crime commissioners should be involved in discussions about devolution deals as they go ahead, but what we are doing in the Bill is enabling police and crime commissioners to have that collaboration with fire and rescue services—but bottom up, so that local areas will determine what suits them in their local area. The benefits that we have seen in areas such as Great Manchester can be brought to other parts of the country. There are other examples. Hampshire, Northamptonshire and many other places are also looking to put that collaboration into practice under the leadership of police and crime commissioners.

Steve Brine (Winchester) (Con): I am grateful to the Home Secretary for mentioning Hampshire before I did. I know that she is looking for reform to continue and for collaboration between the emergency services. I am sure that she is aware of the H3 project in Hampshire between the county council, the constabulary and the fire and rescue service, which is a genuine trailblazer in this area. The partners in that collaboration are already delivering savings of 20%, so is Hampshire not the apple of her eye as she embarks on this Bill?

James Cleverly (Braintree) (Con): Go on, make his day.

Mrs May: I am tempted to do that. I should perhaps respond that my hon. Friend the Member for Winchester (Steve Brine) is the apple of my eye when he stands up and makes such a point about Hampshire. [Interruption.] Well, I have to say to my hon. Friend the Member for Braintree (James Cleverly) that he has not yet put into practice what he said he wished to do.

Hampshire is a very good example of the collaboration that can work. The Minister for Policing, Crime and Criminal Justice has visited Hampshire. He has seen Winchester fire and rescue service and the police station. These are all innovative ideas that provide a better service to people. I commend Hampshire and other parts of the country where they are putting this collaboration into practice.

David Warburton (Somerton and Frome) (Con): Does my right hon. Friend agree that collaboration and co-operation are very important when an incident occurs? During and after the Somerset floods, many of my constituents wrote to me and spoke to me about the importance of the emergency services working in tandem. That is the best way to ensure that the most vulnerable in each community get the help they need.

Mrs May: My hon. Friend makes a very important point. When an incident takes place, the three emergency services will often be called and will have to work together. That is why the Government did a great deal of work under JESIP, the joint emergency services interoperability programme, to look at improving how the three services work together—the protocols, the language that is used and the command structures that can be put in place—so that, as my hon. Friend says, they also work together on their emergency response.

The national picture remains patchy. Collaboration should be the rule, not the exception. That is why, as I have said, part 1 of the Bill places an overarching duty on the three emergency services to collaborate. It will help to drive close working across the country when that would improve efficiency or effectiveness. In the case of police forces and fire and rescue services in particular, I believe that there is a compelling case for taking such collaboration agreements a step further. To facilitate enhanced collaboration and strengthen democratic oversight, part 1 provides a framework for police and crime commissioners to take responsibility for delivering foreign rescue services by local agreement.

Jake Berry (Rossendale and Darwen) (Con): I am sure that my right hon. Friend would accept that one of the most challenging parts of our country in which to deliver police services is, of course, Northern Ireland. I am sure that she is aware of the fantastic steps that have been taken in Northern Ireland to share training for the police and the fire authority and the huge savings that that has delivered. Could we not learn something in this House from Northern Ireland’s contribution to training?

Mrs May: My hon. Friend makes an important point. Of course, we must recognise that there are particular policing challenges for the Police Service of Northern Ireland, but it is right that the police and the fire and rescue service train together there, and that is a very good example.

To return to the intervention made by my hon. Friend the Member for Somerton and Frome (David Warburton) about the emergency services coming together to deal with the flooding in Somerset, training together can help that emergency collaboration when an incident takes place. Over the past three and a half years PCCs have proved the value of having a single democratically elected figure by providing visible leadership, proper local accountability and real local scrutiny of how chief constables and their forces perform while driving reform and innovation and finding efficiencies to ensure value for money for the taxpayer. In nine weeks’ time, voters up and down the country will be able to hold PCCs to account for their performance and judge new candidates on their proposals in the most powerful way possible, through the ballot box. I believe that it is now time to extend the benefits of the PCC model of governance to the fire service when it would be in the interests of economy, efficiency and effectiveness, or public safety to do so.

Keith Vaz (Leicester East) (Lab): There is no doubt that as Home Secretary, the right hon. Lady has altered for ever the landscape of policing in our country. PCCs are an example of that. Does she share my concern about the number of candidates applying for jobs as chief constables? In the case of half of the chief constable posts advertised in the country in the past couple of years, only one candidate has come forward for each job. In the West Midlands, Cambridgeshire and the Home Secretary’s own area of Thames Valley, the deputy has got the top job. They are all excellent candidates, but is it not a worry that so few people are applying at that very high level?
Mrs May: The right hon. Gentleman is right to raise that issue. It is a matter that I have discussed with the College of Policing in the context of its leadership work and with Sara Thornton of the National Police Chiefs’ Council. It is not new to have a small number of people applying for chief constable posts. That is one of the things that happens in policing: people tend to work out who they think will get a job and often do not apply if they think that somebody else will almost certainly get it. That has been the practice over the years, but we have seen a number of cases in which there have been single applicants, which is a cause for concern. That is why I have been discussing the matter with bodies responsible for considering leadership in policing to see whether steps can be taken to change that.

Ian Austin (Dudley North) (Lab): Will the Home Secretary give way?

Mrs May: I will give way one further time, then I will make some progress.

Ian Austin: We in the West Midlands are delighted with the appointment of our new chief constable, Dave Thompson, who we think will do a remarkable job, but can the Home Secretary explain to me why he and his colleagues have had to deal with that police force losing 25% of its budget, compared to Surrey, which has lost just 10% or 12%?

Mrs May: May I, too, commend Chief Constable Dave Thompson in the West Midlands? I and the Under-Secretary of State for the Home Department, my hon. Friend the Member for Staffordshire Moorlands (Karen Bradley), were aware of the work that he did in relation to gangs, which he was doing with the Home Office for a number of years. Once again, the Labour party seems incapable of recognising the settlement that has been given for policing over the next four years, and the fact that we have given that stability to police financing over the next few years.

I return to the topic of collaboration between the emergency services. Where a local case is made, the Bill will enable a PCC to take this one step further by integrating the senior management teams of the police force and the fire and rescue service under a single chief officer. This single employer model will allow the rapid consolidation of back-office functions without the complexities of negotiating collaboration agreements between the PCC, the chief constable and one or more fire and rescue authorities. I should stress that under these reforms police officers and firefighters will remain distinct and separate, as set out in law, albeit supported by increasingly integrated HR, ICT, finance, procurement, fleet management and other support services.

In London, we intend to strengthen democratic accountability by abolishing the London Fire and Emergency Planning Authority and bringing the London fire brigade, managed by the London fire commissioner, under the direct responsibility of the Mayor.

Kit Malthouse (North West Hampshire) (Con): Hear, hear.

Mrs May: These reforms to the arrangements in London are supported by all the key bodies, including the authority itself.

The vast majority of police officers and police staff discharge their duties with integrity and professionalism, upholding the best traditions of policing in this country. But where the actions of a minority fall short of the high standards that the public are entitled to expect, there need to be arrangements in place so that the conduct in question can be properly looked into and the matter resolved in a timely and proportionate manner.

In the previous Parliament we took steps to improve standards of police integrity and to strengthen the police disciplinary system. Disciplinary hearings are now held in public and overseen by an independent legally qualified chair. Police officers who are dismissed now have their name held on a “struck off” register so that they cannot join another force. Where corruption is involved, officers can for the first time be prosecuted for a specific offence of police corruption, and the Independent Police Complaints Commission is being beefed up to take on all serious and sensitive cases.

However, there are still significant shortcomings in the current system: indeed, almost three quarters of people complaining to the police are not satisfied with how their complaint is handled. The current arrangements are seen by the police and the public alike as being too complex, too adversarial, too drawn out and lacking sufficient independence from the police. So the provisions in part 2 will build on the reforms that we have already introduced and make the police complaints and discipline systems simpler, more transparent and more robust.

John Woodcock (Barrow and Furness) (Lab/Co-op): I appreciate the Home Secretary giving way. Is she as concerned as I am about the length of delay in the disciplinary process and transparency about the failings in relation to Poppi Worthington’s death in Cumbria? What will the Bill do to speed up the process and increase transparency in such circumstances?

Mrs May: The hon. Gentleman is right to raise a case about which many people were deeply concerned to see what had happened and how it was handled. I understand that there is an issue for the IPCC in relation to a possible inquest, and the interaction between the IPCC and the inquest. These are challenges that we need to consider very carefully to ensure that the proper process can take place in a timely fashion, and that people do not find that these processes appear to be dragged out for a significant time. There are genuine issues sometimes in relation to inquests and IPCC investigations that have to be properly dealt with and addressed, but I know that everybody was concerned about the appalling case that the hon. Gentleman referred to, and he is right to raise it, as I know he has done previously in this House.

Part 2 builds on the reforms in relation to police complaints and disciplinary systems, and the changes will ensure we can strip away much of the system’s restrictive bureaucracy, remove the opaque categorisation for handling complaints and streamline the complex appeals process by replacing the existing five avenues of appeal with a single review of the outcome of the complaint.

The Bill will give a new duty to make complaints in a reasonable and proportionate manner, while also having greater flexibility in how they meet that duty. We are also injecting greater independence into the system
by strengthening PCCs’ oversight role and making them the appellate body for those appeals currently heard by chief constables. It will also be open to PCCs to take on responsibility for other aspects of the complaints-handling process, including the recording of complaints and keeping complainants informed of progress.

The Bill will create a system of “super-complaints”. These are complaints that can be brought by a designated organisation, such as a charity or advocacy body, on a particular issue, which might relate, for example, to a pattern of policing that could undermine legitimacy. This will enable national or cross-force issues to be examined by the inspectorate, the IPCC or the College of Policing, as appropriate.

Part 2 strengthens the protections for police whistleblowers by enabling their concerns to be investigated by the IPCC, while protecting their identity so that they have the confidence to come forward without fear of jeopardising their own careers. It also enhances public confidence in the police disciplinary system, including by ensuring that disciplinary action can continue against officers after they have resigned or retired, and by placing the police “struck off” list on a statutory footing to ensure that no one dismissed from one police force can be re-employed by another. Taken together, these reforms represent a fundamental overhaul of the police complaints and disciplinary systems.

In addition, part 2 includes provisions to increase the powers and independence of the IPCC. However, we also need to ensure that the body charged with overseeing the system as a whole is itself organised in such a way as to best equip it to efficiently and effectively discharge its enhanced role.

Following an independent review by Sheila Drew Smith and our recent consultation on changes to the governance of the IPCC, I have concluded that the existing commission model, with commissioners having operational responsibilities, is no longer suitable to oversee the expanding organisation in the new system. At a time when the IPCC is growing as an organisation, such as a charity or advocacy body, on a particular issue, which might relate, for example, to a pattern of policing that could undermine legitimacy, the reformed organisation will be headed by a director general, appointed by Her Majesty the Queen. The director general will have ultimate responsibility for individual case working decisions, including in respect of the investigation of the most serious and sensitive allegations involving the police. Corporate governance will be provided by a board comprising a majority of non-executive directors, appointed by the Home Secretary, which will have oversight of the overall running of the organisation. It follows that as, under the new governance model, there will be no commissioners, we cannot continue with the name “Independent Police Complaints Commission”. The reformed organisation will instead be known as the Office for Police Conduct.

I should add that the IPCC is supportive of the need for reform, and I am grateful for the input and co-operation of the current chair and chief executive during the development of these proposals.
I am committed to ensuring that the police have the powers they need to protect the public and to prevent, detect and investigate criminal offences, but we should continue to keep the coercive powers of the state under regular review to ensure that the rights of the individual are properly balanced against the need to keep our communities safe.

Mrs May: If I may, I will make a little more progress on this issue. In two instances—pre-charge bail and detention under the Mental Health Act 1983—we need to take action to ensure we get the balance right. Part 4 therefore contains a number of important reforms to police powers. In the case of pre-charge bail, it is apparent that a significant number of individuals have spent an inordinate amount of time on bail only to end up not being charged or, if charged, found not guilty. Of course, the police and prosecution need time to assemble and test the evidence, particularly in complex cases, before coming to a charging decision, but we need to recognise the stress caused when people are under investigation for prolonged periods, and the disruption to their lives where they are subject to onerous bail conditions.

Mrs May: The hon. Lady raises an interesting point. However, it is possible that the age of the individual can be used as an aggravating factor in relation to dealing with the offence, so it can be taken into account in the case of somebody who is 16 or 17.

Before coming specifically to the issue of mental health, I will deal with the bail proposals. To address the legitimate concerns that have been raised about the current arrangements, the Bill introduces a number of safeguards. First, it creates a presumption that a suspect will be released without bail conditions attached. Secondly, where it is necessary and proportionate to release on bail, this would normally last no longer than 28 days. Thirdly, if this initial period needs to be extended, it can be extended only up to three months on the authority of a superintendent, and any subsequent extension, for a maximum of three months at a time, must be authorised by a magistrates court. The Bill provides for a special procedure in complex cases, such as those investigated by the Serious Fraud Office, but the requirement that prolonged periods of pre-charge bail, and any conditions attached to that bail, are subject to judicial approval is clearly established in primary legislation.

The Government are committed to ensuring better outcomes for people with mental health problems. Those experiencing a mental health crisis and who present a danger to themselves or to others need rapid support and care from mental health professionals. They do not need locking up in a police cell for up to 72 hours.

Over the past couple of years, significant strides have been made in reducing the instances where police cells are used as places of safety, but we must do more. The amendments to the Mental Health Act 1983 will ensure that police cells can never be used as a place of safety for children and young people under 18, and that they are used only in genuinely exceptional circumstances in the case of adults.

Mr Charles Walker (Bromsgrove) (Con): I thank my right hon. Friend for all the work she has done with Black Mental Health UK in previous years. Will she meet Black Mental Health UK, Rethink Mental Illness, Mind and other interested parties to discuss their continuing concerns about sections 135 and 136 of the Mental Health Act? They all accept that the Home Secretary has made some fantastic strides in the Bill.

Mrs May: My hon. Friend, who has a fine record of campaigning on these issues, is right to raise that point. The organisations he mentions meet Ministers regularly through the crisis care concordat, but I am happy to look at their concerns. I hope that the Bill will go some way to dealing with some of the concerns that he has raised. Nonetheless, notwithstanding the work we have done over the past few years in improving the police response to people who are at a point of mental health crisis.

Mr Kevan Jones: I welcome some of the mental health changes being outlined by the Home Secretary, but there is an omission in relation to advocacy. Those individuals detained under sections 135 and 136 are not automatically allowed to have advocates. Will she look at that, because I think it would certainly strengthen some of the Bill’s reforms?

Mrs May: The hon. Gentleman makes an interesting point. Obviously, what we are trying to do through the Bill, the street triage pilots and the extra mental health provision in various parts of the country is to reduce the need for advocacy by reducing the amount of time people can spend in a police cell. Indeed, the Bill also reduces the maximum period of detention for the purposes of mental health assessment under sections 135 or 136 from 72 hours to 24 hours, with the possibility of an extension to 36 hours if a medical practitioner decides that it is clinically necessary. In parallel with those legislative changes, the Department of Health is making up to £15 million available in the coming year to improve the provision of health-based places of safety.

Dr Sarah Wollaston (Totnes) (Con): Will the Home Secretary join me in commending Devon and Cornwall police, who, through careful joint working, have made great strides in reducing the use of cells under section 136 over the past year? Does she agree that police forces also need to collect data on how long people are being detained in police vans? We do not want police cells to be substituted by police vans.

Mrs May: My hon. Friend raises an important point. Whenever we legislate, we have to consider the possible unintended consequences. Of course, the whole point of the street triage pilots and the availability of advice from mental healthcare professionals to the police is to ensure that somebody can be taken to a place of safety, not a police cell. A van is not an appropriate place to
hold people, either. My hon. Friend is certainly right that we should look at the issues to make sure that we are not inadvertently creating another problem.

Steve Brine: Will the Home Secretary give way?

Mrs May: Despite what I said earlier, I apologise to my hon. Friend, but I need to make some progress. [Interruption.] The fickleness of woman!

Let me turn to the question of firearms. This coming Sunday will mark 20 years since the appalling murder of 16 children and a teacher at Dunblane Primary School. I am sure the whole House will want to join me in sending our deepest sympathies to those who lost loved ones and to the survivors of that terrible day. We are also reminded of the importance of firearms legislation in helping to prevent such events from happening again.

In this country, we have some of the toughest firearms controls in the world. It is no coincidence that the number of homicides and other crimes involving firearms is relatively low, but we must remain vigilant. Where there is clear evidence of loopholes in the law that can be exploited by terrorists and criminals, we must act to plug the gaps. The provisions in part 6 are directed towards that end.

After extensive consultation, the Law Commission has made a number of carefully considered recommendations for tightening up the firearms Acts. It is simply no longer sustainable, for example, to have uncertainty around what constitutes an antique firearm. The Bill therefore defines that and other terms so that it is clear when firearms, and their component parts, are subject to the controls under the firearms Acts. We are also introducing statutory guidance for police forces on the exercise of their licensing functions under the firearms Acts. That will ensure that the law is consistently applied and all appropriate checks are undertaken when considering someone’s suitability to hold a firearm or shotgun certificate.

Finally, part 8 strengthens the enforcement of financial sanctions, which are important foreign policy and national security tools. The effective implementation and enforcement of financial sanctions are vital to their success. To this end, the Bill increases from two to seven years’ imprisonment the maximum sentence that can be imposed following a criminal conviction for a breach offence, introduces new civil monetary penalties and extends the availability of deferred prosecution agreements and serious crime prevention orders.

Ann Coffey: Will the Secretary of State give way?

Mrs May: If the hon. Lady will excuse me, I am virtually on my last sentence. The Bill therefore defines that and other terms so that it is clear when firearms, and their component parts, are subject to the controls under the firearms Acts. We are also introducing statutory guidance for police forces on the exercise of their licensing functions under the firearms Acts. That will ensure that the law is consistently applied and all appropriate checks are undertaken when considering someone’s suitability to hold a firearm or shotgun certificate.

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Ann Coffey: Will the Secretary of State give way?

Mrs May: If the hon. Lady will excuse me, I am virtually at the end of my speech, and I wish to finish.

Part 8 also introduces a mechanism to ensure that UN-mandated sanctions can be implemented without delay to minimise the opportunities for the dissipation of assets before new sanctions regimes come into force, and to help the UK comply with its international obligations.

Andy Burnham (Leigh) (Lab): The Opposition welcome most of the measures in the Bill. Indeed, we have led calls for some of them over many years. In the last Parliament, I am proud to say that the shadow Health team, and in particular my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger), raised public awareness of the growing practice of holding in police cells people who are in mental health crisis. We congratulate the Home Secretary on acting to outlaw that practice, and she will have our full support in doing so.

The Home Secretary will also have our full support on measures in the Bill to do with firearms, as she has just explained, alcohol licensing and child sexual exploitation. However, I urge the Government to read what my hon. Friend the Member for Rotherham (Sarah Champion) has said about the action plan that was published a year ago. She pointed out that there has not been sufficient progress on a number of points within it. I encourage the Government to take action quickly. In other areas, such as the reform of police complaints, accountability and police bail, we have long called for change and, encouragingly, there now appears to be consensus for it. However, we do not think that the Government have gone far enough. As I will come on to explain, we will press for changes in those areas to strengthen the Bill.

Andy Burnham: I am grateful to the Secretary of State for giving way, and I appreciate that she is coming to a close. She began her speech by saying that crime had fallen, and it is important that we have clarity on that point. I draw her attention to an exchange between the Policing Minister and my hon. Friend the Member for Rotherham (Sarah Champion) last week. My hon. Friend asked the Minister whether crime would spike when online crime was added to the statistics. The Minister said:

“The National Audit Office suggested that that would be the case, and we have to accept that.”—[Official Report, 1 March 2016, Vol. 606, c. 917.]

Was the Minister right to say that, and will crime go up when those figures are added?

Mrs May: The statement that I made about crime falling is based on the independent crime survey of England and Wales. That shows clearly that crime has fallen since 2010 by more than a quarter. What we are now doing is recognising that certain types of crime have not been fully recorded in the past. Cybercrime did not suddenly start in May 2015. Cybercrime and fraud took place under the last Labour Government as well as under subsequent Governments. We are now recording those figures and ensuring that they are available to the public. I welcome the fact that we are being open with people about different sorts of crimes that have been committed in the past but were hidden under the last Labour Government.

Ann Coffey: Will the Secretary of State give way?

Mrs May: I am virtually on my last sentence. The Bill will continue the Government’s commitment to reform public services, not for the sake of it but to deliver more responsive, accountable police forces that continue to cut crime and keep our communities safe. I commend the Bill to the House.

5.3 pm

Andy Burnham (Leigh) (Lab): The Opposition welcome most of the measures in the Bill. Indeed, we have led calls for some of them over many years. In the last Parliament, I am proud to say that the shadow Health team, and in particular my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger), raised public awareness of the growing practice of holding in police cells people who are in mental health crisis. We congratulate the Home Secretary on acting to outlaw that practice, and she will have our full support in doing so.

The Home Secretary will also have our full support on measures in the Bill to do with firearms, as she has just explained, alcohol licensing and child sexual exploitation. However, I urge the Government to read what my hon. Friend the Member for Rotherham (Sarah Champion) has said about the action plan that was published a year ago. She pointed out that there has not been sufficient progress on a number of points within it. I encourage the Government to take action quickly. In other areas, such as the reform of police complaints, accountability and police bail, we have long called for change and, encouragingly, there now appears to be consensus for it. However, we do not think that the Government have gone far enough. As I will come on to explain, we will press for changes in those areas to strengthen the Bill.
**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): On the theme of changes, Labour’s First Minister of Wales has today aligned with Plaid Cymru in calling for policing to be devolved, so will the right hon. Gentleman assure me that his party will support Carwyn Jones and will table amendments to devolve policing to Wales?

**Andy Burnham:** That is an interesting proposal, but it is the view of the Labour party in Wales. It is not yet the view of the party at UK level, but we will give it serious consideration.

Let me be clear: welcome as many of the measures are, the Bill falls short of providing what our emergency services need. It does not add up to a convincing vision for the reform of emergency services that is equal to the scale of future challenges or the threat we face as a country. Right now, our police and fire services are halfway through a decade of real-terms cuts. The Home Secretary began by claiming that her record was one of reform. The reform we are seeing is in fact the demise of the successful neighbourhood policing model that she inherited from the previous Government. She has presided over worryingly low morale across police and fire services, as is also the case—in the Health Secretary’s part—in the ambulance service. That low morale needs to be addressed.

**Ian Austin:** We all know that savings have to be made, but no one will be impressed by the Home Secretary’s complacent answers when such points were made earlier. Is my right hon. Friend aware that West Midlands police has lost 1,538 officers or 18% of the total, compared with Thames Valley police—her area—which has lost just 90 officers or 2% of the total? Is he aware that West Midlands police is set to lose another £10 million of funding, the biggest cut for any force outside London?

**Andy Burnham:** My hon. Friend makes precisely the point I was coming on to make. Whatever Ministers claim, 36 of the 43 police forces face cash cuts in the coming year, while all of them face real-terms cuts. As he has said, West Midlands police will lose £10 million in real terms. The precept does not cover that—and my own Greater Manchester police will lose £8 million. At the same time, he needs to consider the cuts to fire services, because West Midlands fire service will have a cut of 45% in its budget over the decade. In effect, the budget will halve, and the same is also true for Greater Manchester. [Interruption.] It is true. Ministers seem not to know that fire services are being cut in half. I put it to the Home Secretary and her police and fire services Minister that if there is no perpetual cuts: can they be sure that their cuts to police and fire services are not exposing our big cities to unacceptable levels of risk? What assessment have they made of their capability to deal with a major incident or a Paris-style attack? Experts in the fire and rescue service would argue that their cuts have already gone too far.

**Jake Berry:** Surely the question that really prompts is: why does crime continue to come down? Why does the right hon. Gentleman believe it is coming down?

**Andy Burnham:** I do not think that the hon. Gentleman can have been paying attention. We have just had an exchange in which the Home Secretary acknowledged that online crime is about to be added to the crime figures. As he may know from his constituency postbag, crime has changed in recent years. We have seen reductions in traditional volume crime—burglary, car crime—and crime has moved online. When Ministers stand at the Dispatch Box and complacently say that crime has fallen, I am afraid that they are not representing the real picture. The real picture will look very different when the figures are published in a couple of months’ time.

**Mrs May:** Will the right hon. Gentleman tell us why he did not advocate adding the figures for fraud and cybercrime to the crime figures and ensure that they were added when he was a Minister in the Home Office?

**Andy Burnham:** There is a simple answer: because the current practice was recommended by the independent Office for National Statistics. The Home Secretary may want to take credit for everything, but I am afraid that she cannot do so. It was independently recommended, and just as the previous Labour Government accepted statisticians’ independent recommendations, so must she. The picture will soon look very different, and I caution her against the complacent statement, which she made again today, that crime has fallen. Crime has changed, and the figures will soon show that crime has in fact doubled.

**Kit Malthouse:** I believe we would all accept that the right hon. Gentleman is right that crime is changing, but does he accept that crime fighting should also change and that one decent, talented computer programmer can achieve more against cybercrime than 1,000 uniformed police officers?

**Andy Burnham:** I agree with the hon. Gentleman that cybercrime or online crime is one of the biggest challenges that we face, but there would probably be agreement across the Floor of the House that, among the 43 police forces in England and Wales, there is not yet the capability to investigate cybercrime. That is an issue for everybody. My question is how those forces will develop that capability if they face year upon year of real-terms cuts? I just do not think that that is sustainable.

The hon. Gentleman must also think about public safety and the cuts to fire services. There are cuts to the fire service in London and thousands of the number of firefighters, pumps and stations is being cut all over the country. Thousands more are set to go following a local government settlement that has inflicted the biggest cuts on urban areas. The embarrassing truth for Ministers is that if their northern powerhouse catches fire, there will be no one there to put it out.

**James Cleverly:** As a former chairman of the London Fire and Emergency Planning Authority, I ask the right hon. Gentleman whether he will concede that at the same time as the reductions that he has spoken of, the London fire brigade had the best performance year in its recent history.

**Andy Burnham:** Again, I urge Government Members not to be so complacent. The hon. Gentleman may have seen that there was a fire in north London, around Euston, in the last couple of weeks where the London fire brigade missed its response target and, sadly, there was a fatality. I would not be so complacent if I were him, because fire services up and down the country are
missing their recommended response times. If he believes
that the cuts to London’s fire brigade and to fire and
rescue services around the country can carry on in the
way that his party proposes, I think he is putting public
safety at serious risk.

The Government’s answer to the funding challenges
is to have greater collaboration and greater use of
volunteers. Neither is wrong in principle; the question
is how they will be implemented. There are risks inherent
in both policies if they are done in the wrong way.
Together, they do not add up to a convincing solution
for the future of emergency services. Patching two leaky
buckets together does not make one that works. As the
police and crime commissioner for Northumbria, Vera
Baird, said today, the Bill looks suspiciously like a plan
for “policing on the cheap”.

Alex Cunningham (Stockton North) (Lab): My right
hon. Friend talked about leaky buckets a few seconds
ago. This country has faced tremendous floods over the
past few months, and fire and police services have been
stretched to the limit and have drawn in resources from
all over the country. What will happen if there is a much
more widespread flooding problem in the future? We
will not have the resources, will we?

Andy Burnham: What I have heard from my fire
services in the north-west is that they did not have
enough resources to cope. Greater Manchester fire services
were drawn up to Cumbria when the bad weather hit,
but when the flooding came down to Greater Manchester,
they did not have enough resources to cover it. We
heard at Christmas about a hastily concocted plan to
cut the incident response units, which are there to deal
with a dirty bomb. These cuts are going too far. The
question the Government have to answer is simple: can
they give us a guarantee that there are enough fire and
police resources in place to ensure that if a major
incident or Paris-style attack were to happen in one of
our big cities, public safety would not be compromised?
I do not believe that they have answered that question
and, until they do, I will keep on asking it.

As I was saying, the Bill looks like a plan for policing
on the cheap. I will come back to part 1 later, but first I
will go through the measures that we support.

Part 2 deals with police accountability. Although
there has been progress in that area, I think it would be
accepted on both sides of the House that there is much
further to go. Ongoing historical cases such as Hillsborough,
Orgreave, and the Daniel Morgan murder, stand as
testimony to the uphill struggle that ordinary people
face in holding the police to account, even when there is
clear evidence of wrongdoing. As the Home Secretary
said, there is no sign that public confidence has improved,
given that so many people who are dissatisfied choose
not to pursue their complaint.

There is also evidence that the current system is not
as fair as it should be to police officers who face
disciplinary charges, with professional standards branches
encouraged to adopt a heavy-handed approach. We
agree with the Government that the system for handling
complaints is in need of serious reform, and we welcome
clarification that all complaints should be recorded,
ending the confusion that comes with leaving that decision
up to police officers. I give a cautious welcome to
the new role for police and crime commissioners in that
area, but it is still early days for PCCs, and many have
yet to show that they can effectively hold a whole police
force to account. An individual who is close to the force
on operational matters may struggle to hold it to account
on disciplinary matters. That is an open question, and
the Government should not have too much trust that
that will materialise.

John Woodcock: I am sure my right hon. Friend
welcomes the fact that the Independent Police Complaints
Commission will be able to bring misconduct charges
for officers who have retired. Does it seem strange,
however, that the only penalty that seems to have been
proposed for a retired officer who is found guilty of
misconduct is to say to them, “You can’t come back
and work in the police force”? That is no penalty at all if
they have already retired.

Andy Burnham: I will come to that point in a moment,
but I agree with my hon. Friend and I will demonstrate
why his point is entirely valid.

We support measures in the Bill to refocus and rename
the IPCC, and to strengthen its independence by allowing
it to initiate its own investigations and carry them out
directly, rather than relying on police forces. We also
support protections for whistleblowers, and potentially
the most powerful proposal in the Bill is the power to
bring super-complaints.

I recently held a seminar with Baroness Doreen Lawrence,
which brought together groups that are still campaigning
for justice, such as the Shrewsbury 24 campaign, the
Orgreave Truth and Justice campaign, and Justice 4 Daniel.
There are common threads between them all, but the
way the system works currently forces them all to plough
their own furrow individually, and it does not allow
them to join forces. The super-complaint proposal could
rebalance the system in their favour, which is why I
welcome it so strongly.

I know that the Home Secretary has still to publish
details on how that proposal will work, but I offer to
work with her and I encourage her to allow a number of
often small campaign groups to bring a complaint
together. For instance, if the Stephen Lawrence campaign
had been able to join forces with the Daniel Morgan
campaign, or if the Orgreave campaign had been able to
join forces with the Hillsborough families, history could
have been very different. At our seminar we heard from
all campaigns about something that they hold in common:
the unacceptable levels of collusion between the police
and the press. If the Government fail to honour the
police’s promise to victims of phone hacking and to set
up the second Leveson inquiry—as we have been led to
believe from reports—I hope that the route of the
super-complaint will open up another avenue for
campaigners.

Steve Brine: The right hon. Gentleman said that it is
still early days for police and crime commissioners, but
less than a year ago the Labour party was arguing for
their abolition. People will soon go to the polls to elect
new PCCs in Hampshire and around the country. Could
we have clarity: will PCCs exist under a future Labour
Government, or will they be abolished?
Andy Burnham: I have been very clear about that. With the election things have changed, and we do not oppose police and crime commissioners. I am prepared to give them a chance and I believe in stronger accountability for the police. I did say—I stand by this—that it is hard for one individual, albeit an elected individual, to hold the weight and might of an entire police force to account, particularly when that person is also dealing with operational matters. That is a stretch, and I do not think that the office of PCC has yet shown itself able to do that. I would prefer to build on the model of the PCC and broaden it out, perhaps more to a London-style model where a broader range of people hold the police force to account.

James Berry (Kingston and Surbiton) (Con): Is the right hon. Gentleman aware that: police and crime commissioners do not have operational responsibilities; this measure would transfer powers away from the chief constable to the PCC, thereby adding a layer of independence; and that if a complaint was serious, the IPCC is there to deal with it independently?

Andy Burnham: Of course the PCC works with the chief constable to set budgets and priorities, and of course that has an impact on the priorities of the police—the relationship is complicated. I am not setting my face against it, but I say to the Government that, as I will come on to explain, just throwing fire services in with PCCs has not been thought through adequately.

One of the most welcome proposals in the Bill, as my hon. Friend the Member for Barrow and Furness (John Woodcock) said a moment ago, is the closing of the loophole whereby officers can escape disciplinary proceedings by resigning or retiring. Clause 22 stipulates that disciplinary proceedings may be initiated up to 12 months after somebody has left the force. I welcome the intention, but the 12-month period could, as my hon. Friend said, be unduly restrictive. We know from recent experience that it may take many more years for campaigners to uncover wrongdoing. Many of the Hillsborough families feel very strongly indeed about this, yet the measure would not have helped them.

The Prime Minister told the Liaison Committee in January that he would look carefully at stronger police bail powers, but the Bill does not deliver them and nor does it close the loophole. The basic problem is that police bail conditions are not enforceable. As such, the Bill misses a major opportunity, so we will press the Government hard in Committee to correct the situation.

Andy Burnham: Absolutely. People would expect that terror suspects would be placed on watch lists immediately—the minute they are placed on police bail—but it appears that that did not happen in this case.

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Andy Burnham: On the other side of the argument, one of the challenges of the Bill, as my hon. Friend the Member for Barrow and Furness pointed out, is that it may take many more years for the police to uncover wrongdoing. Many of the Hillsborough families feel very strongly indeed about this, yet the measure would not have helped them.

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Andy Burnham: Absolutely. People would expect that terror suspects would be placed on watch lists immediately—the minute they are placed on police bail—but it appears that that did not happen in this case.
The combination of the changes could put professionals in a difficult position. Assessments to detain under the Mental Health Act 1983 cannot be completed until a bed has been identified, so the Bill could put professionals in the invidious position of having to choose between breaking the law, by going over the 24-hour period if a bed cannot be identified, and not breaking the law but releasing someone who should be detained. It is therefore essential that, alongside the Bill, the Home Secretary and the Health Secretary issue new instructions to health service commissioners to open sufficient beds and train sufficient professionals to deliver these welcome new commitments.

Mr Kevan Jones: Does my right hon. Friend agree that one omission is that this information is not kept nationally? If we are to monitor whether what is proposed is being put into practice, we will need that information, but at the moment it is not available. Without it, we will never determine whether we are meeting the targets.

Andy Burnham: That is the problem. Professionals searching for a bed are in a desperate position because of the lack of information. The risk is that if the new requirements come into law without a plan to commission the extra beds and professionals needed, that could have perverse consequences by putting professionals in a difficult position. I hope that that does not happen, but I say to the Home Secretary that much more than £15 million will be needed to create adequate bed capacity to deal with the problem.

Finally, I come to the proposals that give us the greatest concern, the first of which is for a major expansion in the number of volunteers. The Home Secretary was right to praise the role of specials, but we argue that volunteers should add value, rather than replace core police provision. As we have revealed, police forces in England are facing a decade of real-terms cuts. We lost 18,000 officers in the last Parliament, and many more are set to go in this one. That is the context in which the House must consider the proposal in the Bill to extend the use of volunteers.

The House should not endorse the principle that volunteers can safely backfill the gaps left by cuts to policing. As has been pointed out, the Bill in effect gives the police the ability to use CS gas and PAVA spray, but most people would argue that those functions should be restricted to full-time officers. We are not opposed to the greater use of volunteers, but they should come on top of a protected core of police officers to add value, rather than being replacements.

Andy Burnham: I say to all Government Members that an increased reliance on volunteers is no way to backfill cuts to core provision. Volunteers can add value—they can extend the reach of emergency services—but they are no substitute when filling the gaps left by cuts to front-line services. Such a structure keeps fire within local government, which is where it has been for some time. I am afraid that the Home Secretary is being put into practice, we will need that information, but at the moment it is not available. Without it, we will never determine whether we are meeting the targets.

Andy Burnham: Clearly the hon. Gentleman was not listening because I praised the role of police specials and said that there was a role for volunteers. I happen to believe, however, that it is not fair to put those volunteers in dangerous positions without the powers, without the training and without the resources to do the job properly.

The most worrying part of the Bill is part 1, given its implications for the future of fire and rescue services. Fire services have already faced severe cuts over the past five years, and they face another five years of deep cuts to front-line services. Our worry is that the Bill could make them even more vulnerable and could lead to fire and rescue services disappearing altogether as separate services. There is a real concern that the proposals to put fire under the control of police and crime commissioners has simply not been thought through. I am sure that the Home Secretary agrees that this is a major change, so will she answer this question: where is the Green Paper or the White Paper examining the pros and cons for such a change to the governance of our emergency services?

Mrs May: I say to all Government Members that an increased reliance on volunteers is no way to backfill cuts to core provision. Volunteers can add value—they can extend the reach of emergency services—but they are no substitute when filling the gaps left by cuts to front-line services. Such a structure keeps fire within local government, which is where it has been for some time. I am afraid that the Home Secretary needs to be corrected on a lot of that. First, although, yes, she did consult, she consulted purely on the process by which a PCC would take over fire, not the principle of whether they should do so. I stand entirely by the comments of my hon. Friend the Member for Birmingham, Erdington (Jack Dromey). A combined authority is not a police and crime commissioner; it is a very different thing altogether. Such a structure keeps fire within local government, which is where it has been for some time.

There is another reason why independence is important. The Home Secretary proposes a single-employer model, which could lead to the end of a separate fire service, but there are good reasons why the fire service has traditionally been separate from the police. In some inner-city areas with a history of tension with the police, the independence of the fire service is important because that means that the service can continue to operate even if there are difficulties or a stand-off with the police.
The Knight review considered the possible benefits of greater collaboration, which we support, and an expanded role for PCCs, but it also advised the Government to pilot the proposal carefully, given the complexity of governance. However, the Bill goes much further than that and, most worryingly of all, it takes away any say for local people. It effectively allows a PCC to make a case to the Home Secretary and then gives her full power to decide, thus completely cutting out the role of local elected representatives, not to mention the public. What on earth happened to the Government’s commitment to devolution? Just as with metro mayors, it looks like these expanded PCCs will be mandated from the centre. The Government have not made the case for changing the fire service in this way, and nor have they shown how the independence and funding of the fire service will be protected under the new system. The fire service, as the junior partner in the arrangement, will be more vulnerable to cuts.

I know that the concerns I have outlined are held by not only Labour councillors, but Conservative councillors, as the nods that I see from Government Members appear to indicate. I give notice tonight that unless the Government can show how fire services will be protected, with local people given the final say, Labour will vote on Report to oppose this ill-thought proposal. Our fire services have been chopped and changed enough. It is time to make a stand for the fire service and to show the thousands of dedicated firefighters that we recognise their important separate role. Rather than letting the service end up as a division of the police, which is what the Government seem to want, Labour will propose an alternative future for the fire and rescue service and how it responds to future challenges, which will include a statutory responsibility to deal with flooding.

I am sure that I have heard the Policing Minister say more than once that he used to be a fireman. Well, it seems that this former fireman has been given a mission—perhaps to lull people into a sense of false security—of overseeing the demise of the fire service as a separate entity. I can tell him tonight that we are not going to let it go without a fight.

Steve Brine: Will the right hon. Gentleman give way?

Andy Burnham: I give way one last time.

Steve Brine: As the right hon. Gentleman knows, we have worked together on many matters. I respect his opinion and I have listened to what he has said. However, notwithstanding the Fire Brigades Union bluster, he must understand one thing. He has said that crime is changing, although he refuses to accept that it is falling, but it is a fact that demand on the fire and rescue service has been on a downward trend for the past 10 years—it has fallen by about 42% in England during that time. Does he not accept that, and does he not accept that that is the reason for part of the change that the Bill is delivering?

Andy Burnham: Crime has fallen—that is absolutely correct—but the risk of a major incident has risen lately, and the recent floods have shown that the emergency services can face considerable pressures. It is not for me to set out the right level of provision: it is for the Government to say how far the fire cuts can go before we expose the public to unacceptable risk. Does the hon. Gentleman think it is acceptable for the fire service in Greater Manchester to be effectively cut in half? Many experts in my area do not consider that that is acceptable and believe that the cuts have already gone too far. It is for the Government to prove that they will guarantee public safety.

The back-of-an-envelope plans for police volunteers and merged emergency services spoil what would otherwise be a good Bill. The Home Secretary and I have worked constructively together in the past, so I hope that she may be prepared to work with me to address some of the concerns that I have outlined. In that spirit, Labour will not vote against the Bill, but unless there are real moves towards a tougher police bail regime, more accountability for retired police officers and better protection for the fire service, we will seek Divisions in the House on Report. Come what may, we will continue to argue that our emergency services cannot keep us safe in a changing world when we have year-on-year cuts such as these. What the services need is a convincing, funded plan for the future that they can get behind and that can keep the public safe, and if the Government will not provide that, Labour will.

5.38 pm

Mr Charles Walker (Broxbourne) (Con): I am aware that some Bills are driven by the civil service and some are driven by No. 10, but this Bill is driven by the Home Secretary, and I congratulate her on that. I have worked closely with her over the past few years in many of the areas covered by the Bill, and I know that she has held meetings at the Home Office with a variety of interested parties who, in the past, may not have had access to the Home Office. I also know that she has hosted conferences, including, in 2013, a conference with Black Mental Health UK at the QEII Centre to discuss policing in respect of, in particular, African-Caribbean people with mental health problems. Once again—and I am not ashamed to say it—I congratulate the Home Secretary on bringing the Bill to the House.

I also congratulate my hon. Friend the Member for Halesowen and Rowley Regis (James Morris). He is the unsung hero of the debate on mental health, both in the context of the Bill and when the Secretary of State for Health is addressing the House. He is chairman of the all-party parliamentary group on mental health, a job he has done for more than two years, and he has been dogged and determined in pursuit of many of the reforms that are contained in the Bill. He is a great man, and we are all lucky to have him here today.

We need to be clear that we cannot simply wish places of safety into being. I know that the Home Secretary understands that. We cannot just shut our eyes and think really hard and hope that it is all going to be all right. There is a need for the political drive and determination to provide them, so that people can be looked after and treated with respect during their time of crisis.

The Home Secretary is absolutely right to say that a police cell is no place for an ill person. Being ill is not a criminal offence. Being ill and black is not a criminal offence, but we know that people of African Caribbean descent who are suffering a mental health crisis are more likely to be subjected to force, to be detained or to
be subjected to a community treatment order. That is not right. We need to address these unfairnesses in the system, because they are ensuring that a large number of people who need our help are frightened to engage with those who are able to offer it, because their experience up to this point has been so unsatisfactory. That is one of my pleas today.

We cannot make demands on the police to change the way they do things in providing places of safety unless we actually provide places of safety. My experience of the police is that, in most cases, they want to do the right and proper thing by the people they are protecting and looking after. Most police officers are left distraught at the idea of having to take an ill person or a young person to a police cell as opposed to putting them into the care of healthcare professionals in a hospital or a place of safety that has a bed to offer them.

This is not in the Home Secretary’s gift, but the truth is that there are not enough beds in this country for mentally ill people who are suffering a real crisis. There is nothing more boring than Members of Parliament standing up in this place and saying, “Well, I’ve been warning about this for years”, but I am going to be boring because I and others have been warning about this for the past 10 years. My right hon. Friend the Member for New Forest East (Dr Lewis) and I were warning about it before being joined by my hon. Friend the Member for Halesowen and Rowley Regis in this place six years ago. We need more beds, and I hope that the Home Secretary will be uncompromising in her discussions with colleagues in the Department of Health to ensure that they are in a position to support our police officers in doing the right thing and the best thing.

Bob Stewart (Beckenham) (Con): My hon. Friend is making a great speech. Would he advocate the introduction of interim places of safety in some police stations, so that people can be put somewhere that is not a cell while they are on their way to hospital?

Mr Walker: My hon. Friend is genuinely trying to be constructive and to find a way forward, but I just do not think that police stations are the right place to take ill people. It might be unavoidable in some circumstances, but we need to minimise those circumstances. All too often a police cell is used as a place of safety, but that is not right. However, I entirely accept the spirit in which he made his intervention.

Mr Kevan Jones: Does the hon. Gentleman agree that someone having a heart attack is in crisis and in a life-threatening situation, and that, likewise, someone who is in severe mental torture is experiencing a crisis and in a potentially life-threatening situation as well? Why does he think the two should be treated differently?

Mr Walker: My hon. Friend—for that is what I call him—knows that I do not think that the two should be treated differently, which is why he and I have joined forces on so many occasions in the past and will do so in the future to make sure that the reality changes. There is slow progress, but it is progress none the less. My hon. Friend the Member for Halesowen and Rowley Regis is helping us to make progress, but I do not disagree with my hon. Friend the Member for North Durham (Mr Jones).

As well as a lack of acute beds, the choice of health-based places of safety for an assessment in many places is incredibly limited. I will now draw on the excellent and concise briefing provided by the Royal College of Psychiatrists. According to the Care Quality Commission map, there are no health-based places of safety for under-16-year-olds in many local authority areas, including Devon, Norfolk, Lincolnshire, Bristol or Bath. That is not good and it is not sustainable.

It is not all doom and gloom. There is clear evidence that, where local areas have emphasised long-term preventive measures and put in place crisis outreach and triage teams, they have already improved their services, so they would easily be able to provide the care set out in the Bill. We have heard from the Home Secretary—it is worth repeating—that the crisis care concordat has been a great driver. She also knows that most Department of Health-funded schemes have managed to reduce significantly the number of people being detained under section 136 of the Mental Health Act 1983. For example, in areas where street triage is operating—this is not in the whole force area, but specific parts of a force’s area—pilots have delivered massive reductions in the use of section 136. I recall my hon. Friend the Member for Halesowen and Rowley Regis having an Adjournment debate on that very subject a year ago.

Andy Burnham: I have huge respect for the hon. Gentleman and for his campaigning on these issues over many years. I am listening to his speech carefully. Does he agree with the point that I made that £15 million is not enough, as there is a huge shortage of crisis beds across the country? Does he think that there may be risks in enacting these proposals before major investment is put into mental health crisis services?

Mr Walker: I do agree that we need more beds. It cannot be right that children and adults at a point of crisis are sometimes driven hundreds of miles from their homes to receive treatment. The right hon. Gentleman may recall that one of his predecessors, the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), had an Adjournment debate a few months ago on how we treat children who are in mental health crisis, and he pointed out that one of his constituents was being treated 200 miles from his family home. That is not acceptable. The right hon. Member for Leigh (Andy Burnham) did say that, outside the cut and thrust of this place, he had a good working relationship with the Home Secretary. It would be fantastic if, on this matter, the two Front-Bench teams could work closely together, along with the Secretary of State for Health, to make sure we get this right.

Let me look briefly at the successes of triage, of which my hon. Friend the Member for Halesowen and Rowley Regis will be aware. There has been a 20% reduction in Derbyshire; 13% in Devon and Cornwall; 39% in Thames Valley; 31% in Sussex; 27% in the west midlands; and 26% in West Yorkshire. The reductions in the number of people being put under police custody under section 136 in these areas were greater still. For example, there was a 50% reduction in Derbyshire; 85% in Thames Valley; 11% in Devon and Cornwall; and 44% in West Yorkshire. Those are real numbers that have real meaning and that are making a real difference to many people’s lives.

The Royal College of Psychiatrists and other interested parties are calling for the Bill to be amended so that the Secretary of State for Health is obliged to report back
to Parliament on the range of crisis responses in each area. That could include street triage teams, availability of acute psychiatric care beds, and health-based places of safety. That sort of information would help the Home Secretary and her team to deliver on their worthwhile pledge, and that pledge needs the support of the Department of Health.

I have spoken for longer than I wanted to, but, in conclusion, I point out that a mental health event is not a criminal event. It is a health crisis. We need to look after people with care and compassion and commitment. It is no good just talking about things. It is no good looking good, as some woman once said to me—it is important that we spend more time being good. We need to be good, not to look good.

5.50 pm

Angela Crawley (Lanark and Hamilton East) (SNP): I welcome the opportunity to speak in today’s debate and share the sentiments of the Secretary of State in recognising the 10-year anniversary of the events in Dunblane.

In Scotland, we have seen a record reduction in the number of crimes committed in the past 40 years, and violent crime is down by almost 50%. Crime risk is lower in Scotland than in the rest of the UK and the police budget will be protected in real terms, despite a 9% cut to Scotland’s budget. That has allowed additional support for a wide range of services, including community policing, specialist support for forensics services, tackling serious and organised crime, drug enforcement and counter-terrorism work. I will not be able to vote on much of what is contained in the Bill, yet it will have some impact on my constituents. In those parts that affect Scotland, the Government must do all they can to provide assurances and clarity.

Specifically, concerns have been raised about the immigration powers in the Bill. Article 33 of the refugee convention states:

“No Contracting State shall expel or return…a refugee in any manner whatsoever to the frontiers of territories where his life or freedom would be threatened”.

That fundamental duty is one of the central pillars, if not the central pillar, of the refugee convention and the Government are bound by that duty as a matter of domestic and international law. It is therefore concerning that clauses 62 and 66 appear to give the Secretary of State power to require ships intercepted in UK water to be detained and sent to a port outside the UK. The charity Liberty is worried that that purports to give the Secretary of State powers to refoule refugees on any such boats by returning them to foreign ports.

Nothing in the proposals requires the Secretary of State or her enforcement officers to use those powers in a way that is compatible with the refugee convention and the work of the European Court of Human Rights. They must lawfully process and assess those people’s claims to asylum and determine whether they can be lawfully removed according to the Dublin regime. Nor can the Government use their enforcement powers to identify alleged breaches of the UK’s immigration law to impose penalties or bar refugees from making asylum claims on that basis. I therefore ask the Minister to say unambiguously today that he intends to comply with the refugee convention and the European Court of Human Rights.

The SNP is supportive of the provisions in the Bill on firearms, but a number of elements may extend the competences of the Scottish Parliament and I ask the Minister to assure the House that he will work closely with the Scottish Government to ensure the problems do not arise and that consent motions are sought when required. In particular, I seek assurances from the Government that the provisions about lethal barrelled weapons do not impact on the Air Weapons and Licensing (Scotland) Act 2015. On that note, the provision in the Bill on fees could potentially extend the executive competence of Scottish Ministers and would therefore require a legislative consent motion.

Giving police the power to require arrested persons to state their nationality, applying to arrests for all offences, seems to go beyond the purpose of immigration. It will affect devolved powers on policing and the investigation of crime and therefore the UK Government must continue to engage with the Scottish Government on those powers. In Scotland, our police forces can already ask any person who is detained to provide details of their nationality, and those powers will be replicated in the Criminal Justice (Scotland) Act 2016.

If passed, the Bill would represent a real change to the law in Scotland on police questioning on arrest and in custody. Currently, those arrested or detained must, when required, provide information about their nationality. Failure to do so constitutes an offence, the maximum penalty for which, as the law stands, is a fine. The Bill, however, would increase the maximum sentence in Scotland for failure to state nationality on arrest to both a 12-month term of imprisonment and a fine. It also introduces, again in Scotland, a power to require such a person to produce a nationality document, with the failure to do so constituted a new offence with the same maximum sentence. Such changes represent an important increase in the significance of such powers to any individual whose nationality is called into question on arrest. They could also implicate the devolution settlement and the Sewel convention since they concern devolved matters. I therefore urge the UK Government to engage with the Scottish Government on these provisions and to ensure that the powers will not undermine the wider police powers to ask questions on nationality.

Finally, it is imperative that any implications for Scotland of this legislation are scrutinised closely. Again, I urge the Minister to work closely with the Scottish Government to monitor any impact the Bill could have on the devolved Parliament.

Mr Deputy Speaker (Mr Lindsay Hoyle): I call James Morris.

5.55 pm

James Morris (Halesowen and Rowley Regis) (Con): Thank you, Madam—[Interruption.] I mean Mr Deputy Speaker; I am sorry. All the flattery from my hon. Friend the Member for Broxbourne (Mr Walker) has befuddled my brain.

Mr Deputy Speaker: What did he say to you?

James Morris: We have a very close relationship.

As my hon. Friend the Member for Broxbourne has pointed out, in my role as chair of the all-party parliamentary group on mental health I very much welcome the parts of the Bill that relate to sections 135
and 136 of the Mental Health Act 1983. It is an issue in which I have long taken an interest in this House, and I had an Adjournment debate on it in Westminster Hall in 2013.

A number of people have influenced my thinking about the importance of the changes in the Bill, particularly as regards some of the work that has been done by West Midlands police. In particular, I want to mention Inspector Michael Brown, who has an interesting blog that other hon. Members might wish to look at. He is a mental health blogger and came to see me in my constituency office four or five years ago to talk about how the nature of policing was changing in society, the importance of dealing with mental health on the ground, and how the nature of policing meant that police officers were putting themselves in situations in which they were essentially having to make decisions about whether or not to use the powers under the Mental Health Act, as well as about whether they had the ability, knowledge and training to make such decisions.

If we look at the history of the Mental Health Act, we can see that it was initially conceived to cope with people who were absconding from asylums. It was updated in 1983, including through the section 135 and 136 provisions, and today’s changes are very important as the Mental Health Act needs to reflect the more modern experience of policing and of working with health professionals. Sometimes, we need to question whether we should go further in changing the Mental Health Act, because one downside of police officers specifically being given powers to detain people is that that raises issues to do with liberty and whether somebody is capable of making their own decisions, even when they are in mental health crisis. The fundamental point, which my hon. Friend also made, is that I do not think that any civilised person would say that there should be any circumstances in which a child suffering a mental health crisis ends up in a police cell. I welcome the changes to section 136.

The Bill also confers regulation-making powers on the Secretary of State to define when an adult should legitimately be placed in a police cell.

The Minister for Policing, Crime and Criminal Justice (Mike Penning): I thank my hon. Friend for giving way, and particularly commend the speech by my hon. Friend the Member for Broxbourne and others said, we should aspire to reduce it further to less than 24 hours. We should seek an appropriate length of time for somebody to be assessed psychiatrically for the nature of their condition. The reforms in the Bill should be considered as part of a cross-government approach to dealing with people with mental health problems.

I very much welcome the changes and the reduction in the time that somebody can be detained under the Mental Health Act but, as my hon. Friend the Member for Broxbourne and others said, we should aspire to reduce it further to less than 24 hours. We should seek an appropriate length of time for somebody to be assessed psychiatrically for the nature of their condition. The reforms in the Bill should be considered as part of a cross-government approach to dealing with people with mental health problems.

The changes that the Bill introduces should be seen not in isolation, but in the context of the availability of places of safety, which my hon. Friend talked about. The £12 million or £14 million identified by the Home Office in conjunction with the Department of Health is a start, but we need much more emphasis on further funding to provide acute psychiatric places, including the roll-out of liaison psychiatry in accident and emergency departments.

The crisis care concordat introduced by the previous Government has been an effective mechanism for bringing together various partners to improve crisis care. Much more work across government is needed to increase its effectiveness.

Although the number of deaths in custody has not been high, some of those have been of people detained under section 136 of the Mental Health Act. We should be mindful of the issues raised by the use of restraint by police officers in such cases. I highlight that to the Minister as an issue that needs to be considered. There is some evidence that in certain circumstances the police have used excessive restraining powers when dealing with people under sections 135 and 136 of the Act.
I welcome the broadening of the definition of a place of safety under section 135, which can mean somebody being kept in their own home, or in close proximity to where the crisis incident took place in order for them to be assessed appropriately.

These are changes which many people have called for over many years. I am very pleased that the Home Secretary and the Front-Bench team have listened to the representations made by police officers on the ground and by health care professionals. The way we treat people in a state of mental health crisis says much about the sort of society we want to build. These are significant steps in improving our approach to dealing with people in mental health crisis, but they are only one part of the story.

We need to do more work to achieve parity of esteem between mental and physical health, and we are some way along the route. The Government have made a series of welcome announcements on mental health in the past few weeks, particularly on crisis care and community care, but we must go further. People in mental health crisis should receive compassionate care. They should be taken to an appropriate place and dealt with with dignity and humanity, which is very important to the way that we treat mental health in Britain today.

Keith Vaz (Leicester East) (Lab): This has been an interesting and encouraging debate where there seems to be camaraderie across the Chamber. We have seen the hon. Members for Winchester (Steve Brine) and for Braintree (James Cleverly) flirting with the Home Secretary. Two of them have now disappeared from the Chamber. The hon. Member for Halesowen and Rowley Regis (James Morris) has been lavishly praised by the hon. Member for Broxbourne (Mr Walker), and I shall lavish praise on the hon. Member for Broxbourne. This is a very odd debate, and it is still only seven minutes past six.

I congratulate the hon. Member for Broxbourne on an excellent speech. He underplayed his own contribution to what the Government have done in respect of the Bill. He has been a great campaigner on mental health issues, and we are extremely grateful to him for all that he has done, as we are to the hon. Member for Halesowen and Rowley Regis in his capacity as chairman of the all-party group. The Government are right to introduce those clauses that respond to concerns raised by Members over a number of years. Finally, we have something in legislation.

In the spirit of praising those on the Government Benches, I thank the Minister for Policing, Crime and Criminal Justice for writing to me on 11 February, telling me, and asking me to pass on to members of the Home Affairs Committee, that the Bill gives effect to five separate recommendations made by the Committee in reports published in the previous Parliament. I do not know whether it is because one of our former members is now the Parliamentary Private Secretary to the Home Secretary and while he was in Marsham Street he slipped a number of those recommendations into the Bill, but whatever the reason, we are most grateful. The Minister’s letter is a courtesy that I cannot remember being extended to me and the Committee by any previous Minister under successive Governments, and we are extremely grateful. We always like to know that Ministers at the Home Office read our reports, and we like it even better when Ministers write back to say that they will implement some of the recommendations.

Mike Penning: When I took over the policing responsibility 18 months ago, I asked for the previous reports by the Home Affairs Committee—they had been gathering dust because there were quite a few. What has really and truly happened is that we have cherry-picked what was feasible and what we could deliver, and we have placed it in the Bill—with the help of the Home Secretary’s PPS.

Keith Vaz: I thank the Minister, and I say to him that he should carry on cherry-picking if that results in changes that find favour with both sides of the House.

On mental health, the Bill will ban the use of police cells as places of safety for under-18s, and the Committee has never believed that they are the right place for such people. I acknowledge the work done by my hon. Friend the Member for North Durham (Mr Jones), who has also campaigned on these issues over a number of years. He is one of those who have always said that people with such illnesses should be in police cells only in exceptional cases. That applies, of course, to children, but also to adults.

The Committee likes the idea of police officers consulting members of the medical profession before removing a person to a place of safety, and we think it is right that there should be a maximum period of detention.

Mr Kevan Jones: My right hon. Friend is right that the intention is, quite rightly, not to have under-18s in police cells, but to go back to the point made by the hon. Member for Broxbourne (Mr Walker) and others, that will happen whether we like it or not, unfortunately, if the beds are not available locally.

Keith Vaz: My hon. Friend is absolutely right. That is why these things have to be done in partnership with the local health authority and the local authority. If there is no provision, police officers are left in the position of having to make decisions about people with mental illnesses, and we do not want them to be in that position, because they are not qualified to make such decisions. The Police Federation, too, needs to be thanked for its work on this issue, because it was the first to point out that many people in custody suites should not be there, because of their mental health conditions, and it would prefer them to be in another place. My hon. Friend is therefore right: these issues are all part of providing even better support for such people.

The Committee welcomes what has been said about police bail, which of course reflects one of our recommendations. We published our report on the issue on 20 March 2015. We were moved to do so because of the evidence given to us by a number of individuals, and particularly by Paul Gambaccini, who made the powerful point that the continuous extension of bail caused individuals huge distress.

Paul Gambaccini also said, and we agreed with him, although this is not part of the Bill, that when the police finish an investigation and find that there is no evidence, they should say not that people are not being prosecuted because there is insufficient evidence, but simply that they could not proceed because there was no evidence, which was the situation we found in the Paul Gambaccini case. It is important that that happens.
Mike Penning: I wonder whether the Home Affairs Committee Chairman would agree that that does not need to be in statute. Surely it is simply common sense for the investigating officers to do such a thing, because this is not just about Paul Gambaccini—there were lots of others. The reason we have not put that in the Bill is that neither I nor the Home Secretary see the need for it to be on the statute book—it is just the common-decency way to treat people.

Keith Vaz: What the Minister has said today is extremely powerful and important, and it will give great comfort to people such as Paul Gambaccini. That is a common-sense approach to the cases of people have been on bail continuously but where no evidence is then found. People should conduct these investigations in a timely fashion. What the Minister has said will be something we can use as an example of good practice.

The shadow Home Secretary, who is not in his place at the moment, mentioned the case of Siddhartha Dhar, whose sister came to give evidence to the Committee—it was an emotional time, but it was important evidence. We were concerned that his passport was not handed over when he became a suspect. The police actually sent him a letter asking him to come along and surrender it; of course, by then, he had left the country—he had booked his departure, got on a coach with his family and crossed the border, and he was gone. He is probably still in Syria, although we do not know for sure.

The Minister may think this is also a matter of common sense rather than statute, but it is important, where we have terrorist suspects, as the shadow Home Secretary said, that we insist on their passports being handed over when they are in the custody suite; we should not wait to write to them and say, “Please will you hand over your passport?” because they will have used the opportunity to leave the country, as Mr Dhar did.

This may be a matter of common sense rather than statute—this is not a criticism of individuals, but we look at a system—but many years ago we said to the Justice Department, “Wouldn’t it be a good idea to ask a foreign national prisoner to surrender their passport to the court at the time of sentence?” The Prime Minister has now said that that is a very good idea and we must ensure that it happens.

Those are common-sense suggestions. I know it requires a whole inquiry by the Home Affairs Committee to come up with them, but why have they not been implemented before? That is my concern. I welcome absolutely what is being done on police bail—it is the right course of action—but the handover of passports is very important. The Committee has been trying for some time to get the new director general of the Passport Office in. He has so far eluded us, but we will write to him again and remind him that he needs to come in; otherwise, we will be writing a very stern letter. He has an important contribution to make to this debate. When the Prime Minister appeared before the Liaison Committee, he also said he would look at these issues.

I welcome what is being suggested with regard to the reform of the Police Federation. Its new management, if I can call them that, have made substantial changes. It is right that the federation’s core purpose should be amended to include a commitment to acting in the public interest. However, a recent letter from the chief executive and the chairman touched on some of the promises made about returning subscriptions to police officers because the federation had amassed huge reserves. I know the Policing Minister loves talking about reserves, and the federation had amassed quite a lot of reserves, so the Committee suggested that it hand some of them back to PCs, rather than collecting more subs. We also suggested that a smaller amount be spent on legal action, because the federation is spending quite a lot on supporting legal action. The Bill helps us along that road, and I hope that the other issues—the Bill does not mention reserves—will also be looked at.

The fifth area where the Bill implements recommendations by the Select Committee is police integrity. We are pleased that there will be a new statutory police barred list for officers and staff who have been dismissed, and that a police advisory list of those who are under investigation for matters amounting to gross misconduct is also included in the Bill. The Bill also places a duty on senior officers and policing bodies to check job applicants against the list before employing them and to report to the College of Policing.

Shortly the Committee will open up a review of the work of the College of Policing, and Alex Marshall will be coming before us. The Home Secretary talked about the massive changes she has made, and no Home Secretary has ever made such dramatic changes to the landscape of policing. However, I think we have neglected the College of Policing. I rate it very highly, and I think Alex Marshall is an excellent chief executive. We need to call it the Royal College of Policing. We need to make sure it stands on a par with some of the other royal colleges, such as the Royal College of Nursing, and with the British Medical Association and other organisations. I think we are getting there.

Mike Penning: Because the college was absolutely brand new, we first had to get it established, bedded down and gaining the confidence that the Chair of the Select Committee has referred to. There are more powers for the college in the Bill, and it will evolve, but it was brand new and it had to have confidence of people across the country, particularly that of the police.

Keith Vaz: I hope that we will look at some of these issues when we come to review the work of the college in the next Session.

I support what is being done on police complaints. As I have sometimes said to my hon. Friend the Member for North Durham, perhaps the police at a local level could adopt the John Lewis approach—“If there is a complaint, try and sort it out.” When members of the public complain about us, as I am sure they do very rarely [Interuption]—yes, it does happen—we take that more seriously than we do letters of praise, because we want to get the system right. If somebody complains that we did not spend enough time with them at a surgery or they are unhappy with a letter that we have sent, we spend a disproportionate amount of time on that—more than we do on other members of the public. Sometimes it is better to say, “Sorry, we got it wrong”, at a local level. Not everyone can have the privilege of coming before the House and saying sorry in such a public way, as the Minister did on the police funding formula, but he did it and he survived, and he has grown stronger as a result. The police should do this at a local level. I have a bit of an open mind about some of the suggestions, but a time limit is absolutely vital: we cannot have things going on for ever and ever.
I fully support what the Government are doing on firearms, although, to reiterate the Committee’s previous recommendations, we think that there are too many pieces of legislation relating to firearms and they should be consolidated in one Act of Parliament rather than be found in different places. I think that Opposition Front Benchers will be very open to a suggestion of consolidation, because it is quite difficult to find every single piece of information.

On collaboration with the fire service, I take a different view from the shadow Home Secretary. I have an open mind about this. Better collaboration between the emergency services might help local people. I suppose I am driven by the fact that, on 14 January, 10 ambulances were parked outside Leicester Royal Infirmary delivering patients and not collecting them. We have only 25 ambulances in the whole of Leicestershire, so to find 10 outside the infirmary made me worry about our emergency services system. I am open to persuasion. I am happy to look at this carefully, and I am sure the Committee will also want to look at it to see whether it will work. The hon. Member for Braintree (James Cleverly), who is here, is the former chairman of the fire authority for London, and perhaps we will call on him to give evidence, if he is free. We want a system that is going to work; we do not want to amalgamate and collaborate and then the whole thing collapses. We want the system to be better rather than worse.

I also have a bit of an open mind about volunteers. We do need a professional police service. We need to be careful about using volunteers, because there are issues of vetting and of who should be accepted. Of course, the idea that the public should be part of policing is very important—it is all about Neighbourhood Watch. I do not see as many of those signs in Leicester these days. There are lots of photographs of Vardy and Mahrez on lamp-posts, but not many signs about neighbourhood policing—I had to get that in somewhere, Mr Deputy Speaker. We need to tread carefully with regard to volunteers. If we do that, we can get a better police service.

I do not want to open up a new debate on the police funding formula, because that will only encourage the Minister to mention it again when he winds up, but we do need a timetable on police funding. The Minister said that he was waiting for the review from the National Police Chiefs Council. I have written to Sara Thornton to ask her whether she thinks her review will somehow stall what the Minister proposes to do. I will await her response and we will of course publish that letter. All this has to be paid for. We have new legislation—those of us who have been in this House for a number of years will have seen policing Bills before—but in the end it all costs. We need to sort out the issue of funding, because we do not want to end up being bitten by having good legislation that is supported by the whole House and being unable to pay for it. I hope that we will look at that in future.

6.25 pm

Jake Berry (Rossendale and Darwen) (Con): It is a pleasure to have the opportunity, relatively quickly, to speak again in a debate about policing. It shows how important we in this House consider policing to be that we have a good attendance today, with so many colleagues across the House, on a cross-party basis, welcoming this wide-ranging Bill, which is evolutionary rather than revolutionary, and which moves policing on in our country.

Some of us who stand up in this place to talk about policing have direct experience of it, but for the majority of us, our most direct experience—apart from family connections, which I have—is of our local force. I put on record my thanks to the Lancashire constabulary, which does a fantastic job. It has had some tough funding settlements over the past five years, but has nevertheless continued to prioritise fighting crime on the frontline. Crime has continued to come down on the streets of Lancashire, which I welcome. The shadow Home Secretary and I had a lively debate earlier about whether crime is in fact coming down, but we have to acknowledge that while the face of crime is changing and online crime forms a larger part of the crimes committed today, we can only use the measure that we have now. We will all watch with interest what happens to crime numbers when online crime is included.

It would be churlish to say that police funding has not been under pressure—as I said, we have felt that pressure in Lancashire, as it has been felt throughout the country. However, I welcome the commitment of my right hon. Friend the Chancellor of the Exchequer to protect police funding in real terms in this spending review period, with the proviso that police and crime commissioners across the country will increase the precept. Lancashire’s PCC has a bit of form on this, because he has increased it in every single year when he has had the opportunity, and I do not doubt that he will do so again. It is important that we protect police funding in real terms, because police forces face a big challenge in keeping us safe.

I particularly support the changes in the Bill in relation to police volunteers and police community support officers, who are now such an important part of policing. When they were first introduced, they were referred to as “Blunkett’s bobbies” and were not hugely popular. I remember speaking to people in the police force who said, “Having these PCSOs is undermining policing.” However, only this week I was driving along Grane road, between Rossendale and Darwen, and there was a major road traffic accident at which the first person on the scene was a PCSO, who was doing a fantastic job of directing traffic. PCSOs are a really important part of policing both nationally and in my constituency.

Clause 28 extends chief officers’ powers to use PCSOs and police volunteers more effectively. I particularly support giving PCSOs additional duties and extended powers. Given that policing is changing, as we have all acknowledged, it is right that we give chief officers the freedom to utilise fully all the resources that they have available. I echo the comments of the right hon. Member for Leicester East (Keith Vaz) about having an open mind to the use of police volunteers. As we have heard, one person who volunteers as a computer programmer might be able to do as much to tackle cybercrime as 1,000 police officers. Clause 28 and other measures that cover the role of PCSOs show how policing has changed.

We have moved on from the days when Blunkett’s bobbies were slightly unpopular and viewed with suspicion by other officers. PCSOs are now valued not only by the communities they serve, but by fellow officers, chief officers and civilian staff in the police force.
PCSOs are important in the provision of community policing. In our previous debate about policing, Members on both sides of the House said that the first thing to go when police forces come under pressure—I do not recognise this in Lancashire, however—is the community police who talk at events and meet young people. PCSOs and police volunteers can fulfil that role.

Clause 29 gives the College of Policing a greater role in designating the training of police volunteers, which will ensure that, even though someone is a volunteer, they will be trained to a rigorous high standard similarly to their colleagues. As more volunteers carry out roles on the street that might traditionally have been fulfilled by warranted officers, members of the public will expect them to have received high-quality training so that we have a good experience when we interact with them. That is important, so I hugely support clause 29.

Clause 30, which is also part of the short set of provisions in the Bill relating to PCSOs and police volunteers, extends the police complaints system to cover police volunteers, which will ensure that there is fairness and consistency when people complain about the police. We the public demand that high standards of discipline are maintained whether we are dealing with a PCSO, a police volunteer or a warranted officer.

The Home Secretary said that 16,000 special constables—specials—currently serve shoulder to shoulder with police officers. Any Member who interacts with a special constable will probably not realise that is what they are, because they look like every other type of police officer. They are warranted officers who work shoulder to shoulder, as volunteers, with paid police officers. One of the great benefits of special constables is that they are drawn from all walks of life. They represent policing by the people, for the people.

The Met has done some fantastic work in supporting specials in London. It gives them a council tax reduction and travel concessions are available. Other forces throughout the country also provide such perks, for want of a better word, and I hope that they will continue to do so.

While many of us can stand here and say that special constables do fantastic work, the case of Andrew Blades, one of my constituents, gives us a cautionary tale. He volunteered as a special constable for 2,500 hours over six years, but at the end of that period, he lost his job. He might also lose his home and he is going to lose his future career. In the course of his work as a special constable, he did what I think was a tremendously brave thing: he moved an unmarked police car, which he had the authority to drive, across the street to block the path of a scrambler motorcycle, which was uninsured, had no MOT and was non-road legal, in order to stop the police from being terrorised by it and the community and to protect a fellow officer. The thanks he received was a prosecution for dangerous driving. The Policing Minister helped at the time and we put Mr Blades in touch with the special constables’ legal advice service but, frankly, I do not think he received adequate advice. He chose to plead guilty, so he now has a conviction for dangerous driving, meaning that he is unable to continue his business as a driving instructor.

Things could have been different if, as a special constable, Mr Blades had had the protection of the Police Federation, which is the subject of clauses 37 and 38. I support the extension of the Freedom of Information Act to cover the Police Federation and the way in which the Bill will make it more transparent and open to its members. However, the Bill misses the opportunity to extend the protection provided by the Police Federation to cover special constables. Before the debate, I spoke to Police Federation representatives. They are in advanced talks with the Home Office about whether room can be found in the legislative programme to pass primary legislation that would enable the federation to protect special constables, but I hope that there will be an opportunity in Committee, on Report or in the other place to make the changes required through the Bill.

That point is particularly important because the Police Federation for many years regarded special constables with some suspicion. In fact, it took the view some years ago that the role of a special constable undermined both the federation’s role and that of the warranted officers with whom specials stand policing our streets. At the Police Federation’s 2014 conference, however, its members unanimously passed a resolution calling for protection to be extended to cover specials. That should not surprise us, because day after day they stand shoulder to shoulder with paid, warranted officers, working the same beats, hours and shifts, to protect the public and keep us safe. I hope that the Minister will look at this missed opportunity and work with the Police Federation to address it.

When that legislative opportunity arises, the Government should also look at Police Federation subs for special constables. I have mentioned the Met’s superb work in providing a council tax reduction for specials. Police Federation subs are not insignificant and a volunteer special constable might query whether they should pay about £30 a month for the privilege of being a member. When we make the legislative change that I set out, I hope that we will be able to find the money—from central Government funds, rather than from those of individual forces—to pay the subs of special constables on their behalf.

The shadow Home Secretary made a good point about when officers choose to retire. There was previously clearly a loophole whereby officers could avoid an investigation by retiring or resigning from their post. As someone who was born and brought up in Liverpool, I, like the shadow Home Secretary, was well aware of the allegations relating to Hillsborough and the ongoing investigations into them. A 12-month arbitrary cap on the period for which officers can be pursued is probably not correct, so I hope that we will be able to look at that again. The situation could be treated similarly to the statute of limitations in tort law, whereby the limitation starts to run only from the date on which the tort—the wrong, in this case—is known about. That would be a reasonable adjustment for the Government to make, because there was clearly a police cover-up regarding Hillsborough and the extent to which serving police officers might have been implicated could not have been known within 12 months of the incident. The Government have an opportunity to look at that, so I hope that we will be able to explore it further as the Bill goes through the House.

6.38 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): It is an honour to follow the considered speech of the hon. Member for Rossendale and Darwen (Jake Berry),
He was brave and absolutely right to add to the calls to extend the 12-month period. I sincerely hope that the Government will agree to do that on Report.

The public put a huge amount of trust in the integrity and professionalism of the police, and rightly so, but nobody is infallible. When the police mess up, the public want to know that they will be held properly to account. Public confidence is vital for effective policing, and police accountability has come a long way in a relatively short space of time. It is easy to forget that it was only in 2002 that the last Labour Government set up the IPCC in response to the Stephen Lawrence case. That was a huge step forward, but compared with other public services the police remain under-scrutinised. Too many investigations are carried out behind closed doors. Too many reports are supressed. Too many officers take retirement rather than taking the rap for their mistakes.

Some clauses in the Bill will make real progress on a lot of those issues, and that is welcome. The widening of the definition of a complaint in clause 11 is sensible, and will, I hope, allow greater scrutiny. It is good to see that officers will no longer be able to dismiss complaints as fanciful without recording them. Most welcome is the beefed-up role of the IPCC in investigating complaints. The fact that it had to wait for a referral before acting was always perverse, and I am glad that it will now be able to act with greater freedom when it thinks that wrongdoing has occurred. The move from managed to directed investigations with more IPCC oversight is also a step in the right direction for transparency and accountability. It is right that the IPCC will now be required to investigate all cases that involve chief officers.

The House will be aware of the tragic case of Poppi Worthington in my constituency. I have raised it a number of times on the Floor of the House, and I know that the Ministers on the Front Bench are well aware of it. The failings of the police in Cumbria in the aftermath of Poppi’s death are deeply troubling. Not only has the case raised questions about the conduct of my local force, but it prompts wider questions about the overall system and structure by which the police are held to account. I am concerned that for all the positive steps they contain, the proposals represent a missed opportunity to deal with those issues.

I want to raise three specific issues: first, the information that is available to police and crime commissioners to allow them to perform their roles effectively; secondly, the disciplinary processes and the role of the IPCC; and, thirdly, new rules for officers who leave the force. In Cumbria, we have just welcomed back Jerry Graham as our chief constable following a leave of absence for ill health. In his absence, the deputy chief constable, Michelle Skeer, acted up in his position. That is normal procedure, but by delaying that process it can hold up the situation in which a force is in control of the disciplinary process, but by delaying that process it can hold up the publication of a report that is critical of that force. I am not saying necessarily that Cumbria constabulary is highly problematic. It looks wrong to the public, and it damages trust. That situation should never be allowed to occur again, but I see nothing in the Bill to correct that flaw in the original procedures. Should not police and crime commissioners be provided, as a matter of routine, with draft IPCC reports, even when the reports cannot be published for legal reasons? When the decision is made to appoint a chief constable or a deputy, or to allow people to act up in those roles, the IPCC ought to give the police and crime commissioner all the relevant information about as yet unpublished investigations into that individual, even if that information is available only in draft form. Otherwise, commissioners are to be more than simply window dressing, sustained at considerable expense to the taxpayer, they need to be able to access the information that allows them to do their jobs properly.

On discipline, the Bill is surely an opportunity to improve the current processes.

Mike Penning: I thought it might be useful to say at this point that the Under-Secretary of State and I, having listened to the hon. Gentleman’s speech and the other contributions, will look carefully to see whether we can address in Committee or on Report the concerns that he has sensibly raised around that issue. One way or another, we will try as best we possibly can to address the matter in the Bill.

John Woodcock: I thank the Minister for intervening now, rather than waiting until his summation. What he has said is really welcome.

If I can find my place, I will continue what I was saying about discipline. One reason that I have been given for the continued suppression of the report in the Poppi case is that disciplinary action is still ongoing against two officers. However, the draft report was available to Cumbria constabulary exactly a year ago. The IPCC has said that it is “extremely surprised” at the delay, but it appears to have no ability to compel the force to get on with the process. We are left with a situation in which a force is in control of the disciplinary process, but by delaying that process it can hold up the publication of a report that is critical of that force. I am not saying necessarily that Cumbria constabulary is deliberately doing so, but that is clearly the effect. That cannot be right. Surely, the IPCC could appropriately be given more power to compel a force to complete disciplinary action in good time, rather than ending up with a situation such as we have in Cumbria.

Finally, I want to address what happens when officers retire or resign from the force when they are facing disciplinary action, as several hon. Members have mentioned. There has rightly been focus on the length of time for which a former officer can still face disciplinary proceedings after leaving, and whether 12 months is sufficient. The shadow Home Secretary has compellingly
set out why it is not, and he has already been joined in expressing that view by one Conservative Member. I also want to focus on the suggested sanctions. Someone will correct me if I am wrong, but I have raised the matter with the shadow Home Secretary.

My clear reading of the legislation is that where an officer retires before disciplinary proceedings against them can be triggered, within the 12 months or whatever period is set out—they can now, for the first time, be found guilty of misconduct, which is a real step forward and should be welcomed—the only sanction currently proposed is to put them on a list that will prevent them from working in the police force again. However, as they have just retired, which was how they have sought to escape justice in relation to any misconduct, telling them that they cannot come out of retirement is surely no kind of deterrent whatever. I very much hope that can be reconsidered in Committee.

James Berry: I am sure that the hon. Gentleman has consulted the police conduct regulations and will know that sanctions under the police disciplinary regime are intended not to punish officers but to maintain public confidence in the profession. The worse that can happen to a serving police officer is to be dismissed without notice, so it would be rather perverse if there was a more extreme sanction for someone who had retired.

John Woodcock: The sanction would not be more extreme because there is no chance of any workplace sanction after that. In the hon. Gentleman’s speech, he can tell me what he thinks the effect on public confidence in the police would be if someone guilty of misconduct—at Hillsborough. Ogbreave or in one of the many other cases—was merely put on a list preventing them from serving again, rather than having any other sanction imposed on them. My right hon. Friend the shadow Home Secretary mentioned the prospect of being able to reduce the pension entitlement of retired officers in certain circumstances, which I hope the Minister will consider carefully.

Mike Penning: One of my very sad but important duties is to remove a pension from an officer because they have committed certain types of offence. Sadly, I have to do that weekly. There is already such a sanction, and others, including criminal sanctions, can also be taken. The ability to remove a pension is already in statute.

John Woodcock: But what if they have retired?

I am getting into the rather unusual situation of wanting to ask questions of the Minister who has intervened on me. If my understanding is wrong, I hope he will point that out now or in his summation, but I understood that the only sanction available for an officer who had already retired was not to reduce their pension further, but simply to put them on a list to prevent them from going back to the job from which they had retired to escape accountability.

James Cleverly: I hope I can clarify the situation. I have served on the professional standards sub-committee of the Metropolitan Police Authority, so I can tell the hon. Gentleman that we are discussing the difference between a conduct sanction, for which the maximum penalty is dismissal from the force, and a criminal offence, for which pension forfeiture is one of the options. We must not confuse the two elements.

John Woodcock: That is helpful. I must say that I was not confusing the two of them, but I am grateful to the Minister for attempting to provide clarification.

I think we are clear that, at the moment, there is no such sanction for a finding of misconduct against an officer who has already retired. That is surely still a gap because it seems palpably absurd to suggest that some sort of blacklist would be a sufficient deterrent or, if that is not what the sanction is for, to give a sense of confidence and justice. I really hope that the Government will think again about this issue. They should also consider whether community work could be mandated in certain appropriate circumstances in certain fields for officers who have subsequently been found guilty of misconduct. I suggest that what is being proposed will simply not be enough to meet the real need for people to have greater confidence that retired officers can be sanctioned.

Mr Kevan Jones: I am listening very carefully to my hon. Friend’s speech and I understand his frustration, but does he not realise that it would be very difficult to take someone’s pension off them? For someone who has retired and been paid a pension for 10 years, it would be difficult to take their future pension payments off them, but how does he envisage recouping the money that they had received for the previous 10 years?

I understand his frustration, but that might be very difficult to do in practice.

John Woodcock: I understand that there are clearly practical difficulties. At the moment, there would not be such a 10-year situation, because the Government suggest that it would happen within one year. We must, however, balance any logistical difficulties with the fact that it would be the exception rather than the norm. To take the example of the appalling conduct of certain senior officers at Hillsborough, the idea that they could escape with no sanction whatsoever is galling. We have a chance to change the system and to tighten it up further than by the welcome steps that the Government have already set out, and I really hope we can do so.

Labour Members who have been pushing for all of this should give credit to the Government because, at least in this respect, they want to make genuine progress. For all the valid criticisms that we make of many aspects of her role, the Home Secretary genuinely wants to increase the level of accountability and transparency in any area of public service that, for too many years—through generations—has avoided the kind of scrutiny given to other areas of the public sector. However, I think we can do significantly better than the proposals currently on the table, and I hope the Government will now consider that.

6.57 pm

Amanda Milling (Cannock Chase) (Con): It is a real pleasure to take part in today’s debate, and I am incredibly grateful for the opportunity to speak. I welcome the Bill. I will focus on part 1, which outlines the measures to encourage greater collaboration between the emergency services. I have spoken about that several times in this place.
Encouraging greater collaboration between the blue light services makes perfect sense. Across those services, there is a common and joint purpose, and they have significant synergies. They serve and protect our communities, ensuring we are safe and secure, often in the most difficult of circumstances. For that, we must be incredibly grateful, because they often put their own lives at risk to protect us.

As several hon. Members have said, each service faces change in terms of demand and new challenges. Crime is falling, but the nature of crimes is changing. The number of incidents that fire and rescue services attend is falling, thanks in part to the fire prevention work that they undertake, but there is increased demand for the ambulance service. It is therefore right to review the way in which the services operate.

There are some excellent examples of collaboration between blue light services across the country, such as co-location of offices, shared training, joint communication centres and joint operations and fleets. The common benefit of such collaborative models is that they deliver savings and, more importantly, better outcomes for the public. The issue, I am afraid, is the lack of consistency across the country in collaboration. The overall picture can best be described as patchy.

While I am pleased to report that in December, Staffordshire fire and rescue authority agreed to undertake a review of the ways in which it could work more closely and collaboratively with Staffordshire police, I am disappointed that it took so long—about six months—to get to that position. In the meantime, fire engines were removed from both my local fire stations in Cannock and Rugeley, as well as from other stations across the county. I therefore welcome the statutory duty for blue light services to keep collaboration opportunities under review, as is set out in clauses 1 to 5.

The Bill goes a step further on collaboration between police and fire services, which I welcome. Clauses 6 and 7 extend the remit of police and crime commissioners to include responsibility for fire and rescue services. I have called for that provision and secured a Westminster Hall debate on the topic last November. It will therefore come as no surprise that I am particularly pleased to see it in the Bill.

The introduction of police and crime commissioners has created greater transparency and democratic accountability in policing by replacing the unelected and unaccountable police authorities. The public can exercise their approval or, equally, their disapproval of a PCC’s guardianship at elections, judging them on both the police precept and the local policing and crime performance. PCCs have the opportunity to review and set strategic priorities to respond and adapt to local needs, and must manage that within a challenging financial landscape.

PCCs have had to reform and look at ways to innovate and create efficiencies to protect and enhance front-line policing. For instance, the police and crime commissioner in Staffordshire, Matthew Ellis, has not increased the police precept, but has created savings and better outcomes for the public by introducing technology so that police officers can spend more time out on the streets, rather than behind a desk. The performance of PCCs has depended on reform. With more transparency in terms of data, such as crime trends, their performance is open to public scrutiny.

There is now only one exception in respect of local direct accountability: fire and rescue authorities. Although the authorities are made up of elected councillors, they are not directly elected to their positions by the public, but simply appointed. It is important that that is not confused with democratic accountability. To take Staffordshire as an example again, the fire and rescue authority has increased the precept, even though, as I understand it, it has significant reserves. It is time for change. That is why I welcome the extension of the remit of police and crime commissioners to include the responsibilities of fire and rescue authorities. Extending the transparency and accountability of fire and rescue services, and applying the same principles that have been applied to the police, will rightly enable the public to scrutinise their performance too.

The governance and single employer models will take collaboration to another level and, in essence, will see the integration of the management and back-office functions of the two services. However, it is important to note that they will remain operationally distinct. No one is suggesting that police officers should fight fires or that fire officers should arrest criminals. The integration of the management and back-office functions will improve the efficiency and effectiveness of the services.

Bob Stewart: Forgive me, Madam Deputy Speaker, but I had to leave the Chamber for 30 minutes earlier. Does my hon. Friend agree that although the services will be distinct operationally—policemen don’t do fires and firemen don’t do policing—it would be good sometimes if they were on the same radio network, particularly when an incident is called in?

Amanda Milling: My hon. Friend is absolutely right. Co-responding would bring better responses to certain incidents, particularly emergencies.

The efficiency and effectiveness of the services will be improved by cutting out the duplication in back-office functions, procurement, management and offices. Significant savings could be made from integration. Our PCC estimates that in Staffordshire alone, about £4 million of savings could be made by integrating management and back-office functions.

Lyn Brown (West Ham) (Lab): Does the hon. Lady not recognise that many of those savings have already been made through collaboration inside councils or with the NHS? Where does she think the extra money will come from? It will have to come from the local council.

Amanda Milling: Although I recognise that there is some collaboration within services, I believe we could go an awful lot further.

This is not just about saving money. Effective integration will create better outcomes for the public as resources are focused on the frontline, creating more viable and visible services. It will be possible to take a more holistic view of the way in which incidents are responded to by both services. Again, that will create better outcomes for the public and lead to a more efficient use of resources.

Under the Bill, a PCC will take on the new responsibilities only where the case is made locally. Although I have raised concerns about the changes being voluntary rather
than mandatory. I understand why this is the case in an era of devolution and localism. I am reassured to some extent by the statutory duty for fire and rescue authorities to co-operate with PCCs as they develop a business case and by the ability to escalate the decision to the Secretary of State if there is disagreement, with an independent review panel assessing the business case. When the Minister stands up, I would be interested to hear in more detail how those two processes will work in practice. Although I accept that there is a need to co-operate, the processes need to be genuinely robust to address the underlying resistance to change. I would also be interested to know how frequently the reviews could be undertaken, should there be a need to revisit a business case.

I have talked about public accountability. If we are genuinely to ensure that PCCs are clearly and directly accountable to the public for both police and fire services, I feel that their title needs to change. What plans does the Minister have to change the title of PCCs to reflect their new responsibilities? The suggestions have included public safety commissioners and community safety commissioners. A title with a broader scope could open up the opportunity for the role to be expanded further to include other blue light services over time, such as the ambulance service. After all, there are many incidents in which all three services are involved and to which they all respond.

As I see it, the Bill is the beginning, rather than the end, of the blue light services’ collaboration journey. I urge the Government to create a strategic road map towards further integration to create consistent, connected and co-ordinated front-line services that are more resilient and more responsive to the changing needs of the public and our communities.

7.9 pm

Mr Kevan Jones (North Durham) (Lab): I broadly welcome this Bill, and I will touch first on its proposals for mental health services and then on some broader issues, including those raised by the hon. Member for Cannock Chase (Amanda Milling). Credit must go to the Government for addressing police interaction with those who suffer from mental health conditions. Is this issue the fault of the police? No, it is not. In many cases, they are picking up the failure of the rest of society, but they have specific powers that the Bill proposes to change with regard to sections 135 and 136 of the Mental Health Act 1983.

Sections 135 and 136 are unique because they give the police powers to remove the liberty of somebody who has not committed an offence or been suspected of doing so. Section 135 is used if someone is suspected of a mental disorder that could lead to them becoming a danger to themselves, not being kept under control, or being unable to care for themselves. A magistrate can authorise a warrant for police officers, with a doctor or another mental health care professional, to carry out an assessment and enter someone’s property, and to evaluate them and section them for up to 72 hours.

Section 136 refers to people in a public place and states that a person who is “suffering from mental disorder and to be in immediate need of care or control” can be taken to a “place of safety” if it is felt that they or others need to be protected. There are clear reasons for such provisions, but I think they have been made worse by the non-joined up approach to dealing with people who have mental health issues. Is that the fault of the police? No, it is not. The steps taken in the Bill will help, but will they solve the problems? No they will not, because until we hard-wire mental wellbeing and mental health into public policy, these problems will continue to exist.

Under the 1983 Act, a “place of safety” includes a hospital, a police station, an independent hospital, a care home, or any other suitable place. Clauses 59(2) and 60 move away from the practice of taking people to police stations. For example, clause 59 will allow someone to be kept at home, although I understand from talking to mental health professionals that that already happens in some cases, which I welcome. Not using the default position of taking someone to a police cell must be welcomed. Clause 60 states that a suitable place of safety could be someone’s house or flat, or another place that a responsible management deems suitable. I have some problems with that because it puts the onus on the police to decide what is a safe place, and I do not think that is fair on the police officers in attendance.

Bob Stewart: I thank the hon. Gentleman, who is a friend, for giving way. Not only does the police officer have to consider what is a safe place, they probably also have to decide how ill the person is with whom they have come into contact. That must be very difficult at times.

Mr Jones: I agree, and as has been mentioned, there is good practice in co-locating police officers and other emergency services with mental health professionals.

My other problem is with who takes such a decision. Clearly, if someone is in crisis and faced with a choice of being taken to a police cell or being allowed to stay at home, most people will stay at home even if that is not the safest place for them. Likewise, their relatives or carers may feel that they have no choice but to take the default position of keeping somebody at home. Perhaps when the Bill goes to Committee we should examine exactly how the measure would work in practice, because it could also lead to the problem being masked. Like the hon. Member for Broxbourne (Mr Walker), I think that we need a place of safety. That does not necessarily have to be a bed—I will come to that issue in a minute—but we need places where people can be taken and properly assessed. These statistics may suddenly disappear, and people might not be placed in that position—the local health commissioners might suddenly say that we do not need a place of safety, but that is not currently the case. We need clarification on what is deemed a place of safety.

Clause 59(5) states that the police must consult a health professional before using section 136 of the 1983 Act. It requires a police officer, where practicable, to consult a doctor, nurse, approved medical professional or another person as specified in the regulations—we have not seen those yet—before using their section powers. Again, I have some problem with that provision. I can see it working in practice in a situation such as those outlined where there is good triaging work, but it is a big call on a police officer in a difficult situation when somebody is in crisis—especially if they are threatening to take their own life—if practical steps have to be taken to consult a mental health professional. The thrust of the provision is right, but I am not sure...
how it would work in practice without a clear indication that local police forces have ready access to mental health professionals. I accept, however, that in some places great work is being done on that with joint working.

Clause 60 refers to the place of safety and police cells. Should a police cell be a place of safety for somebody with a mental health issue? It certainly should not. Subsection (6) prohibits the use of cells for those under 18, and I completely agree with that. The only problem is that if there are alternatives to the police cell, what will be the default position? People say that more beds are needed, and in some areas that is a problem. In other areas, however, we need places of safety to take people to. We cannot separate the crisis that faces housing in London, for example, and mental health issues. If we have proper supported housing and other projects for people to go to, that is the alternative. A bed is not always the answer to these problems. The Crisp report demonstrated that 500 people had to travel 50 km to access a mental health bed. However, because such statistics are not kept nationally, how will we know whether the targets are being met? At the moment, statistics are kept sporadically, and perhaps in Committee we should insert some provision for them to be kept nationally.

The thrust of the Bill is right, and clause 60 provides regulatory powers to the Secretary of State on the use of police cells as a place of safety for those aged 18 or over. The regulations will set out the circumstances in which a police cell may be appropriate for someone waiting for an assessment. I do not question for one minute the Government’s direction of travel in not wanting to place people with mental health issues in police cells, but some examination of what those regulations would mean is important. Clearly, if beds or places of safety are not available locally, people will wait a long time. I have spoken to police officers in my area and a police cell is the last place they want such people to be in.

Measures to reduce the maximum detention time from 72 hours to 24 hours are welcome. However, I would even question the 24-hour limit, which I think is linked to Police and Criminal Evidence Act 1984 regulations. These people are not criminals, so why do we have to use the same time limit? Guidance for commissioners from the Royal College of Psychiatrists on section 136 says an assessment should be made within three hours. In Committee, we should try to reduce the time limit down to a maximum of three hours. I am not criticising civil servants for drafting the provisions thinking they would fit in with the PACE regulations, but the inference of criminality stigmatises people who are clearly not criminals.

The chair of the Health Committee, the hon. Member for Totnes (Dr Wollaston) raised the issue of when the 24-hour period starts. Does it start from when the person is detained in a police van or police car, or does it start when they arrive at the place of safety? This could make a big difference if people are being transported long distances to a place of safety. These issues need to be considered.

The issue of health service advocacy is completely missing in the Bill and needs to be addressed. Under the Mental Health Act 1983, there is provision for independent advocates for people with mental health issues. There are some exceptions, however, one of which happens to be the place of safety under sections 135 and 136 of the 1983 Act. People need advocacy and I would like some provision in the Bill to allow access to it. People in crisis will not be in a position to argue for their rights or to ensure they make the right decisions. The idea that advocacy is an exception rather than mandatory under the Act again puts pressure on statutory services to take it seriously.

I do not want to be churlish. I recognise that the Government are trying to move forward and I welcome what is being proposed, but the practical implications perhaps need to be considered in Committee. Alongside that consideration, we need a debate about what is a place of safety. In some cases it will be a bed, but the hon. Member for Broxbourne has other examples of places of safety run by charities and others. Unless the provisions in the Bill are implemented alongside changes to the health service and the voluntary sector, the issue, which is perceived to be a problem, will be placed unfairly back on to the police. We need to ensure the two are linked up. I hear what the Government say about £15 million being made available, but that is a drop in the ocean compared with the problems we face. We need to ensure that local commissioners work with the emergency services and others when commissioning local services. This is not just about beds. I am coming around to what the hon. Member for Broxbourne said as perhaps more appropriate.

Mr Charles Walker: The hon. Gentleman is talking about short-term crisis houses, which tend to be run by the third sector. They are community based and people can go to them for between three and five days at that moment of crisis to be sorted out before they go back home or back into the community to stay with friends or relatives.

Mr Jones: Yes. It is time to consider that proposal irrespective of whether such houses are provided by the voluntary sector or the statutory sector. A network of that type of provision across the country would get away from the use of police cells. As the hon. Gentleman knows, they could be commissioned at a local level, and third sector development could provide very good value for money. I welcome the proposed changes, but they need to be amended in Committee.

I broadly welcome the Bill, but my right hon. Friend the Member for Leigh (Andy Burnham) is right to say that we cannot consider it in isolation away from the funding of our police forces or of our fire and rescue services. The hon. Member for Cannock Chase gave the impression that this is all about driving through efficiency and making local government accountable. That is fine, but the system needs to change. An increase in the precept in Durham, on both the fire service and the police, will not fill the gap created by central Government cuts. In a perverse way, the Government seem to be moving money away from more deprived areas to the more affluent areas of the south.
On the relationship between the fire services and the police, I am not opposed to efficiencies relating to the back office or anything else, but the hon. Lady did say she did not want the police fighting fires and firefighters catching criminals. I agree. We need to be clear that there will be no merging of the frontline. I will support anything that can make the service better for people and more efficient. The firefighters and police officers that I know want that, too.

**Kit Malthouse:** I understand the sentiment the hon. Gentleman expresses, but does he agree that there are circumstances in which police officers and firefighters may want to stray over the line into each other’s areas of responsibility? There was a famous case not very long ago where police officers stood back and watched somebody floundering in a pond almost drowning, because it was not their job and they did not feel trained enough to go in and save that person. They had to wait for the fire service to arrive. Surely there are circumstances where having complementary skills can be beneficial to the safety of the public.

**Mr Jones:** Yes, but the hon. Gentleman does the police and firefighters a disservice by giving an anecdotal example. There are many occasions when serving police officers have rescued people from fires.

**Kit Malthouse:** That is the point I am making.

**Mr Jones:** Well, yes, but that is not about blurring their roles. I do not think that that is what the public want. They want their police officers to protect them and their streets, and they want their firefighters to respond to house fires and other types of emergencies—road traffic accidents and so on. The public want specialist skills and I would be totally opposed to any blurring of the lines.

There are some positive measures in the Bill that are a step forward. I caution my right hon. Friend the Member for Leigh that, while we need to table many amendments, voting against the Bill on Report would not be understood by the public. It would give the impression that we did not care about the things in the Bill that should be welcomed. Instead, we should be highlighting the things that are ideologically driven.

**Andy Burnham:** Just to clarify, I was talking not about voting against the Bill per se—as I said, it is a good Bill, and we like many of the measures in it—but about voting on Report against the proposals on fire, police bail, which, if not strong enough, we will want to strengthen, and police accountability, where we believe that retirement should not free police officers from having to face up to past wrongdoing.

**Mr Jones:** I apologise to my right hon. Friend for the misunderstanding. I thought he told the House he would oppose the Bill on Report, which I would not, but I look forward to his amendments because there are clear ways that the Bill could be improved and strengthened, as he said.

In closing, I broadly welcome the Bill. I hope that in Committee we can address the issues around mental health so that the Bill can do what the Government want it to do, which is to improve the situation. I suggest that they work with the charities sector and others who have raised some of the concerns that I have mentioned tonight. I hope that we can get to where the Government want to go and avoid the situation of people with a mental illness ending up in police cells. It could also take the burden from front-line police officers, who, although they try hard, are not qualified to deal with such situations.

7.31 pm

**James Cleverly** (Braintree) (Con): I will limit my speech to part 1 of the Bill, which deals with collaborative working, and specifically to the provisions to bring fire authorities under the umbrella of police and crime commissioners, and the changes to the London Fire and Emergency Planning Authority. I served for many years on the Metropolitan Police Authority, and I was, until just prior to my election to this place, the chairman of the LFEPA, so I have seen at first hand the police authority structure, the current fire authority structure and now the workings of the Mayor’s Office for Policing and Crime in London. I have also seen at first hand the confusion sown by the existing structures, particularly within the London fire authority. That confusion exists in the minds of voters and firefighters, and it also sits in the minds of the members of the fire authority itself.

Since the introduction of PCCs, we have seen a clear line of accountability from the electorate, through the PCCs, to chief constables and ultimately police officers themselves. There is no ambiguity about where the buck stops, and that is absolutely how a democracy should work. The people who hold and deploy budgets, and who set agendas and priorities, should be accountable to people at the ballot box, and that is what we see with PCCs. I therefore welcome the shadow Home Secretary’s statement that the Labour party’s position on PCCs has evolved. That is a mature position. I would like to see it evolve further and for him to embrace the model, but we will take one win at a time.

In comparison with the PCC system, the LFEPA, when I chaired it, had a mixed fleet of members: some were borough councillors; some were London Assembly members; and some were direct appointees of the Mayor of London. None—myself included—were elected to sit on the London fire authority, as every single member was appointed by the Mayor. The local government appointees were appointed on a proportional system, based on the local government elections, which created the perverse situation that the Mayor, as the only one of us elected with an explicit fire and rescue mandate, did not have a majority on his own functional body

I referred to the confusion among members. We had Labour and Liberal Democrat members describing themselves as “the opposition” on the London fire authority, despite the authority as a whole being the executive body. We also had the ridiculous situation where I, as the chair of the authority, had almost a Prime Minister’s Question Time-style monthly grilling by other executive members, of whom I was no more than the chair. If members of the fire authority do not understand its function—if they believe they are the scrutineers of the executive, rather than part of it—and misunderstand its scrutiny role, how on earth are members of the general public, or firefighters themselves, expected to understand it?

Chapter 3 of part 1 of the Bill remedies that situation by introducing a much clearer line of accountability so that the Mayor can take a direct role in the governance
of the London fire brigade, rather than acting via the rather cumbersome mayoral direction process, as set out in primary legislation, which is what currently happens. The Bill provides for a much clearer golden thread from the Mayor, through the deputy mayor for fire and emergency, the London fire commissioner and the London fire brigade, to the voters, as should be the case.

I would like that model replicated around the country so that people can understand how the system works. We currently have a weird mixed fleet with fire authorities. Some are nothing more than a committee of a county council, while others have mixed systems with some councillors and some direct appointees. This incredibly cluttered system is past its sell-by date, if it were ever within it—I am not sure it was ever the right structure to our right hon. Friend the Home Secretary. I was quietly critical of a measure in the primary legislation, which is what currently happens. The Bill provides for a much clearer golden thread from the Mayor, through the deputy mayor for fire and emergency, the London fire commissioner and the London fire brigade, to the voters, as should be the case.

There are also far too many fire authorities in the country. Fire authorities and brigades do a good job, but I struggle to comprehend how the fire and rescue requirements of east Sussex can be so fundamentally different from those of west Sussex.

Andy Burnham: I am listening carefully to what the hon. Gentleman is saying, but will not the Bill make things even more complicated by providing for local authority control, traditional fire authority control, potential elected mayoral control and then another model of PCC control—even within that, as the Bill states, there are three models of PCC oversight? Will that not be even more complicated?

James Cleverly: I do not believe that it will be. Ultimately, the Bill will result in a gravitational pull to clear, clean lines of accountability. I foresee that the elements in the Bill that facilitate but do not mandate will prove to be a more effective model. I predict—I would be willing to be pulled up on this in the future—such a gravitational pull. It is what firefighters, police officers and the general public want, and it is what the House should also want.

Although I have been very supportive, I shall be a critical friend on one particular issue, for which I apologise to my right hon. Friend the Home Secretary. I was quietly critical of a measure in the primary legislation that created the Mayor’s Office for Policing and Crime in London that introduced an explicit requirement for a scrutiny committee on the London Assembly. I cannot imagine any circumstance in which the London Assembly would not have a scrutiny committee for either its policing function or its fire function. In my mind, the explicit provisions in schedule 2—proposed new sections 327H and 327I of the Greater London Authority Act 1999, if my memory serves me right—are superfluous. I will not die in a ditch over this, because I think that the function is necessary, but I am not sure that an explicit requirement in the Bill is needed. Having worked in the old cluttered universe in both policing and fire in London, and having seen how much clearer the lines of accountability are now that we have a Mayor’s Office for Policing and Crime—the functions have been very ably discharged by my long-standing good friend and colleague, my hon. Friend the Member for North West Hampshire (Kit Malthouse)—I cannot wait until we have an equal amount of clarity in the fire service.

The shadow Home Secretary raised several concerns about whether the Bill would lead to cheap policing by the back door and the convergence of roles. I remind him that the fire department in New York conducts both the fire and emergency response that one would expect from a normal fire brigade and also runs the ambulance service in New York. There is no blurring of roles. The ambulance crews are explicitly ambulance crews and the fire crews are explicitly fire crews. It is only at the top of the organisation, with emergency call handling, mobilising, deployment, finance procurement and so forth, that there is convergence. I hope that such a model will be replicated here.

The Bill represents absolutely the right direction of travel. I have seen how cluttered and ungainly the current system is. It is absolutely right that we move to much clearer, cleaner lines of accountability, and I commend the Bill to the House.

7.41 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): The Bill legislates to deliver some of the Tory manifesto’s policing commitments. The people of England voted for that manifesto, and the people of England are within their rights to expect to see those commitments delivered. The people of Scotland did not vote for those commitments, and the people of Scotland will rightly not be subject to the greater part of these reforms, because policing is devolved to the Scottish Parliament. The people of Wales did not vote for the Tory manifesto either, but they will have no choice but to accept what London tells us to do in the greatest part of our policing.

Plaid Cymru sees no reason whatsoever why police priorities should be dictated by the UK Parliament and not the Welsh Parliament—the National Assembly. Given that policing is devolved to Scotland and Northern Ireland, we see no reason why it cannot be devolved to Wales. What is it that makes Wales an exception? The four Welsh police forces are unique within the UK. They are non-devolved bodies operating within a largely devolved public services landscape. They are thus required to follow the dual and diverging agenda of two Governments. Additionally, all four forces in Wales reflect the need to provide a service in Welsh and English. North Wales police does this with great effectiveness and is held up as a model among public sector organisations in Wales for its language training support and initiatives.

Transferring responsibility to the Welsh Government would not be the tectonic shift that many in this House claim it would be. Relationships between the Welsh forces and UK services such as the police national computer and the Serious Organised Crime Agency would continue as at present, as is the case in Scotland. Why should not the people of Wales be given the same democratic freedom enjoyed by the people of Scotland? Doing so would lead to greater clarity and efficiency by uniting devolved responsibilities, such as community services, drugs prevention and safety partnerships, with those currently held by the UK Government.

It is not just Plaid Cymru saying this. The Silk commission was established by the Tories and comprised all four main political parties in Wales, including the Conservative party. Its members spent two years consulting the public, civil society, academia and industry experts on the powers necessary to empower and strengthen Wales. It received written evidence, heard oral evidence and visited every corner of Wales. It heard evidence
from the police themselves and from the Police Federation calling for the devolution of policing, and the report recommended accordingly.

I note that the Labour party in Cardiff has today published an alternative Wales Bill calling for the devolution of policing. I welcome the Welsh Labour party’s U-turn, although it appears to have been immediately flushed down the U-bend by the Westminster party. That is hardly surprising, and today’s response will serve to remind people in Wales only that Labour vetoed the devolution of policing last year. Indeed, it is evidence that Labour says one thing in Wales and is not listened to by the party here in Westminster.

The Bill provides an opportunity to bring Wales into line with the rest of the UK. Had that been done before the 2010 election, Wales, like Scotland, would have been spared the unnecessary imposition of elected police and crime commissioners. The people of Wales did not want them and only 14.9% of us voted in those elections.

That said, I would like to take this opportunity to raise the significance of how we equip the police to deal with another issue, which a number of Members raised earlier: the growing threat of cybercrime, which affects every police force. Indeed, the College of Policing estimates that half of all crimes reported to front-line police staff now have a digital element. I hope to present a ten-minute rule Bill on Wednesday that would simplify the present complexity of statute, as well as showing the need to improve the training of criminal justice professionals in matters relating to digital crime. Given that only 7,500 police officers out of a total of 100,000 in England and Wales have yet received such training, I am disappointed that the Government’s Bill has not yet been used as an opportunity to remedy a lack of understanding and an ambiguous interpretation of existing laws to protect the public against cyber-abuse and fraud.

7.46 pm

**Kit Malthouse** (North West Hampshire) (Con): It is a great pleasure to come so far down the batting order because we get to hear what everyone else has to say, and I was particularly pleased to hear the right hon. Member for Leigh (Andy Burnham). He and I were brought up in the same city at the same time, although we obviously had different reactions to the years of Militant and Derek Hatton, with me being radicalised in one way and he, unfortunately, the wrong way.

It is a great pleasure to support this Bill because it finishes the job of policing reform. When I was deputy Mayor for policing in London I was, of course, in the thick of it during the great years of policing reform that saw the creation of police and crime commissioners. In many ways, I am the Home Secretary’s very own Frankenstein’s monster because I was the first creation that saw the creation of police and crime commissioners. The family of collaborative services dealing with emergencies in this compulsion for collaboration, alongside some of the other emergency services, because I think it could have a big impact on criminal justice generally.

**Bob Stewart:** As I listen to my hon. Friend’s description, I am thinking of an incident on the ground. I am reflecting on the fact that without proper co-ordination, there might not be anyone in charge. I assume that SOPs—standard operational procedures—will automatically appoint someone in charge. That will be decided very quickly at a major incident.

**Kit Malthouse:** My hon. Friend is exactly right. As he knows, a gold commander will be appointed, and more often than not it is the senior police officer in charge of the incident. Control is taken, certainly in London, through the control room, in tandem with the fire office and other emergency services required. The system already operates in emergencies, and the fact that we are having to outline in legislation seems extraordinary, although nevertheless necessary.

When I was chairman of the Metropolitan Police Authority, I was astonished by the sheer time involved in dealing with complaints. There were reams of paper and endless committee meetings. My hon. Friend the Member for Braintree (James Cleverly) sat through hours and hours of many of those complaints hearings, some of which were frivolous and some not, but all of which, hopefully, were taken seriously. Any measure that streamlines the complaints system should be welcomed by all, police officers included.

I think that the idea of super-complaints is a knockout. As chairman of the Metropolitan Police Authority and deputy Mayor for policing, I would receive, endlessly, what were essentially super-complaints from charities and other organisations claiming that systematic problems involving the police needed to be addressed. If we could find a way of organising mini-inquiries into some of those issues—which is, essentially, what super-complaints would be—we might secure quicker resolutions.

One of the big issues, which the police themselves resolved in the end, was the investigation of rape. It became clear that the way in which the police investigated rape was seriously deficient, and that rape victims were not being dealt with properly at the front end—the inquiry desk at the police station. Once the mounting
voices of complaints became so loud that the police had to do something, strangely enough, we secured change straight away. I think that if a charity involved in women’s welfare, or indeed men’s welfare, were able to lodge a super-complaint—rather like the Office of Fair Trading, or the Competition and Markets Authority—the issues could be resolved much more swiftly.

There is no doubt that one of the things that have undermined confidence in the police is the idea that someone can resign just before being subject to disciplinary action. We have seen police officers do that time and again, and they are often in collusion with a leadership that does not want to become involved in a significant inquiry into someone’s conduct. The extension by 12 months seems about right to me. There might be a case for 24 or 36 months, although I think that a lifetime might make matters more rather than less complicated. The extension beyond retirement is certainly welcome.

There will be rejoicing across the land at the final abolition of the Association of Chief Police Officers, in word if not in deed. It is great to see ACPO finally erased from the statute book, for all sorts of reasons. However, there is one small tweak that I would quite like the Minister to consider. One of the duties that are to be transferred to the new Chief Officers Council, or whatever it is called, is the requirement to co-ordinate the national police response to national emergencies. I was on the eighth floor of Scotland Yard on the Monday night of the 2011 riots, listening to the present Metropolitan Police Commissioner—who was then acting Deputy Commissioner—ringing all his mates in the police forces and asking whether they had any spare coppers to deal with the riot as 22 of London’s 23 boroughs went up in flames. It became clear to me that the idea of voluntary co-ordination was never going to be entirely seamless. I think that devising some method of compelling police forces, in extremis, to send officers to the aid of cities, or other areas, that needed them—rather than that being done on the basis of an understanding between police forces—would be useful for future resilience.

I welcome the proposed changes in the treatment of 17-year-olds in police custody. I think we are slowly beginning to realise that 16 and 17-year-olds are in a particular position of vulnerability: that they are still children in the eyes of the law, but are being treated inconsistently with that. The changes in the Police and Criminal Evidence Act 1984 that will allow them to be treated as children, and given the protections that are afforded to children, are extremely welcome. They weave into a general theme, which is building up in the House and which has been mentioned earlier in the debate, concerning the status of 16 and 17-year-olds in the law generally. Like the Children’s Society, I believe that we should extend protections to that group.

I also think that we should consider extending child abduction warning notices to 17-year-olds, because they are often useful in that context. Either during the later stages of this Bill or during the stages of a sentencing Bill, if one is forthcoming, I shall be looking into the possibility of protecting those children through a general aggravated sentencing framework relating to offences against children, as well as the possibility of extending sentencing for child cruelty.

I greatly welcome the extension and strengthening of licensing conditions. I think that it is a fantastic move. As we all know, alcohol is an enormous driver of offending, and an enormous absorber of police time. The recent pilot trialling the alcohol abstinence monitoring orders in Croydon was so successful that the Minister has extended it to the whole of London, and we hope that it will subsequently be extended to the rest of the United Kingdom. However, there are a couple of tweaks that I would like the Minister to consider, because I think that they could make this tool really effective.

The first of those tweaks relates to police bail. Conditions apply to it, but, at present, none of them is a requirement to abstain from alcohol. I think that a huge volume of work that is currently dealt with in magistrates courts and beyond could be removed if the police could offer offenders the option of police bail on condition that they wore an alcohol monitoring bracelet for one, two or three months. If offenders breached that requirement, they would effectively be breaking the terms of their bail, and could end up in the criminal justice system as they did before. Vast swathes of paperwork in the magistrates courts would be reduced at a stroke. The police would have the power to manage alcohol on a real-time basis in their own communities.

Mike Penning: One of the privileges of being the Minister for Policing, Crime and Criminal Justice is being part of the Ministry of Justice as well as the Home Office. What my hon. Friend is talking about, essentially, are out-of-court disposals, and I think that we are moving in that direction rather than in the direction of police bail when it comes to such matters as sobriety bracelets.

Kit Malthouse: I welcome the Minister’s support. He has been a great proponent of the use of such bracelets, and I think that one of his first acts in office was to extend their use. I do not really mind how the bracelets get on to a person’s ankle. We know from the Croydon pilot that they are 92% effective. I do not mind whether this is done by means of out-of-court disposal or police bail, as long as it is done swiftly. We know that the best kind of criminal justice is swift and certain, and the bracelets are exactly that.

In the context of alcohol abstinence monitoring orders, there is another tweak that I should like the Minister to consider. In the United States, a system has been highly successful, and is spreading across the whole country like a virus. Authorities are allowed to charge for physical testing. People turn up twice a day to blow into bags to prove that they have not been drinking, and they pay a buck a test, which finances the whole project. It is self-financing: the polluter pays. That is a brilliant principle. We do not have such a power in this country, but it would be wonderful if we could insert it in the Bill. In the case of the pilot in London, the Mayor had to put in half a million quid and the Secretary of State for Justice had to put in another half a million. Instead, we could start this project and charge the criminals for their own disposal. Surely that makes sense. The money is money that those people would be spending on alcohol anyway, and they would be saving it because they would not be drinking: they would be wearing the bracelets.

We know that the model works in the United States.

I am a great supporter of the Bill. I shall be monitoring its progress during all its stages over the next few weeks, and I hope that the small and helpful tweaks that I have suggested will somehow make it into a Bill which, as a result, would go from being good to being great.
James Berry (Kingston and Surbiton) (Con): The Conservative Government were elected on a manifesto commitment to finish the job of police reform. Having worked for the last eight years or so primarily in police law—and I should declare that I have represented many police forces, and lecture at the College of Policing—I have some knowledge of the subjects that we are discussing. I was pleased to be elected on the basis of that manifesto.

Let me recap what has been achieved by the Conservative Government, and, previously, the coalition, over the last five years. Police and crime commissioners have brought local democracy and accountability to policing. A police misconduct system has meant that, for the first time, hearings have been open to the public, there have been independent legal chairs, and there is a disapproved register of officers who have been dismissed and cannot seek re-admittance. A National Crime Agency has been established to tackle organised crime, and is now headed by the excellent Lynne Owens. A College of Policing has been established to improve police training and guidance, beefing up Her Majesty’s inspectorate of constabulary, and the Association of Chief Police Officers has been reformed to become the National Police Chiefs Council, led by the excellent Sara Thornton.

Our manifesto, however, included a promise to finish that job of police reform, to overhaul the police complaints system, to develop the role of police and crime commissioners, and to encourage closer collaboration between the police and other blue light services. And, as I said in my own election literature, we need to ensure that we give the police the tools they need to do their job, because crime and criminals are always changing and we must do what we can to minimise legislative drag. The amount of police-related legislation that has come through this House in the past five years shows that this Home Secretary is very much committed to doing that. I want to speak to those four key themes briefly if I may.

My first point relates to the police complaints system. The whole purpose of the system is to increase public confidence in the honourable profession of policing. The Chapman review found that the system was complex and lacking in transparency, but it did not need a retired major general to work that out. If the system cannot be understood by the public, let alone by police professional standards departments, it will not command their confidence.

There is a clear case for simplification, and I am pleased to say that that is being realised in at least six areas of the Bill. Replacing the dichotomy between a complaint and a direction and control matter with a mere expression of dissatisfaction will remove a misunderstanding that has resulted in many appeals and legal challenges. The confusion over whether a complaint should be recorded at all has led to a number of appeals and legal challenges, but now, virtually every complaint will be recorded. The introduction of a single route of appeal, with the appellate body having to decide whether a complaint has been handled in a reasonable and proportionate way, will remove the five avenues of appeal which were confusing to individuals without legal representation.

Furthermore, having all complaints against chief officers dealt with by the Independent Police Complaints Commission will resolve the need to refer matters to other police forces and ensure that when the most senior officers are the subject of a complaint, those complaints are dealt with entirely independently. Additionally, there will be a presumption in all kinds of complaints being investigated by the IPCC that the investigation will be an independent one rather than a directed one. It is important, however, that where the IPCC takes control of an investigation and has the power to decide whether a matter should be referred to a misconduct panel, the appropriate authority—the chief constable—should be consulted and the consultation should be genuine. There are cases in which the IPCC might say that the officer does not need to be referred to a misconduct panel but the appropriate authority thinks that the officer should be so referred. In such cases, the appropriate authority in the force is far better placed to know what the local standards and priorities are.

I am also pleased to see the beefing up of protection for police whistleblowers. The police conduct regulations include a duty on police officers to report misconduct by their colleagues, but this is obviously a difficult standard to follow where there is a threat or perceived threat of reprisals. This beefing up of protection is very important in that regard.

Another important feature of the Bill is the extension of Her Majesty’s inspectorate of constabulary’s powers to non-police organisations that perform what were traditionally police roles. The public have a right to expect that where public functions are outsourced, a service that receives taxpayers’ money to perform those services will do so no less professionally and will be monitored no less rigorously than before. HMIC having the power to extend its investigations to private companies is therefore very welcome indeed.

I must respond to a point made by the hon. Member for Barrow and Furness (John Woodcock). I am sure that it was well intended, but I think he perhaps misunderstood my intervention and that of my hon. Friend the Member for Braintree (James Cleverly). Case law relating to professional regulation across all fields—doctors, dentists, nurses, barristers, solicitors, police officers—makes it quite clear that the purpose of sanctions in professional regulation is to maintain the reputation of and public confidence in the profession, not to punish the registrant. In my view, therefore, it would be wrong to suggest that a sanction that was not available when someone was serving in office when disciplinary proceedings took effect should be greater than that for someone who is still in office.

The hon. Member for Barrow and Furness went on to talk about the docking of pensions. The police have the power to do that when an officer is convicted of a criminal offence. There may well be a case for extending that power and adding it has a power at first instance, but I do not see how such a power could be used differently depending on whether an officer had retired at the time the misconduct came before the panel.

[Interruption.] The hon. Gentleman says that he did understand my point but did not agree with it. Fair enough. His point is certainly worth exploring, but I think that it would cut against the nature of the police conduct regulations, which in respect of sanctions have remained unchanged for a very long time, and against the whole thrust of case law in the field of professional discipline.
Jake Berry: On this specific issue, does my hon. Friend think it is worth exploring extending the slightly arbitrary 12-month period after retirement during which someone can be pursued? Should the fact that someone has been retired for 12 months mean that they can escape punishment?

James Berry: On this issue, the Berrys are ad idem.

My second point relates to developing the role of police and crime commissioners. I entirely agree that PCCs should have a greater role in the complaints system. That will add a level of independence to it, and they, rather than the chief constable under whom the officer complained about serves, will become the appellate body with respect to complaints. They will also have the power to deal with local resolution. I personally would have gone further by introducing a power of recall for PCCs, but perhaps that is a matter for another day.

My third point relates to encouraging collaboration between blue light services. This is probably the most far-reaching aspect of the Bill. I ask the House to consider what would happen, knowing the cost of public services and of the estate and knowing the amount of co-working that blue light services do, if we were to step back and start from scratch. I suggest that for reasons of efficiency and effectiveness we would choose to have shared premises, shared control rooms, shared back-office staff, shared first responder services for incidents such as crashes and explosions, and shared local accountability. There is a strong case to be made for that to be the direction of travel for blue light services across the UK.

However, the Bill does not mandate collaboration. It introduces a duty on the police and the fire service to consider, and keep under consideration, whether blue light collaboration would increase the efficiency and effectiveness of the services. So this is not collaboration for the sake of it; it would involve collaboration where efficiency and effectiveness would be improved. I believe that that is what local residents and taxpayers would demand of their blue light services. Nor is the Bill prescriptive about how collaboration should take place. It can be done to suit local needs.

My fourth point relates to giving the police the tools they need to do their job. This is very much how the House should approach legislation relating to the police, with officers on the ground telling us what powers and resources they need to tackle the changing nature of crime. When they tell us that legislation passed by this House is not working in the way that we intended, we should do all we can to put that right. In Kingston, which is covered by my constituency and that of my hon. Friend the Member for Richmond Park (Zac Goldsmith), we have done just that by encouraging the council to purchase extra police officers to police the town centre as a result of problems created by the night-time economy. Also, the local council and the local police force have set up a Korean information centre with a specific police and community support officer employed to help the Korean community with the issues that it is facing.

The House has responded in a similar way in the Psychoactive Substances Act 2016, which bans the supply of psychoactive substances and their possession in prison, and in the Investigatory Powers Bill, which will ensure that the police’s current powers are brought up to date to deal with the challenges that we face from the new technologies that criminals are using. In this Bill, Parliament will provide powers of entry and arrest to deal with suspects who have breached bail, and there will be new provisions with respect to sexual offences relating to live streaming on the internet. There will also be provisions on the use of decommissioned and antique firearms, and a new offence of being in possession of the tools to convert an imitation firearm. All these powers are important for the police in their day-to-day fight against crime.

The Bill contains a smorgasbord of provisions, all of which will improve policing on a day-to-day basis and complete the job of police reform on which this Home Secretary and her team have worked so hard for the past five years. I do not have time to touch on the important provisions on the treatment of 16 and 17-year-olds in custody, on the reduction of pre-charge bail, and on the reduction of the use of police cells for people detained for reasons connected to their mental health. None the less, I welcome this Bill because it enhances the transparency of the complaints system, it puts together a framework for bottom-up collaboration between our blue light services, and it provides very important updates on the police’s powers. For those reasons, this Bill is worthy of the support of the whole House.

Byron Davies (Gower) (Con): I have had the privilege of hearing everybody speak in this debate, and I am delighted that I, too, now have the opportunity to participate. As a former Metropolitan police officer, I speak with some pride on this issue. I wish to make some brief observations, but, like my hon. Friend the Member for North West Hampshire (Kit Malthouse), I will start by saying that the Government are of course committed to finishing the job of reforming the police. It is not an easy task, but a very necessary one, and I broadly welcome the Bill.

The Bill is the cornerstone of police reform, which has now been going on for the past five years. It is the last part of the solid foundations that have been laid for the future of policing in the UK. It will help to build up public confidence in policing at a time when policing is becoming ever more complex.

I am pleased that the Government are committed to improving the efficiency of the police force. It is about not just numbers, as we hear so often, but efficiency. It is something about which I feel quite passionate. Enhancing the democratic accountability of the police is crucial. The public must have confidence in those who serve them, and ensuring that there is a direct democratic link to their police forces only serves to enhance that confidence.

This Bill will not only provide justice for the victims of crime, but ensure that those who have come into contact with the police have the correct protections in place. Recently, we have seen that we cannot allow confidence in the police to be undermined by what has now become a media frenzy surrounding many high-profile cases. We must guarantee that, if there is evidence to take a case forward, the correct safeguards are in place to ensure that all those involved in any police investigation are tried not by public opinion, but in the courts.

Briefly, let me make a number of points about this Bill. First, I am pleased that the police complaints and disciplinary systems will be altered and that there is greater protection for police whistleblowers. It is crucial that people feel enabled and protected if they bring forward a serious complaint or issue.
I have to admit that, when police and crime commissioners were first mooted, I did not particularly agree with them, but after seeing them in operation over the past three and a half years, I have changed my mind. I now fully support them and think that they are one of the best things to happen in the police service. None the less, I do have concerns about them becoming the appellate body for appeals—currently, that is the job of the chief constable. I look at that measure with a deal of trepidation as there could well be political connotations to such a move. I ask the Minister this: can we have full confidence that dealing with complaints will be both fair and impartial? It is such a crucial part of policing, that we must ensure that public confidence in policing is not subject to any level of doubt. I need absolute assurance from the Minister that there will be no unfair element to this process. As a police officer, I spent a number of years investigating complaints against fellow officers. Although it is often said that police should not investigate the police, I have to say that a more rigorous method and form of investigation would be hard to find. I say that as the standards that we expect of each other are so high. When an officer transgresses criminal law or indeed the disciplinary code, the investigations are ruthless.

Let me move on now to the concerns surrounding the extension of powers to police and community support officers and other staff. Although I am not against chief officers having greater control and powers over volunteers, I believe that there is no substitute for a fully trained, warranted police officer. It is important that there will be a list of core powers available only to police officers, and it is crucial that volunteers are not supplementing roles and duties that should be undertaken by officers who are thoroughly trained and who have experience of the duties of policing day after day. That said, the special constabulary has an important role to play, and its contribution should not be underestimated.

Although I appreciate that the initiative of using volunteer police officers in Lincolnshire has been seen as a success, the proposal requires greater scrutiny and discussion before any major changes to the structure of policing is made. This Bill, as I have mentioned, is crucial in ensuring public confidence in the police, and supplementing police duties with people who are not adequately trained could possibly undermine that confidence. I look forward to hearing the Minister address those points, as I know that he has given this Bill a huge amount of thought.

I do have concerns about collaboration between the emergency services, but, as much has been said on that subject in this debate, I will not dwell on it too much, except to say that success of such collaboration will be very much down to whether local police and fire chiefs can make the arrangements work. Indeed there is some intrigue over the single employer model, which could be fraught with problems. I am unsure how chief officers from very different services who have to tackle their own distinct problems can oversee the duties of another agency of which they have very little experience. I know that the Bill mentions training, but I would like to hear what training will be given to prepare them for such a role.

Importantly, I also have concerns about transferring the power to appoint assistant inspectors of constabulary from the Home Secretary to Her Majesty’s Chief Inspector of Constabulary. I believe that the Home Secretary, as an informed and impartial judge on matters to do with policing, is best placed to ensure that these crucial roles are filled with people who are robust, experienced, independent and up to the task of the vital role of inspecting how the police operate and whether they are up to standard. The current system has worked admirably, and I am, as yet, not convinced of the need to change it. Sir Tom Winsor, Her Majesty’s chief inspector of constabulary, is a competent leader of the organisation, but, as this is all about independence, the Home Secretary is best placed to do the job.

May I move on to the amendment of police powers under sections 135 and 136 of the Mental Health Act 1983? I have heard what has been said by my hon. Friends the Member for Halesowen and Rowley Regis (James Morris) and for Broxbourne (Mr Walker). The review of the Department of Health and the Home Office was right to highlight the overuse of police cells as places of safety, especially for children and young people. Will the Minister tell us what locations will be used as places of safety given the reduction in the use of police cells, and how will the definition of places of safety be drafted correctly to ensure that it reflects local capacity and is flexible enough to ensure that different police forces with diverse capacity issues can respond to local needs?

There is some difficulty around understanding the practical role of police officers in the situations in which they find themselves. It could be the middle of a wet, windy night, under Archway bridge in Holloway, or it could be on a railway track between Euston and Scotland. It is very difficult. It could be a domestic scene, with somebody who has gone absolutely berserk and wrecked the house, and now holds his or her family with a knife. It is about getting in there, getting hold of that person and ensuring the safety of others, as well as their safety. Sometimes, the police station is the only place or the most immediate place that somebody can be taken to. It does not necessarily need to mean a police cell, of course. It could be a detention room or a surgeon’s room. I believe that there is further discussion to be had about that.

I strongly support the changes that will be made to arrangements for how the National Crime Agency enters into collaborative agreements with other law enforcement agencies to enable the quick identification of foreign national offenders. The Bill will supplement powers to give the police and immigration officers more opportunities to establish identity and nationality on arrest and obtain documents from foreign nationals when they cannot use existing search powers, which has always been a stumbling block in the past.

There will be a statutory requirement on all defendants, regardless of their nationality, to state their name, date of birth and nationality in court. These are strong measures that will enable the police and immigration officers to identify and detain foreign national offenders. Like probably most Members, I received an email from Liberty talking about the dangers of this provision for foreign nationals, but if we travel abroad to eastern Europe, to places such as Romania where they carry ID cards, as a visiting foreign national we have to carry our passports—it is the law. I see nothing wrong in having to state where one comes from.
Generally speaking, this is a strong Bill that is crucial to reforming the police service in England and Wales. I look forward to scrutinising it and discussing it with Members from all parties as it makes its passage through the House. I commend the Home Secretary and the Policing Minister, as well as their support staff who work so diligently, on this key plank of police reform. As a parting shot, I would say that there is only one thing missing for me, and that is the regionalisation of police forces, but perhaps that is for another day and another Bill.

8.20 pm

**Jack Dromey** (Birmingham, Erdington) (Lab): From the start, I want to make it clear that we welcome many of the proposals in the Bill. There are many constructive and positive proposals on which we will seek to build in Committee. We welcome, for example, the improvements to—nay, the fundamental reform of—the IPCC, an organisation that is badly in need of that.

In a very good debate, both the shadow Home Secretary and the hon. Member for Rossendale and Darwen (Jake Berry) made a powerful case for the fact that Hillsborough demands that those who covered up are called to account. We therefore hope that the Government will think again about the 12-month limit. We also welcome what was said by my hon. Friend the Member for Barrow and Furness (John Woodcock), and the constructive response of the Government, about having to learn lessons from the very sad case of Poppi Worthington.

We welcome the additional steps to protect police whistleblowers and the updates to the firearms and alcohol licensing legislation. The Chair of the Home Affairs Committee, my right hon. Friend the Member for Leicester East (Keith Vaz), made a powerful case for the more general consolidation of firearms legislation, but the steps contained in the Bill are a welcome step in the right direction. On alcohol licensing, I hope that the Policing Minister listened to the rather intelligent contribution made by the hon. Member for North West Hampshire. The establishment of the College of Policing, which the hon. Member for Kingston and Surbiton (James Berry) referred to in his contribution. Nevertheless, for all the talk of reform, the Bill cannot cover up the fact that the Government have failed to protect the police. Some 18,000 police officers have gone—12,000 from the frontline and 1,300 in the past six months alone. Nearly 5,000 police community support officers have gone. Community policing has been increasingly hollowed out, putting the community at risk. There is increasing evidence of growing concerns among the public about the visibility of their police service on the one hand and, on the other, a crisis of morale in the police service, whose members serve this country so well.

In the previous Parliament there were cuts of 25%. In this Parliament, we have already had the broken promise from the Government that they will protect budgets, as £160 million in real terms will be cut in the next year. The public are being asked to pay more for less. The hon. Member for North West Hampshire was right to talk about resilience, but there must be growing uncertainty about the capacity of our police service to respond at a time of a crisis such as that in 2011.

The Home Secretary once again asserted today that police reform is working and crime is falling. In the debate, we heard some good examples of progressive police reform over the past five years that we support, such as the establishment of the College of Policing, which the hon. Member for Kingston and Surbiton (James Berry) referred to in his contribution. Nevertheless, for all the talk of reform, the Bill cannot cover up the fact that the Government have failed to protect the police. Some 18,000 police officers have gone—12,000 from the frontline and 1,300 in the past six months alone. Nearly 5,000 police community support officers have gone. Community policing has been increasingly hollowed out, putting the community at risk. There is increasing evidence of growing concerns among the public about the visibility of their police service on the one hand and, on the other, a crisis of morale in the police service, whose members serve this country so well.

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The Government have also failed to protect the fire service from the sharp knife of austerity, as they cut it by 23% in the previous Parliament. When that is taken with the cuts in this Parliament, the fire service is being cut nearly in half. According to the National Audit Office: “Savings have come predominantly from reducing staff costs.”

Thousands of firefighters have gone and response times are getting longer. In the west midlands alone, 294 full-time fire personnel have gone.

Not only have the Government failed to protect funding for our crucial emergency services, but they
have slashed funding in the most unfair way possible. The Policing Minister waxes lyrical about being a former firefighter, and I pay tribute to his origins. We have much in common, but my understanding of firefighters is that normally they put fires out. On this occasion, the Minister started a fire with the omnishambles of the review of the police funding formula, for which he was good enough to apologise on the Floor of the House. That Home Office blunder means that high-need, high-crime areas such as Northumbria and the West Midlands have seen cuts that are twice as big as those in Surrey.

Similarly, the Government have failed to address a fire funding formula that, in the words of the National Audit Office, means that

“the Department has reduced funding most to fire and rescue authorities with the highest levels of need.”

Time and again we have seen this unfairness of approach and broken promises to the public.

As for the protestation that crime is falling, it is certainly true, as we have said repeatedly, that volume crime is falling—for example, cars are now much more difficult to steal. However, crime is not falling; it is changing. Only six days ago in this Chamber the Policing Minister acknowledged in answer to a question that as people are now more likely to be mugged online than in the street, when at last the truth is told on crime and those 6 million crimes are included in the crime survey of England and Wales, the survey will show a very substantial increase in crime. May we have an end to the protestation of that which is plainly wrong?

Melanie Onn (Great Grimsby) (Lab): I am a little concerned that we seem to be going down the route of accepting that physical crime is no longer happening. In my constituency, violent crime is up by 24%, and it is worth acknowledging—if interruption.—It is worth acknowledging on both sides of the House—Government Members should stop pointing their fingers at the Opposition—that there is still a significant issue around physical crime. People are worried about the lack of a police presence on the street and about everything being moved online, and such a focus could really undermine that police presence.

Jack Dromey: My hon. Friend is absolutely right. If one looks at the profoundly worrying trends in violent crime and sexual crime, it is clear that, after a generation of progress, we are now seeing, in the words of Sir Hugh Orde, a tipping point being reached, with worrying signs of some of the most serious crimes going up. Let us have an end to the protestation that crime is falling when it is doing nothing of the kind.

The sensible measures in the Bill—there are many—cannot hide the fact that the Government are failing to protect the emergency services and the public in the way they should. On the fire service, they talk of collaboration. The Opposition understand the power of collaboration. That was why the shadow Home Secretary was absolutely right to say that a simple takeover by a PCC, supported by the Home Secretary, regardless of what local people want, cannot be right.

On volunteers, there is a long and honourable tradition—several Members on both sides of the House spoke to this—of specials on the one hand and neighbourhood watch on the other. I made a presentation on Friday to Maureen Meehan from the neighbourhood watch scheme in Stockland Green. She is an outstanding woman who has helped to run that scheme for 29 years in her local community, so there is a long and honourable tradition of voluntary contribution. However, as our brilliant police and crime commissioner for Northumbria, Vera Baird, has rightly said:

“Volunteers have a very important role to play in supporting policing, but not to place themselves in potentially dangerous situations…When the Home Secretary consulted on her proposals to increase volunteers’ powers, I said at the time she was trying to privatise essential police functions. That was why the shadow Home Secretary was absolutely right to say that a simple takeover by a PCC, supported by the Home Secretary, regardless of what local people want, cannot be right.

Moreover, the public demand it as absolutely vital that essential police functions are discharged by police officers. That point was made by the hon. Member for Gower (Byron Davies), speaking from his experience as a former police officer. Many volunteers want to support the work of police officers, but do not want to do their jobs for them. As Vera Baird has said, the use of CS and pepper spray should be undertaken only by full-time officers who are regularly trained in their usage and, importantly, in the law surrounding their use. As such, we will probe the Government’s proposals rigorously. We will oppose plugging gaping holes in the police workforce with volunteers, as well as any further moves to privatisate essential police functions.

Let me return to the positive, but stake out where we hope to go during the passage of the Bill. We genuinely welcome measures to change the police’s treatment of
those with mental health problems, but mental health care still does not have the parity of esteem that the Prime Minister recently spoke about. My hon. Friend the Member for North Durham made a powerful contribution in that regard. As other services contend with funding reductions, there is a growing crisis in our mental health system, and progress on the concordat has been painfully slow. As a consequence, sadly, the police are still all too often the service of last resort. In January, The Guardian revealed that they are spending up to 40% of their time on mental health-related incidents. We are glad that the Government recognise, as we do, that police cells are no place for those suffering from a mental health crisis. However, as the shadow Home Secretary said, banning inappropriate places of safety alone will not solve the problem of why police cells are used in the first place—a lack of beds and alternative places of safety.

There is a great national will to tackle the evil of child sex exploitation. The one measure in the Bill on that is a welcome step in the right direction, but it is not, in itself, enough. The most recent data from the NSPCC, which have been brought to the attention of us all, estimate that half a million children are being abused. Yet, as my hon. Friend the Member for Rotherham has worked so hard to expose, and as the shadow Home Secretary said, one year on from the landmark summit held by the Prime Minister to determine a response to child sex exploitation, which was a very welcome initiative, many of the Government’s key pledges remain unfulfilled. The national child abuse taskforce still has not been established. As a result, the whistleblowing portal has no taskforce to report to if more large-scale child abuse cases arise.

On firearms, as the Chair of the Home Affairs Committee said, we welcome the Government’s proposals updating the existing law in line with the recommendations of the Law Commission. We are keen to work with the Government on the next stages, including on explicitly outlawing new threats such as the printing of firearms by 3D printing machines. The Home Office recognised that as a problem three years ago, but has failed to act thus far, so we hope that we can make progress in the context of the Bill. We will seek to amend the Bill to stop the sale of not only firearms, but something equally injurious to health and safety: zombie knives, which are terrible weapons that can have only one purpose—to inflict grievous harm on the individual.

I am pleased that we see in the Bill welcome progress that has been argued for on both sides of the House, as has been reflected in the debate. There is much common ground—of that there is no doubt—but, as the shadow Home Secretary said, we will try to improve the Bill, and there are fundamental issues in relation to fire, tougher police bail and more accountability in the complaints arrangements that we will seek to reach agreement on. Sadly, if that proves not to be possible, we will divide the House.

We cannot let the debate conclude without paying tribute to the people about whom we have been talking all day. We agree that the brave men and women in our emergency services are ordinary people doing often extraordinary things in the most difficult circumstances. They deserve nothing but the best from this House of Commons, and that is precisely what we intend to stand up for.

8.40 pm

The Minister for Policing, Crime and Criminal Justice (Mike Penning): I say genuinely that this has been a really good and sensible debate, and it has been conducted in the correct tone, apart from some of the bits in the speech of the shadow Policing Minister, the hon. Member for Birmingham, Erdington (Jack Dromey). Let us take the bits we agree on and work from there.

I was slightly surprised to hear the shadow Home Secretary say that we should do more. Anybody would think that this Government had been in power for 20 years—they probably will be—but his party had 13 years to modernise the police force and the other emergency services.

I thought there was a slightly critical tone about the fact that I used to be a firefighter. I am very proud of that and it is an obvious thing for me to mention, just as colleagues across the House mention specialist roles that they have held. When I was in the fire service, I wanted to protect the public and to have the same skills, equipment and emergency services as other countries. This Bill will help address that. It will not be done on the cheap. We need to ask whether we need two chief executive officers, two finance directors and two health and safety officers. Do we need so much bureaucracy at the top of our emergency services taking money away from the frontline? We see examples around the country of collaboration taking place, but there are also examples of collaboration not taking place. That is why the Bill is very important.

The Chair of the Home Affairs Committee apologised to me for the fact that he would not be back for the wind-ups, but he said some very important things about the need for public confidence in the Independent Police Complaints Commission. Common sense is needed. It is clear that more complaints could be dealt with at the most accessible level. That will often mean just saying, “Sorry, we got it wrong. We didn’t intend to get it wrong—that’s the last thing in the world we wanted to do.” It is important to say very early on that only serious offences should get to the IPCC. The Home Secretary and I were just telling each other that we will need to table a lot of amendments in Committee to remove the word “commission”. Further amendments will also be tabled.

The Bill is not perfect. I could accuse Labour Front Benchers of moaning, but I will not—I am trying to work collaboratively. The fire service needs to work more closely with the police, the ambulance service, the coastguard and other emergency services. We need to make sure that we get more for the taxpayers’ buck.

[Interruption.] That is enough chuntering from Labour Front Benchers. Let us see what we can get.

Rather than address what is coming from Labour Front Benchers at the moment, I will address some of the points that were made during the sensible part of the debate. Mental illness is no different from any other illness, and it must be treated as such. For too many years, the police force has been used as the first, rather than last, point of call. Even though police officers are well trained and do good work on our behalf, they are not mental health professionals. They are also not experts on many other conditions, including learning difficulties. Sometimes we have to use them to provide a place of safety, but that should not be the case. Unless we actually put a stop to that and say, “Enough is enough,”
we will not get the provision we need from other agencies. That is a really important part of the changes. The firearms changes have been needed for some considerable time, and we can work together on those.

I say to the Scottish National party that we will work closely with the Scottish Parliament. There was no consensus at all among political parties on the Silk commission, which is why we are in the position we are in. There was no consensus on the Silk commission between the Labour party in Wales and the Labour party in this House, so how could we have got consensus on the matter? As we go into Committee, let us work on what we can work on to try to make the Bill better. Let us not decry our emergency services and say that they cannot work together, because they can.

Andy Burnham: Will the Minister give way?

Mike Penning: No; I am going to conclude. On that point, in a debate that has been particularly important, let us make sure that we deliver what the public sent us to do, rather than sitting here and moaning at each other.

Question put and agreed to.

Bill accordingly read a Second time.

POLICING AND CRIME BILL (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)).

That the following provisions shall apply to the Policing and Crime Bill:

Committal
(1) The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee
(2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 14 April.

(3) The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Proceedings on Consideration and up to and including Third Reading
(4) Proceedings on Consideration and proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which proceedings on Consideration are commenced.

(5) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

(6) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings
(7) Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—(Jackie Doyle-Price.)

Question agreed to.

POLICING AND CRIME BILL (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)).

That, for the purposes of any Act resulting from the Policing and Crime Bill, it is expedient to authorise:

(1) the payment out of money provided by Parliament of:
   (a) any expenditure incurred under or by virtue of the Act by the Secretary of State; and
   (b) any increase attributable to the Act in the sums payable under any other Act out of money so provided;

(2) the payment of sums into the Consolidated Fund.—(Jackie Doyle-Price.)

Question agreed to.

POLICING AND CRIME BILL (CARRY-OVER)

Motion made, and Question put forthwith (Standing Order No. 80A(1)(a)).

That if, at the conclusion of this Session of Parliament, proceedings on the Policing and Crime Bill have not been completed, they shall be resumed in the next Session.—(Jackie Doyle-Price.)

Question agreed to.

Business without Debate

DELEGATED LEGISLATION

PENSIONS

That the draft Occupational Pensions (Scheme Administration) (Amendment) Regulations 2016, which were laid before this House on 1 February, be approved.—(Jackie Doyle-Price.)

Question agreed to.

LOCAL GOVERNMENT

That the draft Greater Manchester Combined Authority (Election of Mayor with Police and Crime Commissioner Functions) Order 2016, which was laid before this House on 1 February, be approved.—(Jackie Doyle-Price.)

Question agreed to.

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Ordered.

That Valerie Vaz be added to the Environment, Food and Rural Affairs Committee.—(Bill Wiggin, on behalf of the Committee of Selection.)

COMMUNITIES AND LOCAL GOVERNMENT

Ordered.

That Jo Cox be discharged from the Communities and Local Government Committee and Jim McMahon be added.—(Bill Wiggin, on behalf of the Committee of Selection.)
Medical Centre (Brownsover)

_Motion made, and Question proposed. That this House do now adjourn._ (Jackie Doyle-Price.)

8.47 pm

Mark Pawsey (Rugby) (Con): I am grateful to have secured the debate, which gives me the opportunity to raise an important issue in my constituency. I will speak about the delays that have occurred, over several years, in the provision of a new medical facility in the area of Brownsover, in the town of Rugby.

Rugby is one of the fastest growing towns in the country, and we have a positive attitude towards new development. There has been a great deal of new housing development in recent years, mostly in the north of the borough in and around the area known as Brownsover. Historically, Brownsover has faced a number of complex challenges, which the community and the local authority, Rugby Borough Council, have not shied away from. A lot of investment has been put into overcoming those challenges. The area comprises a mix of social, sheltered and affordable housing as well as privately owned homes, with a population made up of a broad range of different age groups. A large number of young families live in the area, as well as a substantial elderly population. Despite the much-welcomed investment in Brownsover, with additional retail outlets and new housing, and the significant increase in population that has come with it, we have yet to see significant investment in the vital area of local health provision.

The original doctors’ surgery, which dates back 50 years or so, was established as the area developed. Despite the growth of the area and of the population, there is no evidence that the surgery was extended or that there was any recognition of the need for a bigger surgery. Plans for a new medical facility in Brownsover were first proposed back in 2002. The local authority, conscious of the specific needs of the area, began working on plans, under which it would supply land it owned, free of charge, to a developer willing to provide a community centre, alongside an all-encompassing modern medical facility, as part of the wider plan to revitalise the area.

The years passed, and for many years there was no progress, but plans for a new medical centre resurfaced in 2011. A planning application was submitted to the local authority and was approved that year. At the time, there was a real expectation that work would begin the following year, but, once again, local residents were left exasperated as the months and years passed and no works were begun. The community, which had been so optimistic when plans were first revealed in 2002, was once more left angry and frustrated—even more so when they were forced to watch from the sidelines as plans for new medical facilities elsewhere in our growing town were approved, particularly a very smart new development on the old cattle market site.

I hope the picture I am painting shows that, for many years, my constituents in Brownsover have suffered disappointment after disappointment, and false promises and false dawns about getting their new medical centre. I must say that the anger in the community reached a tipping point in February 2015, when the news broke that NHS England had withdrawn the contract for the existing local GP practice in Brownsover and that the practice was to close in April—just three months later—which left little time to arrange alternative facilities within the community. The announcement was met with considerable fury within the community, which, as I have said, has complex needs and challenges.

The news of the closure of the GP surgery caused real disquiet within the community. A GP, who was held in high regard, had practised there for 30 years, and this much-valued and much-needed facility—as I have said, the only one in the urban area in the north of Rugby—was serving over 6,600 patients in partnership with its sister surgery in the town centre. Residents felt at ease with the local GPs, who in turn knew the residents’ medical history. There was real concern at the sudden nature of the news. I will come on to the actions taken by NHS England to deal with that concern.

To its credit, one of the first things NHS England did was to provide an opportunity for local residents to pose questions in a series of public meetings. The community expressed real anger at those meetings. They took place on 2 and 9 March, while Parliament was sitting, and on Friday 13 March 2015, when, as I was in my constituency, I was able to attend the one in Brownsover scout hut. The concerns of some pretty angry residents revolved around three issues: first, the lack of notice they had received; secondly, the interim arrangements that would be made; and, thirdly, whether the new surgery they had been promised would actually be delivered, given that they had been given such promises many times before. At the meeting attended by residents, were assured that the new surgery would be provided, and that it would open in the late summer or autumn of 2016.

The news that the new surgery was coming was intended to be the light at the end of the tunnel to appease an incensed community, but there was concern over whether the assurances would be fulfilled. When I attended the meetings, it seemed to me that a delivery time of 18 months was rather optimistic. It seems that that caution was justified, because we are yet to see evidence of any activity to supply the new surgery. There is absolutely no evidence of a spade getting anywhere near the ground. I have recently described the delays in delivering this provision as completely unacceptable. The original opening date of autumn 2016, which was promised by NHS England in the public meetings and to me in meetings in my office, will definitely not be realised.

It is a matter of regret that NHS England has not covered itself in glory in this matter. The news of the closure first came out in February 2015 and patients were informed by letter that the practice would close its doors on 17 April that year. I was notified by NHS England by email on 16 February. That led to a flurry—an avalanche, in fact—of emails from concerned constituents. There was concern about the method by which the news was communicated. One resident showed me a two-page letter that had details on only one side of the piece of paper, leaving them to guess what the other information might be.

The intention was that the surgery would close within three months and that residents would be able to register at a new temporary surgery some 2 miles away in Rugby town. A new centre was built the distance of 2 miles to the site in Lower Hillmorton Road was a concern for many of the residents for whom it would cause difficulties. Many of those with young children or
with particular health needs felt that travelling to the temporary practice would be too much to bear, despite an offer from NHS England to provide transport for residents.

It is easy to understand why people were concerned when the facility in their community had been taken away and a new one had been promised for a number of years. Within the community, we managed to convey that there would be some temporary pain in order to achieve a long-term gain. Regrettably, that long-term gain seems to be some distance away.

**Mark Pawsey**

The hon. Gentleman raises an interesting point. To a certain extent, that involves chasing a moving target. The surgery that was in the community was completely inadequate for the needs and size of the population. I fear that some of the delays in the delivery of the new surgery are happening because we are trying to anticipate what will be needed in the future. The sense in my community is that we do not have anything to anticipate.

I met NHS England in February last year and learned about the temporary arrangements for transferring patients to Lower Hillmorton Road and the cost involved in modifying those premises, which had been deemed inadequate for use as a surgery. Money was therefore spent on that building. I also heard about the plans for delivering the new surgery. Again, I was told that it would be delivered in the late summer or autumn of 2016. I was keen to do all that I could to ensure that those commitments were met. I kept in contact with NHS England and representatives of the Brownsover patients action group, which came together under the capable leadership of Jake Stevenson.

In the second half of 2015, some of us perhaps took our eye off the ball and thought that plans were being worked up and that work would start imminently—we simply waited for things to happen. Things came to a head in early 2016 when, after visit after visit to the site, nothing seemed to be happening and I thought that it was probably time to arrange a further meeting with the NHS and representatives from the Brownsover patients action group. We also invited NHS Property Services, which had come to take over the project. At that meeting in January or February this year I became increasingly concerned about the lack of progress, and it became clear that the opening of the surgery would be put back for one, two or three years—it was not clear exactly when it would be, because a new business plan needed to be put in place and that was still being worked on, despite previous assurances that the work was going out to tender.

It was equally alarming when we were told at that meeting that it was now possible for a practice to be put into the original buildings on the Brownsover site, which we had originally been told was unsuitable. We learned that that site was to be brought back into operation on a temporary basis, having closed for a year and with 6,600 patients relocated to new practices in the town. For many of my constituents, being told that the old site would once again be available might have been good news, but it meant that the new surgery that the community had been waiting for would be delayed. We now hear that the old site will be made available as a temporary site for three to five years, and we do not believe that that is temporary—it is getting close to being permanent once again.

There are no issues with the availability of land because the local authority will make the land available, and no issues of planning consent because that has already been granted. It seemed that bureaucracy and red tape within the system was going to cause a significant and unacceptable delay, and the light at the end of that tunnel that was promised to my constituents was fading fast. At that point I contacted the Minister, who I am delighted is in his place, and I alerted him to the situation. I am grateful to him for meeting me so swiftly after we made contact.

A couple of weeks ago on 22 February, I and Jake Stevenson from the Brownsover patients action group met the Minister, together with representatives from NHS England and the Department of Health, to outline our concerns. One outcome of that meeting has been that NHS England has become a lot more communicative. It was kind enough to email me on 1 March to update me and advise me that it has awarded a contract to a company to assist it with the business case for the medical centre. That is not a contract for building or delivering the surgery, just to assist with the business case. It is disappointing that in the past 12 months we have got absolutely nowhere. We are no further forward than we were this time last year, and clearly the promises that were made will not be realised.

One key reason why I have brought this matter to the attention of the House is the long history of disappointments that my constituents in Brownsover have gone through over the years. We are now looking for firm assurances that whatever date we are given for the delivery of the new service, it will finally be delivered.

I am very grateful to the Minister for the attention he has given to this matter so far, for the understanding he displayed to members of the patients action group when he met them, and for his sympathy. It is clear that the Minister gets it. He understands why the delivery of the surgery is so important. I was very impressed by his willingness to bring parties together, to talk around the table and to bring about a solution to the challenges in getting this very important provision delivered at the earliest opportunity. I very much hope that in his response to my remarks he will be able to provide the assurances my constituents in Brownsover are looking for.

9.5 pm

**The Minister for Community and Social Care (Alistair Burt):** I thank my hon. Friend the Member for Rugby (Mark Pawsey) for bringing the debate to the House, and for the courtesy and kindness with which he has
described my role. I certainly get it. I certainly get the frustrations involved in dealing with property matters in relation to the NHS, matters to which I have become more accustomed in the past nine months or so. I wish I was able, at the conclusion of my remarks, to give him all the assurances he wants, but as the NHS is an independent body I cannot quite do that. However, we can, perhaps, get somewhere towards it, because of how he has brought the case and defended his constituents’ interests.

My hon. Friend has fairly described the issues in his community of Brownsover, with its mix of peoples and complex needs. The medical centre is a matter of extreme concern to his constituency. The uncertainty over the future provision of GP services in Brownsover has continued for more than a year, and that is only the latest chapter in the catalogue of events that he described. It is clearly unacceptable to him and his constituents. I am fully aware that local people and patients have expressed their frustration in a number of ways. I know he shares that feeling, and so do I. I will say a little about the general position of our GPs, their premises and the pressures they are under, and then turn to the particular.

Like every other part of the country, Brownsover needs good local health services, in particular its local GPs. General practice is the bedrock of the NHS and it is at the heart of this vision. It reflects the GPs’ key role in providing continuity of care, which is especially important to people with long-term health conditions; the importance of expert generalists, doctors and wider practice teams who look at the whole person, including their medical, social and psychological needs in the round; the fact that general practice is rooted in local communities; and the key role of general practice in public health in immunisation and screening programmes. We ask our GPs to look after people from cradle to grave, and to know when and where to refer patients when specialist care is needed. We also expect them to commission much of the specialist care provided in hospitals.

The key factors affecting the environment within which general practice works, and the challenges and the opportunities they present, include: an ageing population, with increasing numbers of people living with multiple health conditions; higher public expectations, linked to the role of digital technology; a very constrained financial position over the past five years, with general practice seeing a steady decline in its share of the overall NHS budget, albeit after a rapid growth in resources after the 2004 GP contract; and a change in the structure of practice, including a struggle to maintain partners, a growing proportion of salaried GPs, a growing number of GPs wanting to work part time—not just women, but men—and a rise in portfolio careers.

There has been an increase of about 25% in GP consultations since 1998—an estimated 340 million consultations every year. That is the work we expect our GPs to do and which they perform extraordinarily. Within five years, we will be looking after 1 million more people over the age of 70. Quite simply, if we do not find better and smarter ways to help our growing elderly population to remain healthy and independent, our hospitals will be overwhelmed. That is why we need effective, strong and expanding general practice more than ever before in the history of the NHS—an NHS committed both through its premises and through its commissioning to respond to the sorts of pressures my hon. Friend rightly described in relation to Brownsover.

At last year’s election, we committed ourselves to the challenging objective of increasing the primary and community care workforce by at least 10,000 and ensuring that 5,000 more doctors work in general practice, as well as more practice nurses, district nurses, physicians, associates and pharmacists. We will focus recruitment on the most under-doctored areas, where the problems are most acute. Since 2010, the GP workforce has already increased by 5%, with an additional 1,700 GPs working or in training. Over 90% of all NHS patient contact happens in general practice. The average person in England sees their GP six times a year.

All that has profound implications for how general practice works—for the clinical model, the business model and the career model—but, under all that pressure, the profession is rising to the challenge. Practices are increasingly coming together in federations or networks to build on all the traditional strengths of general practice, working at a greater scale to improve efficiency and spread innovation to offer a range of services they struggle to provide individually. There is a strong push towards greater integration with community health services, mental health services, social care and some specialist services, and there is increasing use of the wider primary care team, including nurses and particularly pharmacists.

That is the background to the work, the concerns about general practice and how the Government intend to meet the challenges by delivering pilot projects and vanguards and by looking at different ways of providing GP services. However, people need premises to work out of, so I will now turn to the circumstances that my hon. Friend described. This matter goes back some time, but I can deal in detail only with the events since the notice of closure last year. I am grateful to him and representatives from NHS England and NHS Property Services for meeting me recently to discuss the matter in the round.

The Albert Street medical practice in Rugby and its branch surgery in Bow Fell, Brownsover, closed in April 2015, and Rugby Town medical practice took over the provision of GP services for the patients affected, with the expectation, at the time, that a new practice in Brownsover would open in 2016. In November 2015, representatives of NHS Property Services met NHS England and the Coventry and Rugby clinical commissioning group, and subsequently the Department of Health, and it was agreed that NHS Property Services would be the lead property company supporting NHS England on the development of the new Brownsover facility. NHS England is the lead organisation for the new development.

At a meeting with members of the Brownsover patient action group and my hon. Friend, NHS England explained that the business case previously approved for the development required reviewing because of the change in the size of the development and the change to the lead organisation. A project team, which included members from NHS Property Services and NHS England, was set up to determine the most appropriate method for delivering the scheme. Additional information required for the development of a new business case is now in
place. At a meeting with me and my hon. Friend on 22 February, NHS England in the west midlands confirmed that a decision to award a contract would be made that week, and the partner has now started work. This included an initial meeting, on 29 February, with NHS England, the community health partnership and a representative of the Brownsover patient action group.

As I indicated to my hon. Friend, the provision of premises in the NHS is not always straightforward. Ownership of existing premises tends not to be in the same hands—they might be owned by a former GP, a property company or the NHS itself—and all the issues connected with the division of proceeds of land and the need to move carefully on planning come into play even for GP premises and services. Add to that the uncertainty around new developments and the like, and the difficulties, although frustrating, can mount, and that has been the situation here.

Some questions and answers might help my hon. Friend and his constituents. Patients in Brownsover were told that their facility would open this year. When can they now expect it? I understand that NHS England has updated him, as he said, and he is now aware that a contract was awarded on 24 February, but a full business case needs to be developed, which NHS Property Services estimates will take nine months to produce. There will then be a two-month period in which to reach financial close, and around a year for construction and commissioning.

I will say a little about that because it is complex and it might help my hon. Friend’s constituents and others if I put it on the record. It may also help me, in dealing with NHS Property Services, to see how we might streamline the processes rather more than they are streamlined at the moment.

The outline business case and full business case process is an NHS England requirement for commissioners to progress where public capital funds are being invested. Commissioners are required to develop and update an estate strategy that aligns with their commissioning strategy. For very large investments, it might be expected that a strategic outline case is produced. This aims to ensure that all relevant parties are signed up to the associated expenditure.

The clinical commissioning group has included the proposed new Brownsover surgery in its strategic estates plan. This is fundamental if NHS England and the CCG apply for primary care transformation funds or customer capital investment moneys. Once the capital investment has been approved in the estates strategy, the scheme moves forward to an outline business case, and demonstrates the options, costs and benefits. There may be some preliminary design work to establish that planning consent will be achievable. The outline business case also sets out the preferred option and confirms affordability. Because there are different methods of procurement, the outline business case will establish the preferred procurement route and identify the source of funding.

Once the preferred option is identified and approved as being value for money and affordable, the case moves on to the more detailed design and costing to confirm that it meets all requirements and that the budget is set. Again, this detailed work is used to confirm value for money and affordability. The timescales for each stage tend to vary depending on the complexity and scale of the business case.

The Brownsover case is relatively small and less complex than some, but it still involves an option appraisal, land acquisition, design and costing, planning application, procurement tendering processes, agreements for lease and then construction. The House will be glad to know that NHS Property Services advises that it has streamlined its approvals requirement so that investment capital or lease acquisition requires executive approval by two directors and does not need to go before a committee.

That outlines some of the issues pertaining to the background and the agreements that need to be put in place before planning permission can be approved and the matter can move forward. The timetable will be determined partly by the commissioners’ approval process and partly by NHS Property Services procurement route.

“Why so long?”, patients will ask, and they will say that it is a bureaucratic mess. Well, it perhaps sounds more complex than it might be, but this is a public scheme with public value for money, and detailed work is needed to confirm that value for money and affordability. While the Brownsover case is relatively small and less complex, it still involves, as I said, an option appraisal, acquisition, design and costing, planning application, tendering, agreements for lease and then construction.

It must be frustrating for patients and for my hon. Friend to hear all that set out, but in all honesty, I felt that I had to do so. It is not all the fault of those handling property services. They know that if there is a flaw in their process and something goes wrong, they will be hauled over the coals. However, the mere recitation of the process—to you, Madam Deputy Speaker, and to the House—gives rise to the thought that perhaps somewhere, something might be telescoped to give patients the hope that an element of urgency might be produced, particularly where a closure has been in place and it was anticipated for some time before that new premises might be available. In those circumstances, it is perhaps the Minister’s job to stay on hand with my hon. Friend to make sure that any such urgency flows into the system.

In conclusion, I can confirm that NHS England now believes that the previously approved business case had to be reviewed because of the changes in the size of the development, but it is working on amending the business case and I am told that it will be completed shortly. Once that has been done, NHS Property Services will be in a position to decide how the Brownsover scheme is to be delivered. Although it seems it will not be built in 2016, the fact that progress has been made—in no small measure due to my hon. Friend’s activity—means, I hope, that there will be good news in the future. The closure was not of NHS England’s own choosing, and it has had to respond to that fact. The difficulties outlined by my hon. Friend, together with the frustrations involved in dealing with the complexity of the building processes, have combined to make the situation for patients sadly more difficult than it should be, but there have been reasons for that.

I hope that we can now move on, given the determination of NHS Property Services to fulfil the commitment that it has given to me, and to my hon. Friend, to do all that
it can to work with him and with the patients. It is working very hard in that regard, and I pay tribute to those who are now involved in the process of moving that work forward. I pay tribute to the patients for their own patience. Perhaps in due course, they will have the new facility that they so richly deserve.

Question put and agreed to.

9.20 pm

House adjourned.
The Secretary of State was asked—

Foreign National Offenders

1. Bob Blackman (Harrow East) (Con): What recent discussions he has had with the Home Secretary on steps to remove foreign national offenders from UK prisons to their home countries.

2. Andrew Bridgen (North West Leicestershire) (Con): What recent discussions he has had with the Home Secretary on steps to remove foreign national offenders from UK prisons to their home countries.

3. Suella Fernandes (Fareham) (Con): What recent discussions he has had with the Home Secretary on steps to remove foreign national offenders from UK prisons to their home countries.

4. Andrew Bridgen (North West Leicestershire) (Con): What recent discussions he has had with the Home Secretary on steps to remove foreign national offenders from UK prisons to their home countries.

5. Suella Fernandes (Fareham) (Con): What recent discussions he has had with the Home Secretary on steps to remove foreign national offenders from UK prisons to their home countries.

The Parliamentary Under-Secretary of State for Justice (Mr Dominic Raab): The Justice Secretary and the Home Secretary have regular bilateral meetings in which they discuss progress on removing foreign national offenders from UK prisons and more generally. It remains a top priority for both Departments.

Bob Blackman: In London, we welcome people who come here to study, be tourists or add to our economy, but not those who commit crime and are then imprisoned. With 40% of crime in London committed by foreign nationals, what more can my hon. Friend do to ensure that those responsible are deported at the end of their sentences and not allowed back into this country?

Mr Raab: The number of foreign national offenders in the prison population went down by 1,240 between June 2010 and December 2015, but my hon. Friend is right and we strive to do better. Further action is being taken. As the Prime Minister announced on 8 February, we have introduced in the Policing and Crime Bill a new clause that requires defendants appearing in court to provide their name, date of birth and nationality. That is an important tool, backed up by a criminal offence for failure to respond that will help us to remove even more FNOs. That is vital for public protection and vital to saving precious taxpayers’ money.

Andrew Bridgen: Does my hon. Friend agree that it is totally unacceptable for the British taxpayer to be paying for foreign criminals?

Mr Raab: My hon. Friend is right. We have a range of existing measures, as well as the new action I have just described. The early release scheme allows for the early removal of foreign national offenders. We remove about 1,800 prisoners per year under that scheme and there are also prisoner transfer agreements. Overall, 29,000 FNOs have been removed between 2010 and 2015.

Mr Speaker: I call Suella Fernandes. She is not here. I call Mr Philip Hollobone.

Mr Philip Hollobone (Kettering) (Con): What efforts are made to ensure that EU national foreign offenders who have been returned to their countries are banned from returning to the United Kingdom—or is that sort of sensible precaution not possible while we are a member of the European Union?

Mr Raab: My hon. Friend makes, if I may say so, a predictable but powerful point. There clearly are restrictions as a result of free movement, but we try to exercise the powers we have as strenuously and as vigorously as possible.

Valerie Vaz (Walsall South) (Lab): My constituent was stabbed by a criminal who was given an indefinite hospital order. In my view, he should be deported. If I write to the Minister, will he look at the case to see that justice is done for my constituent?

Mr Raab: Those kinds of cases are very serious and very traumatic for the family. I am very sympathetic, and the hon. Lady should please feel free to write to me. All I would say to Opposition Members is that when we come to consider human rights reform, I hope that on the substance we can enlist as much support across the House as possible.

Keith Vaz (Leicester East) (Lab): The Minister will know that 25% of the foreign national offenders in our prisons come from three EU countries: Ireland, Poland and Romania. What is the reluctance of other EU countries to take back their own citizens who have been committing crimes in our country?

Mr Raab: We try, through our prisoner transfer agreements and residual national powers, to exercise powers as robustly as possible to remove as many people as possible. The right hon. Gentleman will know that, as a result of the EU free movement rules and of the Human Rights Act 1998 and human rights regime—which is, in fairness, separate, albeit related to some degree—there are restrictions. As I said to the hon. Member for Walsall South (Valerie Vaz), when it comes to looking at human rights reform I hope sensible people with experience, such as the Chair of the Home Affairs Committee, will look very carefully at the substance and not just take a purely political stance.

John Pugh (Southport) (LD): In July 2012, when the Government signed a compulsory transfer agreement with Albania, the then prison Minister said he hoped it...
would be the first of many. How many have there been since then, and how is the arrangement with Albania going?

Mr Raab: We have more than 100 bilateral prisoner transfer agreements, as well as Council of Europe and Commonwealth schemes. If the hon. Gentleman wishes, I can write to him in due course on the particular numbers under the Albanian agreement.

Chris Philp (Croydon South) (Con): Does the Minister agree that the deportation of foreign national offenders is in some cases inhibited by the operation of the Human Rights Act? If so, will the Minister update the House on plans to repeal it and replace it with a British Bill of Rights?

Mr Raab: My hon. Friend is absolutely right. One specific issue we want to look at in some detail is the scope to which our Bill of Rights can facilitate the removal of serious offenders, particularly when they have relied on their rather elastic, opaque and ever-expanding rights under article 8. The removal of serious offenders is made even more difficult because of the Human Rights Act. Our proposals will be coming in due course.

Jo Stevens (Cardiff Central) (Lab): There are many convicted criminals in our prisons who, after committing crimes in the UK, fled the UK and were then returned here to face justice, thanks to the European arrest warrant. Will the Minister explain to the House how the interests of victims of crime can be protected if we leave the EU and, as a result, the scope of the EAW?

Mr Raab: I think the hon. Lady is slightly confused about the difference between extradition and deportation. As a result of European law, it has become harder and harder to deport foreign national offenders, while unfortunately the fast-track extradition of innocent British citizens has become easier and easier. That balance should be addressed, and in that I hope we can enlist her support.

Mental Health Treatment: Young Offenders

2. David Rutley (Macclesfield) (Con): What steps his Department is taking to improve mental health treatment for young people serving custodial sentences; and if he will make a statement.

The Lord Chancellor and Secretary of State for Justice (Michael Gove): May I, through you, Mr Speaker, apologise to the House on behalf of the Minister for Policing, Fire, Criminal Justice and Victims, my right hon. Friend the Member for Hemel Hempstead (Mike Penning)? He is unavoidably detained in Bristol on departmental business.

We work closely with the NHS to make sure that young people serving custodial sentences have access to comprehensive mental health provision, and as part of his review of the youth justice system, Charlie Taylor is looking at ways to improve the provision of mental health care for children and young people.

David Rutley: I thank my right hon. Friend for the steps he is taking in this important area, but will he consider making mental health and substance misuse treatment one of the accountability measures in the new prison league tables, including for the youth estate?

Michael Gove: My hon. Friend makes a characteristically acute point. According to academic research, up to 70% of prisoners are likely to have had a mental health problem, often related to drink or drug abuse. It is therefore in all our interests that we do everything possible to ensure that appropriate therapy and rehabilitative activity are available to those prisoners.

Ms Margaret Ritchie (South Down) (SDLP): What steps is the Secretary of State taking to ensure that young people in custody are given adequate safe time outside to protect and safeguard their mental health and wellbeing?

Michael Gove: The hon. Lady makes a very good point. As part of the youth justice review, I have tasked Charlie Taylor with making sure that purposeful activity—education, sporting activity and time outside—is part of the regime that all young offenders in custody can enjoy.

Karl McCartney (Lincoln) (Con): What assessment has my right hon. Friend made of the impact on prisoner mental health and rehabilitation of ensuring that prisoners serve their sentences as close as possible to their family homes?

Michael Gove: My hon. Friend makes an important point. It is important to ensure that families have access to prisoners. Sometimes, of course, that is facilitated by the prison or secure training centre being close to families, but there are ways to ensure that even geographically distant families have effective access to their loved ones.

Louise Haigh (Sheffield, Heeley) (Lab): Six weeks ago, at the last Justice oral questions, I asked how many fines G4S had received since 2010 and how many times it had breached its contracts for youth training facilities. I was told by the Minister that he would write to me, but I am yet to receive a letter. I have asked written questions asking for this information, but still nothing. It beggars belief that such information, relating to a contract of this size, is not immediately available to Ministers. It raises a question about what internal row is going on within the Department over the delay of the information.

Michael Gove: I can only apologise again, through you, Mr Speaker, to the hon. Lady. She has been persistent on this important issue, and I am truly sorry she has not received answers to her questions. She will be aware, of course, that G4S has said it wants to remove itself from the administration of secure training centres for young people, but it is important that there be full accountability about how public money is spent and how these organisations have operated. I will make sure that a reply comes to her as soon as possible.

Wayne David (Caerphilly) (Lab): We know that many of the young people in secure training centres have serious mental health problems and therefore require specialist support. That is certainly the case at Medway STC. As the Justice Secretary said, we understand that G4S has decided to end its contract at Medway and at
another training centre, but I was surprised to learn that it can sell its contracts to other private companies. There is widespread agreement that G4S has an appalling track record in running STCs. In allowing it to sell its contracts, are not the Government rewarding it for failure?

Michael Gove: Absolutely not. It is our responsibility to ensure that children in secure training centres are kept in decent and supportive circumstances that enable them to reintegrate into society. As a result of Youth Justice Board monitoring, the work of the improvement board I set up and the wider work by Charlie Taylor, we are monitoring very carefully the health and welfare of children in all our secure training centres. My Department will have the ability to scrutinise any other organisation that takes over the running of these STCs to ensure that children are kept safe.

Legal Services (Brexit)

3. Bill Esterson (Sefton Central) (Lab): What assessment he has made of the potential effect of the UK leaving the EU on legal services.

The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara): The hon. Gentleman will be aware that on 19 February, the Prime Minister set out the Government position on remaining in the European Union.

Bill Esterson: The former head of the Association of Chief Police Officers, Sir Hugh Orde, says that leaving the European Union would increase the risk of terrorism and would mean that Britain would become a safe haven for criminals. I am sure that the Minister agrees with Sir Hugh, but will he explain why the Justice Secretary is so keen to ignore this advice from such a well-respected authority and to take such a risk with public safety?

Mr Vara: May I make it absolutely clear to the hon. Gentleman that the Government’s position is that we would be better off in the European Union and that we would be safer and more secure in it? It is also the case that the deal struck by the Prime Minister in Brussels very much achieves those objectives.

Mr Jonathan Djanogly (Huntingdon) (Con): England and Wales have by far the largest law firms in Europe and provide by far the largest legal services market in Europe, which is 1.5% of UK gross domestic product. Does the Minister not agree with most commercial law firms and the Law Society that up to £1.7 billion of annual legal services output could be lost following a Brexit?

Mr Vara: We have one of the best legal sectors in the world. We are thriving both within and outside the European Union. Whatever the decision on 23 June, I am confident that our legal sector will continue to thrive.

Andrew Gwynne (Denton and Reddish) (Lab): Given that an assessment of the impact on legal services will have been made by the civil servants in the Department, does the Minister think it fair, right and proper that his colleague, the Justice Secretary, is denied the opportunity to see the paperwork?

Mr Vara: As I said earlier, the Government’s position is very clear—that we will be better off in the European Union. As for any potential disagreements, let me gently say to Opposition Members that it is a bit rich for them to be engaging in this sort of conversation in view of the level of unity in their own party. I am prepared to bet a substantial amount with any Labour Member that tomorrow, in 24 hours’ time, when we have Prime Minister’s Questions, the cheer for my right hon. Friend the Prime Minister will be a lot louder than the cheer that the leader of the Labour party will receive.

Mr Christopher Chope (Christchurch) (Con): May I invite my hon. Friend to think about how he would choose to spend part of the £350 million that we will save every week when we leave the European Union? Will he also confirm that there will be a big saving in translation services currently expended on foreign national offenders?

Mr Vara: My hon. Friend makes his point as robustly as he always does. I simply say that the Government position is that we would be better off in the European Union; he might wish to reflect on the 3 million-odd jobs that we have secured that are linked to our being in the European Union.

Andy Slaughter (Hammersmith) (Lab): It must have been tricky choosing who should answer this question. According to The Spectator, the Secretary of State has three Ministers for in, three Ministers for out—a perfect miniature of the Conservative party. Given that the Minister for Policing, Fire, Criminal Justice and Victims is away, perhaps we should take the departmental vote today because there would be a majority for in.

We were promised a British human rights Bill last year, a consultation on the repeal of the Human Rights Act in the new year and then a sovereignty Bill last week. Are we going to get anything before the Secretary of State moves on or by the end of June, whichever comes sooner?

Mr Vara: The hon. Gentleman is a seasoned politician, so he will know that Governments operate and timetables are dealt with in the usual way through the usual channels.

Prisoners: Employment after Release

5. Michael Tomlinson (Mid Dorset and North Poole) (Con): What progress his Department is making on plans to ensure that more prisoners obtain employment after release.

6. Oliver Colville (Plymouth, Sutton and Devonport) (Con): What progress his Department is making on plans to ensure that more prisoners obtain employment after release.

12. David Mackintosh (Northampton South) (Con): What progress his Department is making on plans to ensure that more prisoners obtain employment after release.
Andrew Selous (Wimbledon) (Con): What progress his Department is making on plans to ensure that more prisoners obtain employment after release.

The Parliamentary Under-Secretary of State for Justice (Andrew Selous): I hope you will allow me, Mr Speaker, to express on behalf of the whole House our utter disgust at the attempted murder of a prison officer in east Belfast on Friday. I am sure that prison officers throughout the United Kingdom will join us in wishing him a full recovery from his injuries.

I meet regularly with businesses and trade bodies to talk about the benefits of employing offenders on release. Following the Prime Minister’s announcement of changes to recruitment practices for the civil service, to give offenders a fair chance of a job, I am keen to encourage all employers to “ban the box” when recruiting.

Michael Tomlinson: May I associate myself with the Minister’s initial remarks?

Given the reoffending rates of those who leave prison and manage to secure employment—the evidence shows that fewer than half reoffend, compared with those who do not secure employment—will the Minister support initiatives such as the excellent Footprints project in Dorset, which provides help and mentoring through its team of volunteers? Will he ensure that such projects operate a clear and transparent process of referrals from the new community rehabilitation companies?

Andrew Selous: I warmly commend the important work that Footprints is doing in Dorset. I want to see greater use of the voluntary sector, and an increased focus on offender employment on the part of CRCs. I made those points to CRC leaders only last week.

Oliver Colville: As a member of the Northern Ireland Affairs Committee, I, too, wish to associate myself with the Minister’s initial comments.

How can we ensure that prisoners do not become institutionalised as a result of seeing prisons as “safe havens”, rather than rebuilding their lives once they have been released?

Andrew Selous: My hon. Friend has raised an important point. We need to help prisoners to take responsibility for their lives, and that includes helping them to find legal work in order to support their families. I believe that the Prime Minister’s announcement that we will measure employment outcomes for prisoners will drive further progress.

David Mackintosh: Will my hon. Friend join me in welcoming the work of Goodwill Solutions in Northampton, which is running a “back to work” programme that is helping ex-offenders, homeless people, those with substance dependencies, and vulnerable young people to secure training and employment in the logistics sector?

Andrew Selous: I certainly welcome the work of Goodwill Solutions in my hon. Friend’s constituency, but the truth is that we do not have labour shortages only in the logistics area. We have them in construction, engineering, catering and many other areas, which is why I am very ambitious about increasing offender employment.

Stephen Hammond: As was noted by my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson), the key to rehabilitation is employment, and the key to employment is training. What is the Department doing to encourage all employers to take an interest in training inside prisons, in order to help offenders to find employment?

Andrew Selous: That is an extremely important point. The model that I like best is that of the Clink restaurants and the Timpson, Halfords and Aramark academies, which offer demanding work and training in prison and a job and ongoing support on release. It works: I call it the gold standard. Clink graduates, who probably include some of my constituents, are now working at some of London’s top hotels and restaurants.

Helen Jones (Warrington North) (Lab): May I, on behalf of Labour Members, associate myself with the Minister’s remarks about the prison officer who was so severely wounded in Northern Ireland?

We have heard the Minister make a commitment to providing education and employment for prisoners, but surely he is aware that the shortage of prison officers is causing many prisoners to be locked in their cells for long periods, unable to gain access to education and training opportunities. Will he commission a report from within the Department on the impact of staff shortages on prisoners’ education and employment, given that, as many have pointed out, the best way of ensuring that people do not reoffend is to get them into jobs?

Andrew Selous: The hon. Lady has made a valid point. The good news is that last year we appointed 2,250 prison officers—that is a net increase of 440—and we will continue to recruit the prison officers whom we need.

Greg Mulholland (Leeds North West) (LD): Employment is the single biggest factor that prevents reoffending, and I remind the House of the excellent changes that were made under the coalition Government in 2012, but will the Minister update us on what cross-departmental work takes place? This is a process that must start within the prison system but must continue afterwards, and that is obviously the job of the Department for Work and Pensions.

Andrew Selous: I can tell the hon. Gentleman that there is indeed some very good cross-departmental working. The Social Justice Cabinet Committee takes the issue very seriously, and I have had outstanding help from the Employment Minister, who has been extremely supportive. We have been given plenty of practical help by the DWP, the construction industry and training organisations. Buses are sent into prisons so that prisoners can complete their construction skills certification scheme cards, and sewing machines have been bought so that they can use them after their release.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Following on from the question from my hon. Friend the Member for Warrington North (Helen Jones), what is the Minister’s assessment of the impact of overcrowding on educational opportunities for offenders?
Andrew Selous: What I can say to the hon. Lady is that we are building a prison estate that is fit for purpose. The Chancellor has just given us £1.3 billion to build nine new prisons, we are opening two new house blocks and we are about to open HMP Berwyn in February next year, so we are in the process of building a fit-for-purpose prison estate.

Women in Prisons

6. Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): What steps he is taking to reduce the number of women in prisons.

10. Martyn Day (Linlithgow and East Falkirk) (SNP): What steps he is taking to reduce the number of women in prisons.

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): I have been clear that I want to see far fewer women ending up in prison. We are committed to improving the treatment of female offenders and to putting in place the interventions needed at each stage to help them to turn their lives away from crime.

Dr Cameron: I associate myself and my colleagues on these Benches with the Minister’s earlier comments. The Cabinet Secretary for Justice in Scotland has made clear the Scottish Government’s commitment to tackling the number of women in prison by consulting on proposals to strengthen the current presumption against short sentences, by continuing to invest in robust community sentences and by investing an additional £1.5 million annually in community justice for women. Will the Minister join me in commending the efforts of the Scottish Government to apply a community-based rehabilitative approach?

Caroline Dinenage: Absolutely. We are keen to learn from any experiences in Scotland and elsewhere in the world that are successful in diverting women away from prison. Here in England and Wales, we have awarded £200,000 of grant funding to pilot earlier and more sequenced interventions with the right sort of multi-agency approach, which should see fewer women ending up in prison for short periods.

Martyn Day: The Scottish Government’s approach to justice has resulted in the number of offenders serving sentences of three months or less plummeting since 2008, and reconviction rates are at a 16-year low. Will the Minister look to the progressive example of the Scottish Government as a new approach to reducing the number of women in prisons?

Caroline Dinenage: What I can say to the hon. Gentleman is that the Scottish Government have moved to relocate female prisoners from Cornton Vale prison to HMP Polmont as part of the first phase of their plans to transform the way in which Scotland deals with women in custody. Improved facilities will clearly give additional support to address the underlying issues that fuel crime. Will the Minister join me in welcoming this progressive step towards the rehabilitation of female offenders?

Caroline Dinenage: The hon. Gentleman makes a valid point. This is exactly why we have set about shutting Holloway, an estate in which brilliant work is undertaken by some exceptional people despite the constraints of the building that they are in. We hope that by offering a much better environment we will be able to improve outcomes.

Dr Lisa Cameron: In 2015, the Prison Reform Trust shows that female prisoners are far more likely to receive custodial sentences even when they have no previous convictions or cautions. What interventions are being used at the sentencing stage to keep women out of prison?

Caroline Dinenage: Sentencing is a matter entirely for the courts, and they take into account the circumstances not only of the offence but of the offender. As the Prime Minister set out in a speech earlier in the year, we are also looking into how tagging, problem-solving courts and alternative resettlement units can support us to deal appropriately with female offenders, especially where children are involved.

Caroline Dinenage: So many of the women who end up in our prisons represent a failure of society to intervene and address the causes of their offending behaviour or other issues in their lives. The whole-system approach that we are piloting in England and Wales will enable us to intervene earlier to put in place the right interventions and support that will enable us to do just that.

Christina Rees (Neath) (Lab): The case of Sarah Reed highlights the Government’s failings on the mistreatment of prisoners with mental health issues. With women accounting for around a quarter of self-harm incidents, but only 5% of the prison population, will the Minister outline what action she is taking to lower the number of women who self-harm in prison?

Caroline Dinenage: We know that the women in our prisons are more likely to self-harm than their male counterparts. They are also more likely to suffer from mental health problems, to have drug and alcohol addictions and to have experienced such things as domestic violence and sexual abuse earlier on in their lives. That is why we are trying to divert as many people as possible from prison by putting in place interventions to address their mental health needs.
offending behaviour as early as possible and to support them in any way that we can, and why we also have interventions within the prison estate to support such women.

Joanna Cherry (Edinburgh South West) (SNP): Does the Minister agree that going in and out of prison has a damaging effect not only on women themselves, but on their families and communities? Will she welcome the Scottish Government’s efforts to transform and improve services for women and to break the cycle of reoffending with targeted support to address underlying issues, such as alcohol, drugs, mental health or domestic abuse trauma? Will she tell us what specific actions her Department is taking to address those underlying issues?

Caroline Dinenage: The hon. and learned Lady makes some excellent points. The whole-system approach that we are piloting is all about trying to divert women away from prison and putting in the right interventions much earlier on in their offending behaviour. We are also doing a lot of work looking at problem-solving courts and how we can address such things as drug and alcohol problems much earlier on in people’s experiences of the criminal justice system.

Joanna Cherry: The Howard League for Penal Reform in Scotland has said:

“The emphasis must be on preventing women from becoming caught up in the criminal justice system in the first place, diverting them at the point of arrest and prosecution wherever possible, and reducing the use of remand and short term prison sentences."

It has also said that there must be

“sustainable funding for community-based services and there are lessons to be learned from the success of work with young offenders and the reduction”

in the number of young offenders at Polmont prison in Scotland. Does the Minister agree that the success in reducing the number of young people in custody in Scotland could be replicated across the UK for the number of women in custody?

Caroline Dinenage: I am certainly keen to take another look at that. Although sentencing is a matter for the courts, work is ongoing to improve the quality of the information that sentencers receive about community-sentencing options and we want to look more at that moving forward.

Prisons: Mental Health and Substance Misuse

7. Michael Fabricant (Lichfield) (Con): What steps his Department is taking to improve mental health and substance misuse treatment in prisons; and if he will make a statement.

The Lord Chancellor and Secretary of State for Justice (Michael Gove): Providing appropriate treatment at the right time is vital to improve outcomes for people with mental health problems. The NHS of course does a superb job in providing services for prisoners, but we want to give governors a much bigger role in helping to secure the treatment that prisoners need.

Michael Fabricant: I am grateful for that answer. Drones can be great fun. I have been promised one for my birthday in June and I am looking forward to getting it. However, as my right hon. Friend says, this is a serious subject. Substance abuse is even more serious. Is he aware of press reports that drones are being used to smuggle drugs, mobile phones and other things into prisons? If he is aware of that, what can we do to stop it?

Michael Gove: The fact that it is it is my hon. Friend’s birthday in June means that I am looking forward to celebrating two significant anniversaries in that month. His substantive point is actually very important, because even though instances are still mercifully rare, there is a real danger that drones can be used to smuggle contraband into prisons: mobile phones that can be used in criminal activity; and drugs that can be used in unfortunate ways. That is why we have introduced new legislation to make it illegal to land a drone in a prison or to use a drone to drop contraband.

Peter Kyle (Hove) (Lab): Last month, the Prime Minister announced that prison governors would have far more autonomy to start tackling these issues in prisons, based on the academy model for schools. As the Secretary of State will know from his previous job, the lesson of academy schools is that more autonomy must be matched by stronger local governance. Can he reassure us that governors who do have more independence will have a stronger local governance arrangement to match it?

Michael Gove: The hon. Gentleman makes a characteristically acute and intelligent point, and I absolutely agree that with greater autonomy must come sharper accountability. In the first six reform prisons that we are going to establish, which will model, in some respects, the freedoms that academy schools have, we are exploring exactly how we can ensure both that the local community is appropriately involved and that accountability measures ensure that areas such as mental health and substance abuse are tackled effectively.

Several hon. Members rose—

Mr Speaker: Oh good, the hon. Member for Derby North (Amanda Solloway) is now stirring. We are grateful to her, as she has an identical question.

Amanda Solloway (Derby North) (Con): Following the release of Lord Harris’s report last year on self-inflicted deaths in custody of 18 to 24-year-olds, will the Department be looking to implement any of its recommendations?

Michael Gove: We very much welcome the report of the Harris review and we agreed with 62 of its 108 recommendations. A further 12 are being considered alongside wider prison reforms in 2016. It is appropriate that we all recognise there has been an unwelcome increase in the incidence of self-harm and deaths in custody, and we need to do everything we can to tackle it. We also need to ensure that the mental health problems and substance abuse problems often associated with self-harm and deaths in custody are tackled even before people enter custody.
Education in Prisons

8. **Pauline Latham** (Mid Derbyshire) (Con): What steps his Department is taking to improve education in prisons; and if he will make a statement. [903949]

The Lord Chancellor and Secretary of State for Justice (Michael Gove): As the House will know, I have asked Dame Sally Coates to bring forward the publication of a report on how we can improve education in prison. Crucial to the direction of travel that Dame Sally is recommending is more control for governors to decide the type of curriculum that prisoners should enjoy while in custody.

**Pauline Latham:** Does my right hon. Friend agree that too much emphasis is placed on the quantity of education in prisons rather than on its quality?

**Michael Gove:** I could not agree more. Inmates are often cycled through a series of low-level qualifications, none of which, after it is initially passed, secures any additional employability gains for the individuals concerned. I was very impressed on Friday, when I visited the military corrective training centre in Colchester, to see how our services have a prison that succeeds in helping individual prisoners to acquire more qualifications en route either to being reintegrated into the services or entering civilian life. That model could be applied with success in the civilian estate.

**Access to Justice**

14. **Alex Cunningham** (Stockton North) (Lab): What steps he is taking to ensure the safety of prisoners and staff on the prison estate. [903955]

The Parliamentary Under-Secretary of State for Justice (Andrew Selous): We are committed to running safe and decent prisons, and are taking action to improve this. We are trialling the use of body-worn video cameras, and the Psychoactive Substances Act 2016 introduces new offences to control supply and possession. We recognise that our prisons need reform, and there is still much more to do to ensure that prisons are places of decency, hope and rehabilitation.

**Alex Cunningham:** I have a large prison in my Stockton North constituency, and prison officers there tell me of an increasing threat of violence, with the latest figures showing that the number of serious assaults on prison staff is up 48% in a year. They blame staff cuts and increased substance misuse. What does the Minister blame? What does he want me to tell prison officers in my area? Do his plans include granting academy status to Holme House?

**Andrew Selous:** The hon. Gentleman can tell his prison officers that all violence within prison is a crime. We strive to eradicate it, and it is wholly unacceptable. We take it very, very seriously. As I told the hon. Member for Warrington North (Helen Jones) a moment ago, we appointed 2,250 extra prison officers last year—a net increase of 440—and we will carry on recruiting. Really importantly, we will be testing for new psychoactive substances throughout every prison next month, and that will make a significant difference to the important issues that he raises.

15. **Yvonne Fovargue** (Makerfield) (Lab): What steps he plans to take to ensure access to justice does not depend on the ability to pay. [903956]

The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara): The Government’s programme of reform aims to deliver faster and fairer justice for all citizens, by speeding up decision-making, giving parties the ability to submit and consider information online, and considering issues far more proportionately. We have committed to invest in the technology that will underpin that.

**Yvonne Fovargue:** The introduction of employment tribunal fees has caused the number of new cases to plummet. Sex discrimination cases are down by 80% and equal pay cases by 84%. Will the recently announced review publish an impact assessment on the introduction of those fees, and say whether it has disproportionately affected the number of women bringing forward cases to tribunal?

**Mr Vara:** The hon. Lady raises some important points. On the employment tribunal, she should consider the alternative facilities that are available. For example, the early conciliation service has reported that, in the first
12 months, 83,000 people used its services, and that the vast majority were happy with the services that they received.

Lucy Frazer (South East Cambridgeshire) (Con): A total of 3,600 barristers, including a third of all Queen’s counsel, contribute voluntarily to the Bar Pro Bono Unit. I am honoured that, as a barrister, I was one of those statistics. Does the Minister welcome the significant contribution that the Bar Pro Bono Unit is providing to free access to justice?

Mr Vara: I certainly commend not only my hon. and learned Friend’s contributions, but the contribution of the Bar and the legal profession generally. Pro bono work benefits many people, and I am pleased to see that our engagement with the legal sector is fruitful, and that it is considering other ways of helping the community.

17. [903958] Margaret Greenwood (Wirral West) (Lab): Today is International Women’s Day, which gives us the opportunity to reflect on the fact that financial abuse is not just a crime in itself, but also a way for domestic abusers to control victims and to prevent them from leaving abusive relationships. Following the recent Appeal Court decision on legal aid in cases of domestic violence, how is the Ministry of Justice intending to make access to justice a reality for victims of financial abuse?

Mr Vara: The hon. Lady refers to a recent case. She will be aware that the court did confirm that the Lord Chancellor has the power to set domestic violence evidence requirements. As for the other issues, we are considering the outcome of the case and will clarify our decision on the way forward in due course.

Stephen Timms (East Ham) (Lab): In his latest annual report, the Lord Chief Justice makes an astonishing admission. He said:

“Our system of justice has become unaffordable to most.”

Does the Minister accept that is a wholly unacceptable state of affairs?

Mr Vara: May I say to the right hon. Gentleman that we work very closely with the senior judiciary? On access to justice, he knows only too well that, despite the reductions that we made to the legal aid budget, it remains, at £1.6 billion, one of the most generous legal aid budgets in the world.

Violence against Women

16. Patrick Grady (Glasgow North) (SNP): What discussions has his Department had with the Home Office on steps to reduce the level of violence against women. [903957]

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): The Government are committed to ending all forms of gender-based violence, which has absolutely no place in our society. Justice Ministers attend the regular inter-ministerial group, which is chaired by the Home Secretary and drives forward work on this matter. Today, the Government are publishing their ending violence against women and girls strategy, which sets out the whole package of support for victims

Patrick Grady: Many women who experience violence are forced to flee to refuge accommodation, often with their children. Is the Minister aware of the devastating effect that the Government’s housing benefit limit will have on these women? Given that it is International Women’s Day, will she discuss these concerns urgently with her colleagues in the Department for Work and Pensions and in the Home Office?

Caroline Dinenage: Under this Government, there are more refuge places than ever before. Since 2010 we have criminalised forced marriage and revenge porn, we have strengthened the law on domestic violence and female genital mutilation, there are now more successful prosecutions for domestic violence than ever before, and we have introduced FGM protection orders. We will build on that by doing more to deter and rehabilitate perpetrators, while continuing to improve the process for victims.

Estate Requirements and Disposals

19. Richard Graham (Gloucester) (Con): What progress his Department is making on implementation of its strategy on estate requirements and disposals. [903960]

Richard Graham: The Ministry of Justice kindly agreed a year ago to dispose of an unused car park in Gloucester to provide more parking and an additional entrance to our railway station—a very good regeneration cause. The Justice Minister assured me that this would be resolved before the end of the financial year. However, we are almost there and there is still no resolution. Does my hon. Friend therefore agree that the time has come to lock the Courts and Tribunals Service real estate representatives in a room with representatives of Gloucester City Council and Great Western Railway, and to leave them there until they have reached agreement?

Mr Vara: That may be a little drastic as a negotiating procedure, but my officials are engaged in conversations with Gloucester City Council. Those are at an advanced stage. My hon. Friend will not expect me to make commercial comments at the Dispatch Box, but I hope that a final decision will be arrived at very shortly. He and I are due to meet shortly, when we will discuss the matter further.

Chloe Smith (Norwich North) (Con): Can the Minister provide any further update on his plans for the Victorian prison estate and, in particular, any information regarding HMP Norwich in my constituency?

Mr Vara: I am keen that my hon. Friend should have the most up-to-date response, so I will write to her about that.
Public Understanding of the Law

21. **Tom Tugendhat** (Tonbridge and Malling) (Con): What steps his Department is taking to increase public understanding of the law. [R]

**Mr Dominic Raab** (Central Suffolk and North Ipswich) (Con): The Ministry of Justice is working to increase public awareness of the law and of important initiatives in the criminal justice and civil law system. We do that by disseminating information to the media, by using our website and digital channels, and through bespoke campaigns of particular importance, such as on access to victim services.

**Tom Tugendhat**: I welcome the efforts made by the Minister and my right hon. Friend the Lord Chancellor. May I encourage my hon. Friend to do more to broaden public legal education? Having just set up a new all-party parliamentary group on the subject, I urge him to work with us to provide such education not just in schools and through adult services, but perhaps in prisons. Although it may not reduce the inmate population, it may reduce the future conviction rate.

**Mr Raab**: My hon. Friend is right. I commend him for his efforts and his initiative. One illustration of the things we are doing is the victims’ information service, which provides information on the criminal justice system, on what a victim can expect and on restorative justice. He is right—we need to strive to bring the law and its operation closer to the citizens it serves.

Topical Questions

**T1.** [903930] **Jeff Smith** (Manchester, Withington) (Lab): If he will make a statement on his departmental responsibilities.

**The Parliamentary Under-Secretary of State for Justice (Mr Dominic Raab)**: The Minister of Justice is working to increase public awareness of the law and of important initiatives in the criminal justice and civil law system. We do that by disseminating information to the media, by using our website and digital channels, and through bespoke campaigns of particular importance, such as on access to victim services.

**Mr Raab**: My hon. Friend the Member for Wirral West (Margaret Greenwood) referred to the short and very clear recent judgment by the Court of Appeal, which said that the evidence criteria for accessing legal aid by domestic violence victims were unlawful in two important respects—something the Government have been told ever since the law was passed four years ago. The Secretary of State has had enough time to consider the matter. On International Women’s Day, will he tell us what he will do in the light of the Court’s ruling?

**Michael Gove** (Hammersmith) (Lab): My hon. Friend the Member for Wirral West’s (Margaret Greenwood) point refers to the short and very clear recent judgment by the Court of Appeal, which said that the evidence criteria for accessing legal aid by domestic violence victims were unlawful in two important respects—something the Government have been told ever since the law was passed four years ago. The Secretary of State has had enough time to consider the matter. On International Women’s Day, will he tell us what he will do in the light of the Court’s ruling?

**Henry Smith** (Crawley) (Con): Many prisoners in our system suffer from mental health and substance misuse problems. Further to the question from my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter), what further support can be given in prison to support people with mental health and substance misuse problems?
Andrew Selous: I welcome my hon. Friend’s continued focus on this important issue. As the Prime Minister said in his speech on 3 February, we believe in humane treatment and care. In our work in prisons we are going to give prison governors more say in this area, and we are going to move towards full co-commissioning for governors with NHS England, meaning that prison leaders can have more of a say in defining what kinds of services prisoners need and the budgets available for them.

Mr Graham Allen (Nottingham North) (Lab): Will the Secretary of State consider such a transfer for my constituent Mr Tony Conti, who is convicted to return to their country of origin, to the transfer programme in 1977 to make it easier for foreigners given that the US established the international prisoner fixing LIBOR when he worked for Rabobank. My constituent Mr Tony Conti was convicted last November of fixing LIBOR when he worked for Rabobank. I have had the opportunity to visit Peterborough prison experiment, where a social impact bond involved voluntary and private sector investors to reduce the amount of recidivism in prisons? May we please have a report on how that is going?

Michael Gove: First, may I take up the hon. Gentleman’s kind offer, because we are all delighted to see the hon. Member for Bristol West back in her place—fully recovered, I hope—and look forward to her playing a prominent part in our debates in future; she is a real asset to the House. Secondly, the social impact bond that ran in Peterborough prison helped to inform some of the changes that we made through Transforming Rehabilitation. I have had the opportunity to visit Peterborough prison, which is run by a private company. It provides a significantly improved level of care, compared with the mean level offered by many other custodial establishments. I think that the spirit of the SIB lives on, both in Transforming Rehabilitation and in the way in which Peterborough prison operates, but I am open to other ideas about how social investment can help to improve the justice system.

Sir David Amess (Southend West) (Con): I welcome my hon. Friend’s continued participation in our debates in future; she is a real asset to the House. Secondly, the social impact bond that ran in Peterborough prison helped to inform some of the changes that we made through Transforming Rehabilitation. I have had the opportunity to visit Peterborough prison, which is run by a private company. It provides a significantly improved level of care, compared with the mean level offered by many other custodial establishments. I think that the spirit of the SIB lives on, both in Transforming Rehabilitation and in the way in which Peterborough prison operates, but I am open to other ideas about how social investment can help to improve the justice system.

Andrew Selous: I have listened carefully to what my hon. Friend has said, and we will give careful consideration to any transfer application from his constituent that is referred to us by the US authorities.

Stephen Timms (East Ham) (Lab): It surely cannot only be Opposition Members who are dismayed that, to quote the Lord Chief Justice again: “Our system of justice has become unaffordable to most.” Has the Secretary of State discussed this dreadful situation with the Lord Chief Justice, and is there a plan to do something about it?

Michael Gove: I have discussed this issue with the Lord Chief Justice, the Master of the Rolls and other members of the senior judiciary. It is a complex matter. One of the key things that is problematic is the level of costs in the justice system, and we need to bring about reform, particularly to the civil justice system. That is why the report by Michael Briggs, which lays out particular reforms, including more justice being transacted online, is a powerful way forward, but much remains to be done.

Kevin Hollinrake (Thirsk and Malton) (Con): The Government have given strong support to the idea of creating a new legal form of guardian, to help with the property and affairs of the 3,000 people who go missing every year in the UK. Will the Minister confirm when that might be brought into effect?

Mr Raab: I know that my hon. Friend has a family in his constituency who have been through the ordeal he mentions. We are absolutely committed to helping families of missing people to deal with the administrative problems they face over and above the heartache that is involved. We are working on creating the new legal status of guardian of the property and affairs of a missing person, and we will introduce measures to the House as soon as parliamentary time permits.

Dr Philippa Whitford (Central Ayrshire) (SNP): On International Women's Day; it is truly shocking that one in four women will experience gender-based violence. On 4 February, the Under-Secretary of State for the Home Department, the hon. Member for Staffordshire Moorlands (Karen Bradley), stated that primary legislation was required to ratify the Istanbul convention to try to tackle that disgrace. When will that legislation be brought forward?

Mr Raab: The hon. Lady is absolutely right. The last Government signed the convention in 2012. We have already implemented almost all its provisions, so the purpose would be to promote it abroad. There is a specific issue, as she may know, about extraterritorial jurisdiction under article 44. We are looking carefully at how that might be addressed.

Suella Fernandes (Fareham) (Con): I apologise for my absence earlier, Mr Speaker. In the recent case of Kiari and Byndloss, the Court of Appeal roundly upheld the deport first, appeal later policy, which prevents foreign national offenders from extending their leave to remain in the UK while their immigration appeals are pending—the two men in the case were convicted of serious drug offences and had leave to remain here. What assessment has my hon. Friend made of the judgment of Lord Justice Richards, which highlights the need for more clarity in the guidance given to caseworkers so that the policy can be better applied?

Mr Raab: My hon. Friend brings considerable experience from her time as a barrister. We welcome this decision. This is an important area of policy. It is also a Home Office lead, but I can reassure her that the relevant guidance for caseworkers was updated following the decision back in October.

Helen Hayes (Dulwich and West Norwood) (Lab): Today is International Women’s Day, as other Members have noted. A recent survey by Women’s Aid of women survivors of domestic abuse who have attended the family courts regarding child contact found that a quarter reported being directly cross-examined by their abuser. Does the Minister agree that that is completely unacceptable? What action is being taken to address it?
The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): Protecting women and children from violence is, of course, a key priority for the Government. We will be working with others in the family justice system to discuss and address the report's conclusions, including in relation to the measures already in place to protect women and children, and their effective implementation.

Rehman Chishti (Gillingham and Rainham) (Con): The Secretary of State knows my real concern about the accessibility of certain high-powered laser pens, which have been used to target civilian and military aircraft, cars and trains. I have called for them to be made a prohibited item. Will the Department look at my request before a major tragedy occurs in our country?

Michael Gove: My hon. Friend has campaigned consistently and effectively on this issue. We are reviewing what steps we and other Departments can take in order to mitigate this danger.

Vicky Foxcroft (Lewisham, Deptford) (Lab): Last Thursday, the House voted for the Government to set up an all-party commission to look into gangs and serious youth violence. Will the Minister's Department contribute to that commission?

Michael Gove: The problem of gangs and serious youth violence was the subject of discussion between me and Sir Bernard Hogan-Howe only last week. We will do everything we can and report back to the House on what we as a Government, collectively, are doing to deal with these problems.

Steve Brine (Winchester) (Con): The Secretary of State knows how much I, and many of my constituents, welcome the Prime Minister's big speech last month on prison reform. While there is little benefit in trading numbers, does he agree that the logical consequence of rehabilitation that really works is not only fewer victims of crime, but ultimately fewer people locked up in our country, with huge savings?

Michael Gove: I applaud my hon. Friend for the work that he did when he served on the Justice Committee in pioneering the case for a transformed approach towards justice. He is absolutely right. If we get prison reform right and get rehabilitation right, crime will fall, individuals will be safer, and of course the number of inmates in our prisons will fall.

Ian Lavery (Wansbeck) (Lab): On a basic point of clarification, can G4S sell the Government contract it has in place on the secure training centres to the highest bidder without any Government veto or Government involvement? It really is concerning that that could be the case.

Michael Gove: First, I take this opportunity to thank the hon. Gentleman for his diligence in asking questions on behalf of his constituents, and also for his historic work for mineworkers in distress. I know that over the past couple of days there have been reports in the press. I want to say in the House that he is an exceptionally dedicated worker for people who have fallen on hard times and the vulnerable. As someone from another party, I want to say how much I admire him for that work.

The hon. Gentleman's question was in that tradition. It is absolutely not the case that G4S can simply sell the contract to the highest bidder. We have the right to ensure that any transfer is done appropriately. I will make sure that he is briefed on the progress that we are making in order to ensure that these young people are looked after well.

Mr Speaker: I trust that the hon. Gentleman will have the tribute framed and put in an appropriate place in his constituency office for everyone to observe. He should savour it—it was very, very fulsome.

Peter Aldous (Waveney) (Con): In 2013, my constituent Adele Bellis was the victim of an acid attack. There has been a significant increase in such attacks in the past three to four years. I would be grateful if the Secretary of State could confirm that the Government will bring forward a strategy to address this, particularly the need for tougher sentences. Adele has shown great courage, but she has to live with that attack for the rest of her life.

Mr Raab: I thank my hon. Friend for his comments. That is an absolutely appalling case, and all cases of that kind are absolutely abhorrent. I would certainly be willing to hear from him about the specifics of the case, and we will of course look to see whether there is a case for additional sentencing powers over and above those that we already have.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Before the legal aid restrictions were introduced, 78,000 disabled people a year were able to challenge social security decisions, 80% successfully. How can withdrawal of legal aid to disabled people, who are twice as likely to live in poverty, be fair or just?

The Parliamentary Under-Secretary of State for Justice (Mr Shailesh Vara): It is important that the hon. Lady appreciates that we have not withdrawn or abolished legal aid. Legal aid still exists for the most vulnerable and the most needy. We do have certain criteria. However, in terms of the decisions that are coming to the courts, the officials who take the decisions in the first instance are looking at the decisions of the courts, so that they do not have to come to the court by way of appeal in the first place.

Maggie Throup (Erewash) (Con): In 2009, Walter Scott and Ross, a solicitors firm in my constituency, was closed down by the Solicitors Regulation Authority due to financial irregularities. Since then, the SRA has systematically failed in its duty of care to former clients of the firm, leading to at least one bankruptcy. Will the Minister agree to investigate that case as a matter of urgency so that we can at least secure some closure for my constituents?

Mr Raab: My hon. Friend will know that the regulation of the legal profession is independent of Government. It would be wrong and improper for a Minister to try to intervene in any individual case, but there is an ombudsman service that allows for review of complaints against the SRA, and I encourage her to consider that possibility.
Points of Order

12.34 pm

Wayne David (Caerphilly) (Lab): On a point of order, Mr Speaker. Last Thursday this House had an excellent debate on Welsh affairs, but unfortunately the Secretary of State for Wales was absent. The Under-Secretary of State for Wales, the hon. Member for Vale of Glamorgan (Alun Cairns), said:

“I can advise the House that the Secretary of State has parliamentary business elsewhere”.—[Official Report, 3 March 2016; Vol. 606, c. 1162.]

However, we learned from Twitter that the Secretary of State was at a lunch with Bexley Conservative Ladies, and I have the photograph to prove it. That is not parliamentary business, so I respectfully suggest that the Under-Secretary comes to the Dispatch Box to apologise for inadvertently misleading the House.

The Parliamentary Under-Secretary of State for Wales (Alun Cairns): Further to that point of order, Mr Speaker, I am happy to clarify the position and, of course, apologise if I have inadvertently misled the House. I can confirm that the Secretary of State was at a lunch with Bexley Conservative Ladies, and I have the photograph to prove it. That is not parliamentary business, so I respectfully suggest that the Under-Secretary comes to the Dispatch Box to apologise for inadvertently misleading the House.

Mr Speaker: I am grateful to the hon. Gentleman. I think that is helpful and we will consider that matter closed.

Jo Cox (Batley and Spen) (Lab): On a point of order, Mr Speaker. During last December’s debate on Syria, the Prime Minister made a commitment to provide quarterly progress reports to the House, and during last Thursday’s business questions, the Leader of the House said

“that there will be a further statement shortly on matters in Syria.”—[Official Report, 3 March 2016; Vol. 606, c. 1105.]

Could you offer me any guidance, Mr Speaker, on how I can encourage the Government to provide a clear indication of when that update will take place, and on how I can persuade Ministers that it would be beneficial for the Prime Minister himself to report back to Members?

Mr Speaker: I thank the hon. Lady for giving me notice of her point of order. I understand that the Government have given an undertaking that they will provide quarterly progress reports on Syria to the House. It is for the Government to determine the appropriate form of those reports and, indeed, which Minister should make them. That cannot fall to the Chair. However, if the hon. Lady is dissatisfied with the form or content of the updates, there are a range of opportunities open to her for pressing the Government for more information. I would add that, similarly, if the statement is not forthcoming with the speed that the hon. Lady thinks proper, she will also be aware of the mechanisms that she can deploy to try to procure the presence of a Minister, possibly even the Prime Minister. We shall await events with interest.

Michael Fabricant (Lichfield) (Con): On a point of order, Mr Speaker. May I personally apologise to you for inadvertently, or through frustration, using an eight-letter word beginning with “b” and ending in “cks” when a colleague was raising yet another scare story about what a disaster it would be if we were to leave the European Union? It was unseemly.

Mr Speaker: Actually, I had heard the utterance of the hon. Gentleman, which was spontaneous and from a sedentary position, but precisely because of its unseemliness I did not wish to draw attention to it. However, the hon. Gentleman has now done so and there is nothing further that requires to be said. [Laughter.] I note in passing that the hon. Gentleman has occasioned—or possibly I have done by my reply—notable hilarity from the Secretary of State for Justice. It is good to know that the right hon. Gentleman is in such an upbeat frame of mind.

If there are no further points of order, we come now to the ten-minute rule motion in the name of Mr Will Quince, a notably busy fellow in this House. Let us hear from the hon. Gentleman.
Driving Licence (Mandatory First Aid Training)

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

12.39 pm

Will Quince (Colchester) (Con): I beg to move, That leave be given to bring in a Bill to require applicants for full driving licences to have received first aid training before undertaking the practical driving test; and for connected purposes.

Britain has some of the safest roads in Europe, but there is still more we can do to reduce the death rate. In the last 12 months, 1,780 people were killed on British roads, and 23,700 were killed or seriously injured. Land transport accidents are one of the top five biggest killers of both males and females between the ages of five and 34. In such situations, where someone is seriously injured or fighting for their lives, every second counts. A review of road traffic in Europe cited by the World Health Organisation claimed that 50% of deaths from road collisions occurred within a few minutes of the crash, so there is often not time for an ambulance to arrive. Knowledge of first aid can be absolutely critical. The immediate initiation of CPR, for example, can double or even quadruple survival from cardiac arrest.

The sad reality is that in Britain, knowledge of first aid is patchy. Through no fault of their own, many people do not feel confident enough to intervene and provide first aid in crash and accident situations. A survey for St John Ambulance found that 59% of people would not feel confident enough to save a life. At the scene of an accident, 24% would do nothing until an ambulance arrived or a passer-by who knew first aid appeared. Those are troubling statistics, but I hope that they set the scene for the Bill that I am introducing to require first aid training as a requirement of the driving licence application.

Many other European nations already require driving licence applicants to undertake such training. In order to qualify for a driving theory test in Switzerland, applicants must prove that they have undertaken 10 hours of first aid instruction from a company approved by the Swiss Government. Since 2016 in Germany, there has been a single first aid course for applicants for all categories of driving licence. That course takes seven hours and consists of nine 45-minute lessons. In the Czech Republic, learners must take obligatory lessons in a driving school, including four 45-minute first aid lessons. Other countries that require first aid as a condition of receiving a driving licence include Austria, Slovenia, Hungary and the Baltic states.

Introducing such a requirement would make a huge difference to our population’s knowledge of first aid. Around 63% of the population aged between 21 and 29 have a driving licence. If that figure remained steady, in about 13 years the proposal would have helped to ensure that nearly two thirds of those aged under 30 in Britain were potential life savers. Far more drivers would feel confident enough to step forward in the event of a crash or any other emergency situation. First aid knowledge and skills would also make new drivers more aware of the potential dangers on the road, and of the perils of speeding and reckless driving.

The Bill is a great opportunity to boost the ability of a substantial proportion of the British population in an important skill. Every year, as more young drivers receive their licence, the number of British people who have first aid training will rise. I do not think it is an exaggeration to say that the change has the potential to save hundreds of lives. Indeed, it reinforces the Government’s strategy to improve road safety and reduce the number of people killed on our roads by 2020.

A Conservative Government first introduced the stand-alone theory test in 1996. It is a tough test, and so it should be. The pass mark is 86%. It helps to ensure that applicants for a full driving licence have a good knowledge of the Highway Code and can spot potential dangers through the hazard perception test. At the time, some claimed that the stand-alone theory test was unnecessary, but since it was introduced, road fatalities in this country have more than halved. The theory test may have played a role in that reduction. Since 2007, the theory test has contained a number of first aid questions, and that was a good development, but I believe that it is time to introduce a requirement for stand-alone practical first aid training as another condition to obtaining a licence. This reform is supported by both the British Red Cross and St John Ambulance. Those two groups recognise the transformative effect that first aid can have in accident situations.

Last year, I supported the private Member’s Bill to make first aid lessons compulsory in schools. Some opponents of that Bill claimed that it would put too much pressure on school timetables and undermine the discretion of teachers, and I understand such concerns. That is why I think my Bill is a good compromise. British people should have the opportunity to learn such skills throughout their lives. It would help to boost the first aid skills of many more British people. Surely we want to foster an environment in which people are more willing to step forward and help in an emergency. The Government’s Social Action, Responsibility and Heroism Act 2015 aims to do that by removing the fear of liability for those who help out, but how can we expect people to act if they do not have the skills and confidence to do so?

I propose that attendance at a four-hour practical first aid course, run by an approved first aid provider, should be a minimum requirement for receiving a full driving licence. Evidence of the training would have to be produced before allowing an applicant to take a practical test, as with the current theory test. The change would be made by amending the Motor Vehicles (Driving Licences) Regulations 1999.

I hope that I have done this proposal justice in such the short period available. I truly believe that introducing the change will have a transformative impact on the British public’s knowledge of simple, but life-saving techniques. So many of the British public lead busy lives. The introduction of this reform would ensure that the majority of young people were required to take the time to learn these skills. Indeed, I believe that many would welcome the opportunity provided by this reform. Moreover, I am encouraged by the fact that Members from six separate parties have agreed to sponsor the Bill, which shows a degree of cross-party support for the proposals. Put simply, this change will give many more British people the chance to learn life-saving skills and, potentially, to save a life. I urge colleagues to support the Bill.
Question put and agreed to.

Ordered,

That Will Quince, Dr Tania Mathias, Peter Aldous, Wes Streeting, Jim Fitzpatrick, Sir Roger Gale, Mr Nigel Evans, Mrs Cheryl Gillan, Lady Hermon, Caroline Lucas, Martyn Day and Mr Mark Williams present the Bill.

Will Quince accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 March, and to be printed (Bill 149).

**ENTERPRISE BILL [LORDS] (PROGRAMME) (NO. 2)**

12.48 pm

Motion made, and Question proposed,

That the Order of 2 February 2016 (Enterprise Bill [Lords] (Programme)) be varied as follows:

1. Paragraphs 4 and 5 of the Order shall be omitted.
2. Proceedings on Consideration and up to and including Third Reading shall be concluded in two days.
3. Proceedings on Consideration shall be taken on each of those days as shown in the following Table and in the order so shown.
4. Each part of the proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion at the time specified in relation to it in the second column of the Table.

<table>
<thead>
<tr>
<th>Table</th>
<th>Time for conclusion of proceedings</th>
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<tr>
<td>First day</td>
<td>One and a half hours after the commencement of proceedings on the Motion for this Order.</td>
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<tr>
<td>New Clauses and new Schedules relating to the Green Investment Bank plc; amendments to Clauses 37 and 38.</td>
<td></td>
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<tr>
<td>Second day</td>
<td>Three hours after the commencement of proceedings on the Motion for this Order.</td>
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<td>New Clauses and new Schedules relating to public sector exit payments; amendments to Part 9.</td>
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<td>New Clauses and new Schedules relating to Sunday trading and working; amendments to Part 7.</td>
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<tr>
<td>New Clauses and new Schedules relating to the Pubs Code Adjudicator and the Pubs Code; amendments to Clauses 39 and 40; remaining proceedings on Consideration.</td>
<td>6.00 pm on the second day.</td>
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5. Proceedings in legislative grand committee and proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at 7.00 pm on the second day.—(Anna Soubry.)

Question agreed to.

**Enterprise Bill [Lords]**

[1ST ALLOCATED DAY]

**Consideration of Bill, as amended in the Public Bill Committee**

Mr Speaker: As I informed the House on Monday 26 October, before a Report stage begins on a Bill, I will seek to identify in advance those changes made in Committee that I would expect to certify, together with any Government amendments tabled on Report that, if passed, would be likely to lead me to issue a certificate.

My provisional certificate, based on those changes and expected amendments, is available in the Vote Office and on the “Bills before Parliament” website. At the end of the Report stage on a Bill, I am required to consider the Bill as amended on Report for certification. At that point—tomorrow, in this case—I will issue my final certificate. As I informed the House on 26 October, I have accepted the advice of the Procedure Committee not, as a rule, to give reasons for decisions on certification during this experimental phase of the new regime. Anybody wishing to make representations to me prior to any decision should send them to the Clerk of Legislation.

**New Clause 4**

**OBJECTIVES OF UK GREEN INVESTMENT BANK**

(1) Prior to a sale of shares of a UK Green Investment Bank Company (as defined in section 30(2)) the Secretary of State shall—

(a) ensure that the objects of the UK Green Investment Bank Company contained in its articles of association (“the Objectives”) shall be—

(i) the reduction of greenhouse gas emissions;
(ii) the advancement of efficiency in the use of natural resources;
(iii) the protection or enhancement of the natural environment;
(iv) the protection or enhancement of biodiversity;
(v) the promotion of environmental sustainability;
(b) ensure the articles of association of the UK Green Investment Bank Company require its directors to act and review their actions against the Objectives;
(c) create a special share; and
(d) establish a company limited by guarantee registered with the Charity Commission (“the Charitable Company”) that will own the special share.

(2) Any amendment to the Objectives shall require the consent of the Charitable Company, as holder of the special share.

(3) The special share shall—

(a) have no income or capital rights;
(b) have no voting rights except on a vote to amend the Objectives and on a vote to alter the rights of the special share.

(4) The rights of the special share shall be deemed altered by the issue of any other special share of the same class.

(5) The Charitable Company that will own the special share shall—

(a) have three members, none of which shall be public bodies;
(b) have as initial members legal persons appointed by the Committee on Climate Change established under the Climate Change Act 2008;
(c) provide that if any member ceases to be a member the remaining members shall nominate the replacement member;
As we discussed in Committee, the Green Investment Bank is not getting the same treatment as the Asian Infrastructure Investment Bank. The Treasury is all too ready to allow UK borrowing to be part of financing that bank, and it was not worried at all that public debt will be part of its financing. However, it is extremely reluctant to allow the same treatment for the Green Investment Bank.

You will not be surprised to hear, Mr Speaker, that I praised the former coalition Government for introducing the Green Investment Bank. Policy in that area can be difficult to implement, because by its very nature it is new and innovative—in Committee I quoted the wise words, as ever, of Kermit the Frog who said, or sang or crowed, “It’s not easy being green.” That is true. It is not easy, and this is an innovative and effective piece of public policy, and I praise the former coalition Government for introducing it.
Andrew Gwynne (Denton and Reddish) (Lab): Is one benefit of the Green Investment Bank that in large part it addressed some of the market failure that had gone before? We risk losing some of the benefits that it brought in terms of securing green investment. All that will happen—an unforeseen consequence, perhaps—is that taxpayers will have to pay more through a larger subsidy.

Kevin Brennan: I believe that the proposals on privatisation that the Government quickly brought forward following the election were seriously undercooked, if I can put it that way. The Green Investment Bank has only just started to turn a profit. We are glad that it is doing that, but it is a very small amount. When the Government said that they intended to privatisethe bank, they prayed in aid the statutory obligation to invest in green projects that they now wish to remove from statute, because of what the ONS said about public debt and the Green Investment Bank being on the books. That proposal has been in trouble all along, and the way that the Government are scrabbling around for a solution shows that the original proposal was undercooked.

Mary Creagh (Wakefield) (Lab): I praise my hon. Friend for tabling this new clause, and for the way that he scrutinised the Bill in Committee. Does he agree that things have moved on substantially since we met in Committee, with the Government’s publication last Thursday of the prospectus and the announcement that the sale was to proceed and will be a two-stage auction? It certainly looks as though the bank will be fully privatised, so all the debate and discussion that we had in Committee about whether the Government would keep a minority share in the bank, as recommended by the Environmental Audit Committee, seems to have been pretty much for the birds. The Minister probably knew that in Committee.

Kevin Brennan: I congratulate my hon. Friend on her election to the Chair of the Environmental Audit Committee. I am sure she will be as assiduous in scrutinising this proposal and other areas of Government policy as she was in Committee and on the Back Benches, along with my other hon. Friends. She is right to say that the publication of the Government’s intentions last week was interesting, and I hope that the Minister will answer her point about the Government’s intentions, and clarify whether they intend to maintain a stake in the Green Investment Bank after privatisation. When we probed the Minister on that in Committee, answer came there none. From the way that the proposals have been published, it would appear that the Government intend to fully privatisethe bank, even though—as we discussed in Committee—it must be the worst possible time, given the current state of the market, to consider privatising this important public asset, if part of the purpose is to get good value for the taxpayer.

Mary Creagh: I will develop this point in my speech, but in Committee two weeks ago I mentioned the bear market, the slide in value of all bank shares since Christmas, and the softening of growth in China. Only this morning, Mark Carney and the Bank of England revealed the large amounts of liquidity that they are preparing to inject into the UK banking economy in the event of an exit from the European Union after the referendum, to avoid a complete meltdown and financial crisis such as the one that took place in 2007-08.

Kevin Brennan: My hon. Friend is right to point that out, and, by implication, to point out that the privatisation would of course occur after the referendum in the summer. The implications of a leave vote on the attempt to privatisethe UK Green Investment Bank would be highly significant, as she points out.

1 pm

Barry Gardiner (Brent North) (Lab): I wholly support my hon. Friend’s remarks. What impact does he think it might have on the prospects for full privatisation of the Green Investment Bank were the official Opposition to indicate that they were minded to purchase back the bank into the public sector?

Kevin Brennan: My hon. Friend will understand that I am not going to speculate on that, given that it is not current party policy or under discussion. What I will say is that the Government have a duty, if they go ahead with a privatisation that we do not support, to be absolutely sure they get value for money for the taxpayer, as well as to give an absolute guarantee that they will protect the bank’s green purpose.

I have praised the Government for the introduction of the Green Investment Bank, but why would they do anything to place its central green mission in grave doubt? I remind the House that the bank was first proposed under the previous Labour Government. It was first mentioned as a proposal for development by the former Chancellor of the Exchequer, Alistair Darling, in one of his Budgets. It was developed in the Cabinet Office and the Department for Business, Innovation and Skills when I was a Minister in those Departments. It was introduced under the coalition Government, and it has made a good start. It has been able to participate in the financing of projects that would otherwise not have taken place and that make a real contribution to meeting our commitments under the Climate Change Act 2008.

I think we all agree, throughout the House, that the creation of the bank is a good news story. I do not see any dissent from that proposition from anyone in the Chamber. We have therefore come to a strange pass when even something we all agree is a good thing—good borrowing for sustainable purposes—is classified as bad for no other reason than that it appears on the Government’s books.

During the difficult years following the banking crash, in which we were sometimes in recession, a significant part of the UK economy’s growth came from the green economy. By some estimates, it accounts for 1 million jobs in the low-carbon sector and is worth more than £100 billion. It is disappointing that the Government are in danger, if they are not careful, of undermining one of the key drivers of that sector. If we could tap into our country’s wind, wave and tidal power, we could create thousands more high-quality, sustainable jobs for our economy as well as doing the right thing for the environment.

When the Government announced their privatisation plans last June, the Secretary of State assured the House in a written statement:
He emphasised that the green purposes of the GIB were protected by the legislation in which its duty to pursue them are enshrined. After that, something obviously went wrong with the Government’s proposals. They received advice from the ONS that led them to say instead that they intended to repeal the very legislative protection that the Secretary of State had prayed in aid on 25 June 2015 when he announced the decision to privatise the bank. By October, they were effectively saying that it did not really matter whether they repealed the statutory protection, as long as they made sure the bank did not appear on their books. In his letter of 15 October, when he announced his intention to repeal the relevant measures in the Enterprise and Regulatory Reform Act 2013, the Secretary of State offered no assurance that the bank’s green purposes would definitely be maintained.

We have been demanding assurances on how we can ensure that the bank maintains its green purpose when it is privatised and does not simply become yet another bank—albeit a very small bank, but one that could easily be gobbled up by somebody else in the marketplace. That is why Labour and other parties defeated the Government on this issue in the other place and introduced the special share that we are trying to reintroduce in new clause 4.

The Government say that the GIB can create the special share itself. In Committee, the Minister quoted a letter from the chairman of the bank, Lord Smith, to Lord Mandelson and Lord Teverson. She may well quote it again today; we will find out in a moment. In Committee, she said that she was confident that that approach would satisfy the ONS, but could not give us a guarantee. As I said then, we need an absolute assurance on that before we relinquish the legislative opportunity to future-proof the purposes of the GIB.

Since Committee stage, the bank has written to hon. Members, as is its right, outlining its plan to issue the special share envisaged in new clause 4 itself, rather than through the Bill, which is what we are proposing. Its reason for doing that is its belief that the ONS will be satisfied that the ONS will now allow it to be classified as off the Government’s books. I asked the GIB whether it could guarantee that. Colin Faulkner, its director of government affairs, responded to me by email, writing:

“You’ll likely be aware that ONS doesn’t engage directly with arms length bodies like GIB. At the same time, however, we have been engaging closely with the Government over all matters relating to the sales process, and this is an issue where we’ve been as close as we can to Government throughout. We understand that Government has been engaging closely with ONS on this whole issue, including the special share structure which GIB is putting in place, and we understand that on the basis of those discussions the Government were sufficiently satisfied to allow the sales process to proceed.”

On that basis, if the Government say they are satisfied, they should be able to guarantee categorically, here on the Floor of the House, that their special share proposal will definitely be acceptable to the ONS. I hope the Minister will say that. If she wants to intervene and say that now, she can, but I hope she will at least be able to say it in her response. She is not indicating that she wishes to intervene.

Mary Creagh: Does my hon. Friend share my disappointment that, although the Government have gone over backwards with the ONS to create a special purpose vehicle—a special charity—with independently appointed people to protect the green purposes, they have refused to make any such moves on another matter we debated in Committee, which is the transparency of executive pay, on which the bank is a rare exemplar in the banking sector? I hope to speak about that shortly.

Kevin Brennan: I agree. My hon. Friend has been dogged in her pursuit of that both in Committee and in tabling her amendments on Report, and I look forward to her contribution on that subject.

Will the Minister guarantee that privatisation will not dilute the bank’s green purposes, or must we just keep our fingers crossed? The Government still need to adequately answer questions that were not answered properly in Committee. Am I right that the legislative lock on the green purposes is being repealed purely to get the bank off the Government’s books? If that is the principal reason, is it a good enough reason to give up the statutory guarantee, given what I said about the technical nature of the accounting issue that the ONS raised?

Will the Minister indicate the Government’s view of the stake they expect to retain in the bank, if any, following privatisation? I understand that it is a market transaction, but we need an idea of the kind of return they expect from the sale. As was mentioned earlier, market conditions are so poor that the Chancellor had to abandon the sell-off of Lloyds shares, but we need to know whether they really expect a significant return from the privatisation, given all the pain associated with the process and the record of poor value for money for the taxpayer in previous privatisations. I do not expect her to be able to be precise, but she will want to avoid the criticism the Government encountered over the lack
of value achieved previously, so will she give us an idea of what she expects the Government to get from privatisation?

Is the Minister concerned that these matters will provide further uncertainty for low-carbon investors, at a time of real concern about the Government’s retreat from investment in wind power? We have learned over many years that making policy in haste is not wise—it is certainly not wise to privatise in haste—and we might well repent at leisure if this innovative and effective piece of public policy is lost as a result of a lack of care and a rush to privatise. That is no way to make sustainable policy, particularly in an area where we are trying to create a sustainable future for the country, which is why we have tabled new clause 4.

Caroline Lucas (Brighton, Pavilion) (Green): I am happy to be able to speak to my new clause 8, which I would like to press to a vote, but first I wish to associate myself with the shadow Minister’s case in favour of new clause 4, to which I have also put my name.

Essentially, the context of new clause 8 is my dismay at the Government’s determination to push through privatisation of the Green Investment Bank despite concerns expressed by the House of Lords, Members of this House, the Environmental Audit Committee and civil society. Through this and other actions, I fear that the Government have demonstrated that their desire to get the bank off their balance sheet is taking massive precedence over their interest in whether the bank is genuinely contributing to the green economy to the fullest extent possible.

1.15 pm

The EAC, on which I am proud to serve, noted in its report on the future of the bank back in December:

“Whilst we recognise there are potential benefits resulting from an injection of capital, we found that the Government has taken the decision to privatise GIB without due transparency, publication of relevant evidence, consultation, or proper consideration of alternatives. The absence of these steps is likely to lead to the suspicion that the move and its timing are not evidence-based policy.”

Nothing has changed my view since December. The Government are again acting without looking at the evidence. My new clause is therefore intended to ensure that the bank is maintained as a single functioning institution that can continue to invest in the UK’s low-carbon economy at the level planned prior to this deeply regrettable privatisation.

As well as being regrettable, the privatisation will not be easy. The Government say they aim to sell 75% of the bank, which equates to roughly £1.5 billion up front, which is a considerable sum. Indeed, it is huge, even by the standards of the behemoth investment funds. According to Bloomberg New Energy Finance, one of the largest successful green energy sales in 2015 was worth just $688 million. Given that few notable deals even touched the £1 billion mark in 2015, how can the Government be sure of making a sale of £1.5 billion in one round? There is a risk that it will turn out to be fanciful.

In addition, investor confidence in the UK’s green economy is at an all-time low. One need only look at last week’s Energy and Climate Change Committee investor confidence report to see that. In that context, it is even more unlikely that the Government will sell a majority stake in the bank in one round or that the taxpayer will get value for money on any sale. Furthermore, any equity stake bought would require the buyer to follow through on their equity annually—in other words, to bankroll the bank’s annual business plan—which would mean another £500 million to £600 million a year.

The huge sums involved make it highly likely that come October, the desired 75% will not have been sold. Given the Government’s determination to hold on to only a 25% stake, if that, there is a good chance of the Government saying that they have done what they can but not been able to make the sale, and therefore proceeding to dismantle the bank and sell off its assets. In other words, we could essentially face a fire sale. That is even more likely given that the most attractive parts of the bank are ripe for asset sell-off, particularly the £1 billion offshore wind fund and the £500 million waste to energy fund.

Furthermore, there is a risk of the bank’s owners—the new ones and the Government—not committing to fully funding the bank’s business plan for new investments in the UK’s green economy. It would then become little more than a fund manager, as opposed to a bank driving additional investment in the UK’s green economy.

It is really important that the Government do not just sell to any investor. New investors must be committed to maintaining the bank as a going concern, fully funding its business plan, driving the expansion of the UK’s low-carbon economy, addressing market failure to crowd in additional private investment, implementing best-in-class governance, transparency and public accountability standards and facilitating and scaling up citizen investment in the UK’s low-carbon economy.

Quite simply, my new clause is intended to inoculate the bank against the risks that I have described by committing the Government to maintaining its integrity as a single functioning institution with a fully funded business plan, not simply selling off its assets.

Bob Stewart (Beckenham) (Con): Would not inoculation, to use the hon. Lady’s word, be guaranteed by the special share the Government intend to operate?

Caroline Lucas: Unfortunately, the special share has no legal underpinning, so we cannot have reassurance about that. In addition, the Government’s overestimation of the ease with which they will sell the bank is a real problem, as I am demonstrating. They have massively overestimated the speed at which they can sell, which I fear will lead to a temptation to asset-stripe. My new clause is a simple way of ensuring that that does not happen. I suggest we ensure that anyone buying the bank commits to the full five-year life of round one.

Mary Creagh: The hon. Lady is a credit to our Committee, and I am grateful for the many points she is making on this issue. Does she share my concern that the proposed special share might not be carried forward in any future sale of assets? Will she join me in asking the Minister to clarify that in her response? The bank may be sold once, but the danger is that the next time it is sold, it may well be a case of, “We want to get rid of all this stuff about the green part of what the bank does.”
Caroline Lucas: I am grateful to the hon. Lady for her intervention and kind words, and I congratulate her on her chairmanship of the Environmental Audit Committee. I do indeed share her concern that we have no real legal guarantee that this special share mechanism will be safe over time. We need a guarantee that it will protect not just the bank’s green purposes but the focus on complex and novel investments that a public green investment bank is uniquely fitted to be able to fulfil.

I fear that this privatisation is being done in haste. It has not been properly thought through, and the guarantees that we are being offered are not watertight. I therefore commend my simple new clause 8, which would provide at least some reassurance that the Green Investment Bank will be maintained as a single functioning institution at the same level as was planned prior to privatisation. If the Government are so sure that that is possible, I hope they will accept the new clause.

Mary Creagh: I shall speak to amendment 17, which stands in my name and that of my right hon. Friend the Member for Don Valley (Caroline Flint). Before I come on to the substance, I would like to congratulate previous speakers in the debate. The fact that the Government have moved substantially on some of these issues is a testament to the scrutiny provided by the Environmental Audit Committee and the Labour party as the Bill has passed through the House. I put on record my anxiety about the fact that this asset sale was rushed out last Thursday, before the Bill had had a chance to pass through the House, which suggests that we are moving on the basis of a timetable not dictated by the Minister or the market conditions that would achieve the best possible value for a Government asset of this kind, but driven by the Chancellor, who is going to have to make some difficult announcements in his Budget on 16 March.

To meet the climate change targets that were agreed at Paris, we will need billions of pounds of green investment to upgrade the energy and transport infrastructure of the UK. So far, the Green Investment Bank has done a really sterling job in attracting capital to low-carbon infrastructure projects in the UK that might otherwise have struggled to find funding. The Bill allows the Government to sell off the bank. I stress that I am pretty certain that this bank is going to be sold in one piece at one time, with the risk that it will not achieve best value for the taxpayer. I am not opposed to privatisation, if it can be shown that it is the right policy tool to get the job done, but this decision seems to have been rushed through just to get the bank off the Government’s balance sheet.

The Environmental Audit Committee, on which the hon. Member for Brighton, Pavilion (Caroline Lucas) and I both sit, produced a report before Christmas that concluded that the Government took “the decision to privatise GIB without due transparency …consultation, or proper consideration of alternatives.”

Ministers have simply not yet proven to Parliament that the bank will achieve its aims better in the private sector. The Government have relied heavily on assurances from potential shareholders and executives who stand to benefit personally from the sale.

Amendment 17 would ensure that, if the sale goes ahead, the Green Investment Bank would remain accountable to Parliament and taxpayers by reporting annually on the pay of its top team. The Environmental Audit Committee recommended that the Government undertake proper consultation and evidence gathering before any sale and that protecting the GIB’s green identity should be paramount. While I welcome the Secretary of State’s pledge to protect the bank’s green status with a special share, as the Committee recommended, I am concerned that without locking that in legislation, it may not be secure. I am concerned that the special share will not be worth the paper it is written on in any future sale of the bank and that it will be forgotten because, of course, the bank’s onward value is depressed if we are limiting the nature of the activities in which it can invest.

When the bank was established, it was intended by the Government to be an exemplar of transparency in the financial services sector in reporting executive pay. That particularly important point was accepted on a cross-party basis, given the recent banking scandal and the low levels of public trust in bankers and their bonus culture, which rewarded recklessness and persists to this day. It is therefore disappointing that that welcome clarity will not continue under the Minister’s proposals to privatise the bank. Ministers are happy for the bank and its executives to revert to the status of any other bank or fund with minimal reporting of remuneration that is limited to the highest paid member of staff and the chairman of the board. My amendment would commit the Government to providing full disclosure to Parliament of the remuneration of the Green Investment Bank’s senior management and board after privatisation.

This point was hotly disputed and argued by the Minister in Committee, but it is fair to say that the Committee saw a certain irony in her stout defence of allowing Green Investment Bank executives to have the freedoms to increase their pay under the Bill and privatisation, although the Bill simultaneously caps the pay of people working in private sector companies such as Magnox with salaries of around £25,000. That stands in sharp contrast to the salaries of the executive team at the Green Investment Bank, which range—we know this because of the transparency—from £125,000 to £325,000, plus bonuses and benefits.

The bank began in 2012 to invest in green infrastructure projects. It has invested in 58 projects with a total value of more than £10 billion. Last June, as my hon. Friend the Member for Cardiff West (Kevin Brennan) said, the Government announced their decision to privatise the Green Investment Bank. The Bill provides the means to do so by reclassifying it as a private sector organisation so that its finance will not contribute to public sector net debt, and by removing reference to the GIB’s green purposes and identity from the Enterprise and Regulatory Reform Act 2013.

Bob Stewart: It seems to me that the Green Investment Bank has been a success since it was set up by the coalition Government. One reason why it should go into the private sector is to liberate more investment and increase the possibilities.

Mary Creagh: That has indeed been the argument from Ministers. We want the bank to be able to fund more projects, and the hon. Gentleman might say that the Government have called this privatisation a “natural
next step”. However, who else supports the move? The Green Investment Bank certainly supports it, and the Government have drawn on that support as a primary motivation for their plans to proceed, but we have not had the same transparency and consultation that accompanied the bank’s establishment.

The Environmental Audit Committee heard in evidence to our inquiry that the Government’s decision was taken “without due transparency, publication of relevant evidence, consultation, and proper consideration of alternatives.”

The hon. Gentleman will be aware that there are many different ways to raise money. When the GIB was established in 2013, the idea of privatisation so soon after its creation was not discussed. Our Committee also heard that the Government have not presented enough evidence for privatisation, or considered a wide enough range of alternatives to a sell-off.

In their response to the EAC report, the Government claimed that they had undertaken unpublished market testing over the course of two years. In Committee, I asked the Minister for Small Business, Industry and Enterprise whether she would be willing to publish that market testing. She declined, and said that she would not publish the impact assessment either, because there were no regulatory or significant cost impacts of the GIB sale or changes to its pre-existing policy goals. Our Committee disputes that because of the risk to the green purposes of the bank.

What concerns us is that a bank that was set up to invest in green projects is being privatised without consultation or transparency, and that, although it might have more money, it may not retain its laser focus on green purposes following any future sale. We know that when assets are sold—transport assets, for instance—they tend to be sold on by the pension fund or the other establishment that ends up holding them, hence my question to the Minister.

1.30 pm

Bob Stewart: I hope that the hon. Lady will forgive me for intervening, given that I was not a member of the Committee. It seems to me that the special purpose of the Green Investment Bank will be maintained through the special share and the special share ownership. Any change to the bank’s original purposes will have to come back to Parliament one way or another.

Mary Creagh: The Minister has said that a report will be presented to Parliament before the bank is finally sold. In Committee, I asked her how the report would be considered by Parliament. I asked if it would be considered on the Committee corridor as part of statutory instrument proceedings and if it would be subject to the affirmative or negative procedure. Will we have a chance to vote on this issue again? The Minister is nodding, so I am sure that she will clarify the position when she responds to the debate.

The Committee had a series of concerns, and I still worry that the bank might be sold on at some future stage as the Bank of America Merrill Lynch Investment Bank. Investment banks are going through a very tricky time, and things are not at all well in their sector. Any purchaser of the GIB will be looking for maximum freedoms so that potential future sale capital receipts can be maximised.

The only robust consultation that the Government can point to, given that they will not publish the market testing and have not carried out an impact assessment, is consultation with the bank itself. They relied heavily on the bank and its executives in evidence and their response in Committee and, of course, those executives stand to benefit from the sale.

Amendment 17 invites the Government to commit themselves to providing Parliament with information on the remuneration of the bank’s senior management and board after privatisation. That information is currently provided in the bank’s annual report. For instance, how much will the executive team who are in charge of the bank stand to gain personally from the privatisation? How objective can their views be if they are to gain personally from the bank’s privatisation?

Steve Brine (Winchester) (Con): Are not private sector companies and their directors already under disclosure obligations in relation to executive compensation for directors? What would be the rationale for going further and making the requirements of the Green Investment Bank over and above those of any other company in the economy?

Mary Creagh: This company has been financed by more than £3 billion of taxpayers’ money at a time when my constituents have had the third lowest pay increase in any part of the country since the financial crisis of 2008. The pay of my constituents and those of the hon. Gentleman has been eroded and depressed over the past year as a direct result of the actions of reckless bankers. Given that, and given the journey on which we have travelled in the past 10 years, it would be negligent of us to privatise a fully owned state bank without introducing protections to prevent the huge increase in remuneration that tends to take place when state assets are privatised.

Steve Brine: The hon. Lady’s arguments are, of course, very persuasive while the bank is in public ownership and in receipt of public finance, which justifies the current disclosure regime, but surely, once the bank is in private hands and financed principally—75% or more—I believe—by private money, they will no longer apply.

Mary Creagh: The bank will not be financed principally by private money. We do not know how much it will be sold for, but at present it is financed 100% by public money. I do not know whether whoever takes it over will put in the £3 billion match funding that the Government have put in, but they will certainly not be putting in that money on day one.

This bank was set up to be an exemplar to the banking and financial industry. It was not set up to be just another bank; it was set up to do something special, and to be something special. The Minister has reassured us—we hope it is the case—that the special share will protect the specialness of its green purposes, although I think there is a question mark over how long that will last. What I want to know, given that the bank was also set up to be an exemplar in respect of executive pay, is why that part of it should be lost.
Richard Fuller (Bedford) (Con) rose—

James Berry (Kingston and Surbiton) (Con) rose—

Mary Creagh: May I develop my arguments? I shall be happy to take further questions a little later.

Following a discussion with my colleagues in the Environmental Audit Committee last week, I wrote to Lord Smith of Kelvin, the chair of the Green Investment Bank, asking for clarification of the proposed remuneration for the bank’s senior executives. Our shareholders—taxpayers—could potentially remain as minority shareholders in the enterprise. I think that as long as the UK taxpayer has even a 1% shareholding in the bank, that should be carried forward. Taxpayers have committed £3.8 billion to the bank, and rather than talking about what a future owner will put into it, let us wait until we see the colour of that future owner’s money.

In that letter, I made it clear that the Environmental Audit Committee could see no reason for increasing remuneration as a result of a change in the bank’s status. We were particularly interested to know the proposed structure both of the management fee that the privatised bank would charge investors, and of any form of profit share or participation rights for management proposed in the offering to new shareholders. We wanted to know the board’s view regarding the quantum and structure of executive profit share incentives. We also sought an assurance from the board and management of their commitment to maintaining the staffing levels that the public purse has funded, to ensure that the bank continues fully and effectively to serve the UK’s needs for investment in green infrastructure.

Lord Smith’s reply to me reassured the Committee that the proposed business plan “will require the current staff complement with possibly a small number of additions.”

That was reassuring, but less welcome was his response that the information memorandum for investors, which includes projected revenues and costs, including staff costs—this therefore has already been decided and written at board level, and had probably been decided and written when the Minister was in Committee with us—is commercially confidential and cannot be shared.

Richard Fuller: The hon. Lady has special knowledge in this regard, so may I tease out some information from her? She mentioned the £3.8 billion of public money that had been invested at a time of public expenditure reductions in certain areas. What consideration did her Committee give to what valuation would be appropriate when the Government sold the bank? She rightly said that it had constituted an inspiring start by the coalition Government, and that she wanted it to be an exemplar. Do the Government not have a special responsibility to ensure that they let it go into the private sector at the right time?

Mary Creagh: The Committee’s remit was not to second-guess what the Government could or could not get for the bank. I am sure that there are people in the City who are much better able to do that than I am, and I am sure that some Members, certainly Conservative Members, could make a good stab at it.

When I worked with small businesses, it was possible to get multiples of income, but that depends on what is being bought. In this case, what is being bought is an asset book with, it is to be hoped, future revenues from the investments that have been made—as well as what might be described as senior bank management intellectual capital—but what is also being bought is £3.8 billion of Government investment in green projects from which the purchaser will hope to gain revenue and capital streams as, at some point, they are sold off. The situation will also depend on what the purchaser will put into capital projects.

Richard Fuller: The hon. Lady rightly says that there has been a series of investments in the bank, but it would be possible to calculate the net present value of those assets, given certain assumptions. Has her Committee attempted to do that? Such a calculation could provide an evidential base that would enable us to understand whether, if the bank is sold in future, it has been sold on a fair basis.

Mary Creagh: We have not calculated the net present value, but I am sure that it would be quite a simple process and that there will be a number of attempts to calculate it as the sale proceeds. No doubt the Government will wish to let us know whether they think that that has been achieved.

James Berry: May I make a point about the issue of longevity? There is plainly a public interest in the bank’s remaining a green investment bank because of the amount of public money that has already been invested, and because of public interest in the development of green fuels and energy. That, together with the work that the Committee will do in scrutinising the bank’s future, surely provides enough protection to ensure that it will indeed remain a green investment bank.

Mary Creagh: Once the bank is sold, my Committee will have no locus in scrutinising what it does. We could look into it only as a matter of interest. This is the final legislative opportunity that we have collectively as parliamentarians to say what we want to happen to the bank. We might have a chance to discuss it further if the matter is debated upstairs in Committee, but the process is now at its penultimate stage. The starting gun has been fired; the first round of the bidding process has already started. If the Government decide that they want to sell 100% of the bank by, say, September or Christmas, the Environmental Audit Committee could look into whether best value had been achieved, but only as a matter of interest. However, we want to test the proposals on the special share today to ensure that the public interest is protected, as the hon. Gentleman says, and that the green vehicle can continue to move forward. The Green Investment Bank is a really important financial institution for us to enable us to meet our climate change targets.

The Chancellor said in January that the sale of shares in Lloyds would be postponed because of market turbulence. The sell-off was scheduled for the spring, but he has now said that it will come after Easter. We shall wait and see when that happens. Since the start of the year, we have seen a bear market, great turbulence in the financial markets, panic selling of crude oil, and oil prices at a 13-year low. These are worrying times for the global economy and the market is hugely volatile. All bank shares are currently falling in price, whether they are UK bank shares, European bank shares or US bank shares.
shares. Just this morning, we have heard that the Bank of England has announced it will give commercial banks three exceptional opportunities just before and after the EU referendum to borrow as much as they like to offset any threat of a run on banks and to prevent a repeat of the chaos of the financial crisis in 2007 and 2008. In the light of that bleak, turbulent and choppy financial picture, we have to ask whether the Government’s decision to launch the sale of the bank last Thursday was the right one. Whatever one’s views on privatisation, this hardly seems to be the most auspicious time to sell off a state asset, let alone a state-owned bank.

Barry Gardiner: I congratulate my hon. Friend the Member for Wakefield (Mary Creagh), who chairs the Environmental Audit Committee, on her speech. I wholly agree with what she has said. I also congratulate her and her Committee on all the work that they have done to tease out the details of this sale.

In 2012, the Green Investment Bank was set up for a purpose. It was stated quite clearly that its purpose was to address specific market failures and investment barriers in a way that would achieve emission reductions at the lowest cost to taxpayers and consumers. It was going to achieve that by working within the framework of the Climate Change Act 2008 and by risk-sharing between the public and private sectors, identifying and addressing market failures and limiting private investment in low carbon infrastructure, thereby accelerating and delivering green investment on a large scale and with significantly lower capital costs. That was the whole point. The bank was set up precisely because there was a market failure. The private sector was not able to achieve this. It is not just me, an Opposition Member of Parliament, who is saying that. Labour supported the bank. Indeed, it was our idea in the first place when we were in government, and we were delighted when the coalition put it into place.

The coalition Government also set up the Green Investment Bank commission. It was an independent, non-partisan advisory group brought together by the Chancellor himself. It took three years and two official rounds of rigorous market testing and evidence gathering to establish that a green investment bank was needed. The commission collected evidence to inform the bank’s aims, its design and the operating model under which it would function. Let us compare the three years and two official rounds of market testing it took to set the bank up with the sudden shock decision to sell it off, which was taken with a complete lack of consultation.

1.45 pm

What did the commission find? It found that without a way of directly addressing market failure and risk-sharing between the public and private sectors through a green investment bank, higher levels of direct subsidy would be required to facilitate low-carbon investment. That would mean higher costs to the consumer and the taxpayer. That is what the Chancellor’s own commission, with the hand-picked people he put on it, agreed. That rationale is now being undermined by this sale. Let us be absolutely clear that, according to the Government’s own commission, this sale will result in an increased cost to the consumer and the taxpayer.

The Chancellor has given himself something of a problem. By committing to achieve a public finance surplus every year in normal economic times, the Government have ruled out borrowing to fund public infrastructure. The exception is investments through the private finance initiative, which do not affect the headline public finance numbers. Since the financial crisis, there has been less private finance available to invest in either public-private or private infrastructure projects. At the same time, direct public investment has also decreased.

One of the concerns expressed by investors relates to the political risks that have manifested themselves as a result of potential changes in Government policies. Those changes have already been criticised and I will not go into them again today. However, the way in which the Government have chopped and changed the regulatory framework for low-carbon investment has resulted in a decline in the UK’s attractiveness for investment, as the hon. Member for Brighton, Pavilion (Caroline Lucas) has commented from the Green Benches. According to the Ernst and Young rubric, we fell out of the top 10 best places for investment for the first time last year.

The way in which this issue has been tackled by the Chancellor has been twofold. The Pensions Infrastructure Platform has sourced less than £1 billion in total over its first four years of operation, despite its aim being £20 billion. Furthermore, instead of the projected £40 billion from the UK guarantees scheme, only £1.7 billion in guarantees was actually issued in the first two years. Let us contrast that dire financial performance with the performance of the Green Investment Bank. Having been set up with just £2.3 billion of public money, it has mobilised more than £10 billion of investment in British infrastructure in the past three years.

Actually, I wish the bank had had a few more failures. The way in which this issue has been tackled by the Chancellor has been twofold. The Pensions Infrastructure Platform has sourced less than £1 billion in total over its first four years of operation, despite its aim being £20 billion. Furthermore, instead of the projected £40 billion from the UK guarantees scheme, only £1.7 billion in guarantees was actually issued in the first two years. Let us contrast that dire financial performance with the performance of the Green Investment Bank. Having been set up with just £2.3 billion of public money, it has mobilised more than £10 billion of investment in British infrastructure in the past three years.

Three years in, we have reached precisely the point at which we should be thinking, “Great! The bank has a successful track record behind it. Now it needs to move into slightly riskier projects.” Some of those projects might have failed—that is the nature of banking and investment—but the overall balance of investment flowing into UK infrastructure would have been hugely enhanced. So what do the Government decide to do just at the point of lift-off of the Chancellor’s only successful lever to get money into infrastructure projects in this country? They pull the plug. They throw it away—send it off into the private sector, the very place that could not manage this market failure in the first place.

The hon. Member for Beckenham (Bob Stewart) said earlier that the bank is a success so why can it not go on being a success in the private sector? That was the question that had to be posed by the Green Investment
Bank commission in the first place and the question that the bank was set up to answer. The former chair of the bank, Bob Wigley, pithily provided the best response to the hon. Gentleman’s question when he said that there was an “inherent tension” between the GIB’s continuing to invest in novel, more complex projects that are profitable over the long term and shareholder pressure to maximise short-term returns on high-value investments, given the focus on quarterly performance.

There you have it. There is a tension in the private sector. It is one that we all recognise. It is well known. It is one that the Governor of the Bank of England has spoken about at great length over the past year. He called it the “tragedy of the horizon.” The investment horizon is so short that investors cannot see the payback in these sorts of projects. It is tragic that Government are privatising—neuterining—one of the best things that they have established.

Caroline Flint (Don Valley) (Lab): My hon. Friend is making a persuasive argument. Does he agree that if we are to be a country represented by, as the Chancellor said, a “march of the makers”, part of that is being at the front of the queue when it comes to leadership and supporting innovation in the green energy and green environmental products marketplace? Does my hon. Friend feel that privatising the Green Investment Bank will just create yet another bank—one that will not do the job for which it was intended?

Barry Gardiner: My right hon. Friend has enormous knowledge in this area and I absolutely agree with her. The most successful instrument that the Government have created for energising and putting investment into infrastructure projects in this country is now being neutered. That is a tragedy, which these amendments seek to address.

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It has been an interesting debate, but I must confess that I do not agree with many of the arguments advanced by the Opposition, so I hope that hon. Members will not support any of the new clauses.

If I may deal with things in reverse order, I will first address new clause 8, tabled by the hon. Gentleman. Member for Brighton, Pavilion (Caroline Lucas), which seeks to ensure that the Green Investment Bank continues its green investments plans post-privatisation. We agree on what we want the bank to continue to do. We are seeking bidders who can fund the GIB’s legally binding commitments and who have the deep pockets to fund its ambitious green business plan. The bank’s management is clear that it needs access to private capital to fund its green business plan. That could be equity capital raised as part of the sale process, debt capital, which the GIB can raise when it is in the private sector, or private capital raised as part of a fund structure.

Business plans change and evolve as new opportunities arise, and we will not bind new owners into the current plan, so I cannot accept the hon. Lady’s new clause. The new owners of the GIB will have views on the future strategy and business plan. They will assess it as part of their due diligence and make it a part of their offers. Whatever the new owner or owners are, the special share ensures that the business plan, like the GIB, will continue to be green.

It must be said in response to many of the points and arguments that it is almost impossible to understand why anybody would want to buy the Green Investment Bank—the clue is in the name—unless they wanted to ensure that it continued to invest in green projects.

Callum McCaig (Aberdeen South) (SNP): We welcome the general direction of travel, given the special share. The Government will have a clear say during the privatisation process in the selection of the new owners, so will the Minister expand on how they will ensure that appropriate owners, who will respect not only the special share but the green agenda, are put in place?

Anna Soubry: Everyone will, of course, have to comply with the due diligence. I welcome the hon. Gentleman’s comments and will dwell on that topic in a moment. I want to make it absolutely clear that it is difficult to believe that anybody would buy the Green Investment Bank unless they absolutely wanted to continue its great work, for which I pay tribute to the bank.

Caroline Lucas rose—

Anna Soubry: I will give way, but I want to move on to specifically why Opposition new clause 4, relating to the special share, is wrong and why the Government’s proposals are absolutely right.

Caroline Lucas: I have two points. First, this is not just about green purposes. We should remember that the Green Investment Bank has particularly focused on complex and novel innovations, which take longer. It is not such a quick win, which is precisely why a private investor might not want to do the same and why public money is needed. Secondly, the special share is not legally underpinned, which gives us no long-term reassurance.

Anna Soubry: I disagree with the hon. Lady, because the privatisation and sale of the Green Investment Bank is about ensuring that more money is available from the private sector to carry out that particular sort of investment. Forgive me, but it really is not the role of Government to gamble and make investments with taxpayers’ money. That was right in 2012 when, as mentioned by the hon. Member for Brent North (Barry Gardiner), the Green Investment Bank was set up because of an accepted market failure. However, the idea that the Government are throwing it away, as he put it, could not be further from the truth. The Green Investment Bank is a real success story. No one is seeking to pretend that it is anything else. We want its success to continue, but in the private sector.

Barry Gardiner: Does the Minister actually believe that there is no longer any market failure that needs to be addressed? The figures on infrastructure suggest quite the opposite. The point made by the hon. Member for Brighton, Pavilion (Caroline Lucas) about the innovative and novel projects that the Green Investment Bank was set up to support is that they pay much less return into the private sector, which is precisely why risk-sharing between the Government and the private sector was necessary to launch the bank in the first place.
Anna Soubry: The fact that the Green Investment Bank has been so successful absolutely proves that such investments can be profitable and worth while. In other words, the bank has shown through its success that there is market failure no longer.

David Mowat (Warrington South) (Con): Members on the Opposition Benches seem to be saying two things. The first is that the private sector does not do long-term projects. Well, Shell, BP and others do many projects over decades. They also say that the private sector does not do innovative projects well. Those suggestions are just nonsense.

Anna Soubry: Thank you, my hon. Friend for his excellent intervention, which I wholeheartedly endorse. We have always said the Green Investment Bank would stay green after privatisation. Green investment is what it does, as its management have made clear. We have explained that the only reason we are repealing the green protections from legislation is to allow the GIB to move to the private sector, by removing state control over the bank. However, we understand the concerns raised by hon. Members and noble Lords, and we have found a device to protect the GIB’s green purposes without legislation.

2 pm

I am very grateful to Lord Smith of Kelvin, who, as has been mentioned, has written to Opposition Members in the other place explaining the view of those currently in charge—I shall put it in that way—of the GIB about this special measure and why they absolutely have all confidence in it actually achieving what we all want to achieve. This is the device that cures the mischief.

Several hon. Members rose—

Anna Soubry: I am not going to give way because I just want to put on the record my thanks to Lord Smith for his letter, which was sent out by my excellent Parliamentary Private Secretary, my hon. Friend the Member for Rugby (Mark Pawsey), to all Members of this House. I hope all hon. Members, on both sides, have had the opportunity to read it, because it could not be clearer about why the Government have proposed this measure and why they absolutely have all confidence in it actually achieving what we all want to achieve. This is the device that cures the mischief.

Mary Creagh: Lord Smith of Kelvin may or may not be the chairman of the bank when that sale proceeds, so I therefore ask the Minister to answer the question I asked in the debate: will this special share apply if the bank is sold by any future owner, yes or no?

Anna Soubry: This is a short answer—yes. The hon. Lady will have seen this letter and I hope she will have read it—upside down, inside out, backwards and everything else. It is well over two pages long and it could not be clearer as to the way the special share is going to be set up. I shall rely on the fact that it talks about the special shareholder and how difficult it would be to undo this device. That could be done only with the permission, in effect, of the special shareholder. This House can therefore be sure that this is the right way to achieve what we all want to achieve.

That is why it is important to pay tribute—some may say that this is a first, and indeed it may not be the last—to the Scottish Government and to the Scottish National party. I have seen the letter John Swinney has written on behalf of the Scottish Government, quite properly as he is the Deputy First Minister and has responsibility in Scotland for finance, the constitution and the economy. He, too, rightly and understandably, has raised his concerns about how we best protect the green credentials of the GIB. As a result, he, too, has contacted Lord Smith, and letters have been sent back and forth. In short, to the credit of the SNP, it takes the view—I will be corrected if I am wrong—that this device, which is up and running, with the work already having been started by the GIB to secure this special shareholding, means that everybody can be confident that this is the way to secure what we all want, but without the need for legislation, which could completely scupper this privatisation and selling off of the GIB.

Kevin Brennan: The Minister has said on many occasions that she is confident that introducing the special share in this way will work. Our case all along has been that we would like to hear her say to the House that she can guarantee, rather than just be “confident”, that the ONS will approve this approach. Can she now say, in terms, on the Floor of the House and on the record, that she can guarantee that?

Anna Soubry: I hope I am being parliamentary when I say that the hon. Gentleman is being a bit of a minx—I mean that in the nicest way. [Interruption.] He quite likes that, which is good, although I do not think he will like the next bit. I have already explained in Committee that we cannot give that guarantee, and he was a bit naughty, calling the ONS a bunch of boffins. I think he rather regretted it because the people in the ONS are not that; they are absolutely independent of government and will rightly come to their own conclusions. We are confident that if the measure goes into legislation, the ONS will not take this bank off the books, because it will not be properly in the private sector. If, however, we do it in the way that we are all suggesting—I include

Madam Deputy Speaker, as we would be here for half the afternoon if I did so. I have, however, placed a copy of it in the Library, as it best explains why this new clause is no longer required and why it is so incredibly important that we get the right device to ensure we keep the green principles of the bank.

Sir Charles Walker: The Minister is not answering the question on the ONS. Can she answer that now?

Mary Creagh: It is most definitely within the time that the Minister can use. I do not think she has answered the question on the ONS. I would be grateful if she could answer that now.
the chairman of the GIB in that—there is every chance in the world that this will then become a successful privatisation. It is confusing to work out what people’s real views are; the hon. Member for Wakefield (Mary Creagh) says that she does not object to the GIB being sold off, although she has raised her concerns. She is in favour of it in principle, but it is not certain whether others are.

Let me now deal with amendment 17, which was tabled by the hon. Member for Wakefield and the right hon. Member for Don Valley (Caroline Flint). Again, we firmly believe it is not required. The GIB is currently required to report to higher standards—the standards for quoted companies—which include the level of detail required by this amendment. That is appropriate because it is currently entirely publicly owned. Post-privatisation, there is no reason why the GIB should be singled out to report on its remuneration to Parliament, especially if it is not spending any public money. It is a matter for the board of a company and its shareholders to agree remuneration policy. I note that there was an exchange of letters between the hon. Lady and the GIB’s chair, Lord Smith, where she asked about future remuneration policy, and I am sure her Committee will publish the letter in full. If the Government retain a minority stake in the GIB—we have made it clear that our intention is to sell a majority of it—we could express views on this and other aspects of corporate policy. We could agree with other shareholders what level of reporting might be appropriate on this and other matters, but we do not consider that this matter should reside within legislation.

As I said, the GIB has been a terrifically successful venture. It is important to understand that it was set up in 2012 because of a market failure. Opposition Members certainly do not like to reminded of the perilous financial situation our country faced in 2010, and it certainly was not all the fault of the banks—it was also a pitiful failing of Government policy at the time. What the GIB has done is help investors in the market to better understand the risks of green investment, and this comes back to the point being advanced by the hon. Member for Brent North. We know that, since 2012, long-term debt markets have significantly improved, which suggests an improvement in market conditions. Frankly, we would not set up the Green Investment Bank today, because those market failures no longer exist. The Green Investment Bank has proved that an organisation can be green and profitable, and its success demonstrates that the market can deliver green, which must be a good thing.

I have dealt with the point about the Office for National Statistics, so I will not repeat myself. The hon. Members for Cardiff West (Kevin Brennan) and for Wakefield asked whether the Government will retain a minority stake in the Green Investment Bank. I have to say that our position has not changed since the Committee stage. I explained then that we intend to sell a majority of the Green Investment Bank. We may retain a minority, but we cannot commit to that. Our report to Parliament makes it clear that decisions on the size of stake in the Green Investment Bank to be sold will depend on the outcome of confidential commercial discussions with investors.

I pay tribute to the Secretary of State for his announcement last week that the Green Investment Bank is now available to be sold. Unfortunately, I can say no more than that, other than that we are confident that this sale will be successful and will be done at the time when the market is in the right place. Having said that, we will not sell the bank unless of course we know that we will get the right price. For some time now, we have had strong market interest in the Green Investment Bank, which has strong underlying assets that are less exposed to market volatility. The large infrastructure sales that have recently been made, such as that of City airport, have also been very successful, and that gives us confidence in this part of the markets.

Nobody—not even Scottish National party Members—has asked this question, but if they were to, it would be a good question, so I will pre-empt it and say that one reason why the Green Investment Bank has been so successful is that it has been primarily based in Edinburgh, which is an excellent place in which to do business, especially as it is still within a United Kingdom. I can see no good reason—again, this is something that we explored in Committee—why the Green Investment Bank would want to move away from Edinburgh. Why on earth would it? [Interruption.] If the hon. Member for Aberdeen South (Callum McClay) wants to intervene, I am happy to give way. [Interruption.] No, he has changed his mind. That is probably because I reminded him about the price of oil, so we will move swiftly on.

The hon. Member for Cardiff West asked me whether the Government can guarantee that the Green Investment Bank will be off the balance sheet. I think that I have dealt with that. I said that we cannot give a cast iron guarantee about the ONS, but we have confidence, and I hope that that confidence will be shared by the whole House.

We do not need this new clause, because of the assurances that have been given by the noble Lord Smith in his extensive letter to all Members of the House. In that letter, he goes into quite considerable detail about the mechanisms that he is already putting in place to ensure the future green credentials of the Green Investment Bank. That is why we say that this new clause, which will be tested, should be resisted.

The hon. Member for Wakefield and the right hon. Member for Don Valley have quite rightly raised their concerns about the Green Investment Bank and tabled amendment 17. When the bank is sold, it will be a private sector company—this is an important point to put on the record—and, as such, it will be subject to normal company law. For a company the size of the Green Investment Bank, which is unquoted—that means that it is not listed on the stock exchange—the minimum requirement will be to report aggregate information in relation to total remuneration and specific information relating to the highest paid director. As I have said, it is currently required to report to higher standards—the standards for quoted companies—which include the level of detail required by this amendment. That is appropriate because it is currently entirely publicly owned.

I have given considerable praise to the Green Investment Bank—[Interruption.] I have just been handed a note, which will doubtless be a blessing to everybody who, in due course, has the great good fortune either to read this in Hansard or to be following these proceedings. I will, if I may, pay tribute again to the bank and to all those who work for it, especially the chairman, the noble Lord Smith.
2.15 pm

In conclusion—[ Interruption ] Cut it out. I certainly shall not forget the heckling of the hon. Member for Nottingham East (Chris Leslie).

The Government have listened—that is the most important point—to the concerns of hon. Members and noble Lords of all parties. We have been open and transparent about our intentions for the Green Investment Bank not only since June of this year, but as far back as the autumn statement in 2013 when we made our position clear. We want what is best for the Green Investment Bank, which is to increase its green impact with greater access to private sector capital. As Lord Smith said in his letter, he wants us to do it our way, and not the Opposition’s way, so that it has the access to equity that it so badly needs. We need to give it the freedom to continue doing what it does best, so I hope that all hon. Members will join me in the No Lobby to resist the new clause.

Kevin Brennan: The Minister criticised me in Committee for referring to people who work in the Office for National Statistics as boffins. May I remind her that a boffin, according to Wikipedia and the Oxford English Dictionary, is a person engaged in technical research? In fact, the term originates from the war-winning researchers of world war two, so I do not think that I have anything to apologise for in describing them as boffins.

We have been looking for a guarantee that the Government are proposing would indeed satisfy the ONS. The Minister has confirmed on the Floor of the House today that she cannot offer that guarantee to us. We do not want to let this legislative opportunity pass by to ensure the green purposes of the Green Investment Bank. On that basis, I will be asking my right hon. and hon. Friends to join me in the Lobby as I seek to divide the House on new clause 4.

Question put, That the clause be read a Second time.

The House divided: Ayes 202, Noes 284.

Division No. 206] [2.17 pm

AYES

Abrahams, Debbie
Alexander, Heidi
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Barron, rh Kevin
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Brady, rh Mr Ben
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Burden, Richard
Burgon, Richard
Butler, Dawn
Byrne, Mr Clive
Cadbury, Ruth
Campbell, rh Mr Alan
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Gardiner, Barry
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollett, Kate
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Jarvis, Dan
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinell, Catherine
McMahon, Jim
Meale, Sir Alan
Mearns, Ian
Miliband, rh Edward
Moor, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Nandy, Lisa
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Owen, Albert
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Saiville Robert, Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sherriff, Paula
Siddiq, Tulip
Simpson, David
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Nick
Smyth, Karin
Spellar, rh Mr John
Stevens, Jo
Streeting, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Truly, Anna
Twigg, Derek
Twigg, Stephen
Vaz, rh Keith
Vaz, Valérie
Watson, Mr Tom
West, Catherine
Djanogly, Mr Jonathan
Dinenage, Caroline
Davies, Mims
Davies, Dr James
Davies, Glyn
Davies, David T. C.
Davies, Chris
Davies, Byron
Crabb, Stephen
Costa, Alberto
Collins, Damian
Colvile, Oliver
Costa, Alberto
Crabb, Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glynn
Davies, Dr James
Davies, Mims
Dinenage, Caroline
Djanogly, Mr Jonathan
Winterton, rh Dame Rosie
Woodcock, John

Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Vicky Foxcroft and
Jeff Smith

NOES

Adams, Nigel
Aftahi, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Andrew, Stuart
Ansell, Caroline
Arger, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Carmichael, Neil
Carswell, Mr Douglas
Cartidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Cleverly, James
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Costa, Alberto
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glynn
Davies, Dr James
Davies, Mims
Dinenage, Caroline
Djanogly, Mr Jonathan

Donelan, Michelle
Dorries, Nadine
Double, Steve
Downen, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellwood, Mr Tobias
Elphcicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Garnier, rh Sir Edward
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, rh Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Guemmer, Ben
Gyimah, Mr Sam
Hafon, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jennick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kennedy, Seema
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sherry
Munnison, Dr Andrew
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David

Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Phillips, Stephen
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, rh Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robinson, Mary
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shellbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosston
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
St rift, Mel
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Thomas, Derek
Throup, Maggie
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, rh Mr Andrew
Tyrrell, Mr Andrew
Vaizey, Mr Edward
Vara, rh Shai
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, rh Mr Robin
Wallace, Mr Ben
Warburton, David
Kevin Brennan: I beg to move, That the schedule be read the First time.

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

Amendment 18, in clause 41, page 56, line 18, at end insert—

“(1A) The restriction placed on public sector exit payments must be reviewed at regular intervals and, where necessary, be adjusted in line with inflation and earnings growth.”.

This amendment would ensure that the level that the restriction on public sector exit payments is set will be linked to inflation and earnings growth.

Amendment 15, page 57, line 10, at end insert—

“(10A) Nothing in this section applies in relation to payments made by the bodies listed in NS1.”.

This amendment would exclude employees of companies listed in NS1 from the scope of the proposed cap on exit payments.

Government amendments 3 to 9.

Kevin Brennan: I am happy to confirm that the Opposition will be supporting amendment 18, tabled by the Scottish National party, which we discussed in Committee.

This is the bit of the Enterprise Bill that has nothing to do with enterprise; it is largely about spin, to be perfectly honest. Let me make it clear, as I did in Committee, that Her Majesty’s official Opposition agree that excessive exit payments in the public sector should not be paid, and that any abuses in that regard should be ended. The problem with the Government’s approach is that they are attempting to govern by headline in a very complex area, and in so doing they are creating the sorts of anomalies and unfairnesses that I am sure we will hear about during this debate. Including a headline-grabbing figure—in this case £95,000—on the face of the Bill is, frankly, the worst kind of utterly vacuous government, and it is exactly the sort of rigid legislating that good civil servants advise against, and that bad Ministers promote.

The inclusion of that figure in the Bill is really about allowing the Secretary of State for Business, Innovation and Skills to have his tabloid headline about fat cats, which was one of the odious remarks he made on Second Reading. That was an insult to thousands of decent, hard-working people across this country, many of whom have never been paid anywhere near £30,000 a year, let alone the £3 million a year that the Secretary of State used to get when he worked for an investment bank. [Interruption.] That has a lot to do with it, because of the language he used.

If I was to accuse the Secretary of State of being a fat cat—I am not going to do that, Madam Deputy Speaker—the Minister would be huffing and puffing in her usual way, muttering “Outrageous” and “Disgraceful” from a sedentary position. She and the Secretary of State like to dish it out, but they do not like to take it when it comes back their way. She was quite content to sit there and they felt about the Secretary of State using that language. Actually, I know exactly how they felt, because they wrote to us in their droves to express their anger at his insulting rhetoric, and that evidence—there was a lot of it—was officially submitted to the Committee.

Amendment 15, tabled by the Opposition, seeks to protect those workers who earn less than £27,000 a year from the proposed exit payments cap—yes, those who earn less than £27,000 a year are the Secretary of State’s so-called fat cats.

Louise Haigh (Sheffield, Heeley) (Lab): I was present on Second Reading when the Secretary of State described long-serving public servants on low and average pay as fat cats. At the end of that debate, the Minister said at the Dispatch Box that the exit payments cap would not apply to civil servants earning less than £27,000. I hope that she will forgive us if we do not take her word for it, and that she will therefore accept our amendment today to ensure that the promise is in law.

Kevin Brennan: There was a time when what Ministers said on the Floor of the House could be accepted, and I am prepared to accept that the Minister is sincere in what she has said. In fact, I am not sure that she said quite what my hon. Friend says she said. I think that she actually said that it could affect a small number of people on £25,000. However, I think that my hon. Friend is echoing what one of the Minister’s Treasury colleagues had said earlier. If I am not mistaken, the current
Minister for Employment, the right hon. Member for Witham (Priti Patel), when referring to what would be in the Conservative party’s manifesto, said that the proposals would not affect anybody earning less than £27,000 a year. We have therefore taken her words, given as a promise from a Minister of the Crown, and put them into an amendment in order to hold the Government to their word. The fact that this Minister was not prepared to repeat that in those terms when she spoke on Second Reading can perhaps be explained by the Government’s refusal to support our very reasonable amendment.

Richard Fuller: Following the hon. Gentleman’s deliberations in Committee, and from his own analysis—obviously we are looking in the round at public expenditure on exit payments—can he advise the House on what proportion of that expenditure in, say, the last five years was for people earning less than £27,000, and what proportion was for people earning over £100,000?

Kevin Brennan: I do not have that figure to hand, but we did probe the Government to try to get some idea of what calculations they had made of the impact on people earning less than £27,000 a year. I am afraid we have not been able to elicit a great deal of information from them on that subject, other than that they think it would be rare for those people to be affected. If it is that rare—I will come to this in a moment—why do the Government not accept our amendment, because it will not actually cost them much?

Richard Fuller: The hon. Gentleman makes a fair point. In the absence of data, he has his good judgment and his reasonableness, following his many years in government before 2010. Do his instincts not say that the majority of people will be earning in excess of £100,000? That really is the target of what the Government propose, is it not?

Kevin Brennan: That is what the Government say the target is. As the hon. Gentleman knows, I respect him greatly for his independence of mind and thought, and for his intellect on these matters. As I said at the outset, if abuses are going on in relation to public sector exit payments, we are perfectly willing to say they should be stopped, but we need to look at what the clause actually does. It picks the figure of £95,000 to generate a headline saying that the Bill will stop fat-cat public sector exit payments of more than £100,000. However, what it does not elucidate very well is that that £95,000 is not just a cash lump sum, but includes the so-called strain payments that are paid into workers’ pension funds when they are forced into redundancy before retirement age. That is money they will never get in their pockets—they are not walking away with £95,000. They are not fat cats earning more than £100,000, and some are on relatively modest incomes. The Bill will also capture many people in the private sector, which the Government were also not keen to elucidate on.

Chris Stephens (Glasgow South West) (SNP): Will the shadow Minister confirm that the employees affected, who will be earning less than £25,000 a year, will be predominantly women? This being International Women’s Day, perhaps the Government should think again.

Kevin Brennan: The hon. Gentleman is absolutely right. Clearly, large numbers of public sector workers, who have often given long service, might have to take redundancy—not surprisingly at a time of severe cuts in, for example, local government. The provisions in the local government pension fund require those strain payments to be made, and those will count towards the £95,000 exit payment.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): My intervention very much complements that of the hon. Member for Glasgow South West (Chris Stephens). One of the big concerns about the change, which I am sure my hon. Friend shares, is that the consultation was so inadequate. The Government have also failed to undertake any public sector equality duty review, as required under the Equality Act 2010. The changes could therefore have many unintended consequences, but the Government are not taking the time to explore them.

Kevin Brennan: Yes. I will briefly touch on the inadequacy of the consultation later.

Amendment 15 is about workers earning less than £27,000 a year. As I mentioned, it was the right hon. Member for Witham (Priti Patel), when she was at the Treasury, who said a year ago: “those earning less than £27,000 will be exempted to protect the very small number of low earning, long-serving public servants.” She was commenting on the Government’s plans to create the public sector exit payment cap.

Chris Philp (Croydon South) (Con): Did the Minister for Small Business, Industry and Enterprise not take the Committee through a number of worked examples demonstrating that the Bill would not have the adverse effect on pensions that is suggested? For example, a prison officer earning £28,000 a year with 34 years’ experience could still retire at as young as 52 without being affected. Does that not illustrate that the hon. Gentleman’s concerns are not terribly well founded?

2.45 pm

Kevin Brennan: I recommend that the hon. Gentleman read more deeply into the report of the Committee stage. I commend to him the worked example I gave of somebody on a salary of £25,000 who had given long service in local government and who would be affected.

Obviously, the right hon. Member for Witham did not think at the time that these people were fat cats; she thought they should be protected, and we need to understand why that is not happening in the Bill. Why was a lower earnings floor not included, given that the Conservatives promised they would pursue only—again, I quote from their manifesto—the “best paid” workers? Of course, once the election was over, the Government ignored that.

Problems emerged because the consultation was so poorly conducted, as my hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) said. Usually, a full consultation takes 12 weeks; the Government did this consultation over four weeks in the summer—it began on 31 July 2015 and concluded on 27 August. If the Government were serious in their rhetoric that the Bill would affect only the best paid, it
would be very straightforward to include a provision to exclude those on £27,000 or less. In fact, what the Minister for Small Business, Industry and Enterprise said on Second Reading, which was alluded to earlier, was:

“What we do know is that there is a very small number of workers”—that is the figure she gave—“in the public sector on about £25,000 who could be caught by this... But those are extremely rare conditions.”—[Official Report, 2 February 2016; Vol. 605, c. 886.]

What we want to know, therefore—I think this is what the hon. Member for Bedford (Richard Fuller) wanted to know—is how rare those conditions are. If they are that rare, why not exempt the lower paid?

Catherine McKinnell: My hon. Friend briefly mentioned the dates of the consultation—between July and August. Does it not occur to him that if the Government were genuinely keen to hear back from people potentially affected by, or interested in, this change, they would not have introduced the consultation for such a short time over the summer holidays?

Kevin Brennan: My only assumption is that they think fat cats should not have holidays. That is probably why they thought it did not matter that there was only a four-week consultation. That is what they think of the people they were supposed to be consulting. The rhetoric used by the Government is shameful; the contemptuous, short nature of the consultation is shameful; and the way in which the policy has been introduced overall can only be described as shameful.

We are concerned about the Government’s reluctance to make the necessary exemptions to ensure that the unfortunate few—that is what the Government tell us they are: a few—are not disproportionately affected. If the low paid and average paid are affected only in rare circumstances, excluding them from the cap will not result in the Government losing a great deal of money, it will lower, after all, than what one would receive on the minimum wage—would be highly significant on that low income. To say that a 4% cut is not significant is hugely out of touch with the reality of many people’s lives.

The Government’s case is that a leaving payment of £95,000 or above is a large amount for any employee, but they are perpetrating the myth that people will actually receive that money. Employees on low to average incomes will never see a large amount, because the payment includes compensation paid to the pension scheme. In fact, some of them will never even receive their pension, so they will never see that money in any way, shape or form.

The cap includes strain payments, and the pension shortfall is adjusted at the time of redundancy. Strain payments could make up a considerable amount of the £95,000. If so, long-serving, loyal workers could finish work with a significant shortfall in the amount that should have been allocated to them to deal with redundancy, unemployment and uncertainty. They will be left with little in their redundancy payment to pay for annuities to provide long-term security. I do not think that was the Government’s original intention, but the fact that they have refused to respond to the concern makes me wonder whether I am right about that.

We have been told that the Chancellor has withdrawn his pensions proposals, which would have raised £10 billion to pay down the deficit. In other words, he has moved swiftly so as not to offend better-off pensioners who might have been hit by the proposals. Why, then, will the Government not turn their hand to those who earn less than £27,000 a year, whose redundancy and access to a pension are threatened by the exit payment cap?

The Chancellor has famously said that we are all in this together and that those with the broadest shoulders should bear the biggest burden, so the Government have a chance to prove that by supporting our amendment 15, which is, after all, based on their own words.

Amendment 16 would exclude from the provision employees of the companies listed in new schedule 1, which are operated by the private sector. Those who would be affected are principally employees of companies across the nuclear estate and elsewhere in the private sector, such as Magnox. Why are they affected by a measure that the Secretary of State told us on Second Reading is designed to hit “public sector fat cats”? According to the Secretary of State, Magnox workers who work in the private sector are “public sector fat cats”.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): When companies such as Magnox were privatised, workers such as those at Trawsfynydd in Dwyfor Meirionnydd lost access to their public sector pension scheme, but they are now going to be included in a cap on public sector redundancy payments. Does the shadow Secretary of State agree that the Treasury is trying to have its cake and eat it at the expense of those workers?
Kevin Brennan: I thank the hon. Lady for promoting me temporarily. I agree with her, and I know that she has been campaigning on that issue, as has my hon. Friend the Member for Ynys Môn (Albert Owen), who we may hear from later. She is absolutely right. The employees of these companies would never have imagined for one second that they would be hit by the Government’s proposals and the Conservative manifesto commitment to cap public sector exit payments. We raised the issue in Committee, but the Minister refused to guarantee that they would be excluded from the exit payment cap.

The companies listed are in a unique position. They are mostly engaged in managing the safe closure of nuclear facilities, which is a task of huge national importance. By its very nature, it involves working towards a specific end date, at which point the employees will effectively make themselves redundant, provided that they have done a good job. That is what they are doing: they are working to make themselves redundant.

Sue Hayman (Workington) (Lab): Does my hon. Friend agree that it is completely inconsistent to include employees of companies operated by the private sector? My constituents who work at Sellafield are very worried about the proposed redundancy cap. I am concerned that it will lead to highly skilled, experienced workers leaving the industry, which would undermine our ability to deliver the safe decommissioning of our nuclear facilities.

Kevin Brennan: I agree. My hon. Friend will have noticed that Sellafield Ltd is included in new schedule 1, for the very reason she has highlighted.

As I said, the workers in question are working towards making themselves redundant. They accept that their work is a task and finish activity of national importance. In order to get somebody with the necessary skills to commit to that kind of proposition in their early or mid-30s, we need to ensure that they know that they will be provided for if they successfully complete their task by the time they reach their mid to late 50s, when they might find it extremely difficult to find re-employment, given their very specific skills.

If the companies listed cannot afford the packages necessary to compensate someone for the loss of their role when their task has been completed, they will find it extremely difficult to prevent highly skilled workers, who are mobile in the earlier parts of their careers, from leaving. That in itself will drive up costs for the nuclear decommissioning industry and exacerbate an already difficult skills shortage in the sector.

Legislating now to override the long-standing arrangements in the nuclear industry, as the Government are doing, when employers have kept their end of the bargain faithfully, is, to be frank, unconscionable. How can it be right that workers who have stayed with a company to deliver successfully the safe decommissioning of a site see the Government renge on their promised redundancy compensation when it is due to be paid?

Catherine McKinnell: My hon. Friend’s argument is powerful, and I am genuinely at a loss as to why the Government do not take heed of it. The proposal will not only cost individuals in the long term; it is also a betrayal of trust and will only benefit, to a small degree, the company involved. It will not actually benefit the Government, so I do not understand why they do not take action to right what is clearly a wrong.

Kevin Brennan: Exactly. The Treasury’s justification is that, even though the companies have been privatised, the workers are still deemed by the Office for National Statistics to be on the Treasury books, because of the nature of their work. It is understandable that their work needs to be underwritten by Government, because they are decommissioning nuclear sites and no one can get an insurance policy for that.

That technical, statistical designation, however, does not mean that applying the cap to those workers is fair or that it necessarily represents value for money for taxpayers in the long term. There is no proof that taxpayers will receive any benefit, as the private operators of the companies often receive higher incentive payments in their contracts as a result of this kind of change. Unless the Government decide to act, employees in the sector will note that the Treasury has excluded them from the public sector when it comes to pension provision and other issues, but considers them within the scope of the capped exit payments.

Catherine McKinnell: If the Government fail to take heed of this issue and that of the pensions of women who were born in the 1950s, I think that the mantra for the 2020 election will be, “You cannot trust the Tories on pensions.”

Kevin Brennan: My hon. Friend is absolutely right. I hope that the Government will have a last-minute change of heart. Why is a privatised banker not given the fat cat treatment under these provisions?

Chris Philp: Will the shadow Minister give way?

Kevin Brennan: I will in a moment, but first I will repeat my question, just in case Members did not hear it: why is a fat cat banker not being given the same treatment as nuclear decommissioning workers?

Chris Philp: The shadow Minister well knows that the Government have capped the pension contributions of higher earners at £44,000 a year, and that those on the highest incomes of more than £200,000 have had their contributions capped at £10,000 a year. The Government have taken a lot of action in this area, as the shadow Minister well knows.

Kevin Brennan: What the hon. Gentleman may not realise is that the workers of the banks that have been taken into public ownership will be specifically excluded from the exit payments cap under the Government’s plans. That might change his mind, so he might like to join us in the Lobby later. Yet again, it seems to be “Up with the bankers and down with the workers.” What a shocking value-free zone this policy is, if the Government stick to it.

3 pm

We have received strong representations on the matter from Magnox workers, from trade unions including Unite and Prospect, and directly from the workers.
The bodies that we have included in new schedule 1, which are affected by the “public sector fat cat” policy, are Sellafield Ltd, Westinghouse Springfields Fuels Ltd, Magnox Ltd, the National Nuclear Laboratory, International Nuclear Services, Atomic Weapons Establishment Ltd, Low Level Waste Repository Ltd, Dounreay Site Restoration Ltd, RSRL Winfrith and RSRL Harwell. I note that none of the companies in that list is called “Fat Cats Ltd”, but they are all included on the list of companies with workers that the Government are, by their own admission, treating as fat cats.

The Public Bill Committee received dozens of letters from Magnox workers, and I congratulate them on the quality of the representations that they made. I quoted in Committee from a letter from one of the workers, and I will quote it briefly again. Ian Milligan, who works at Bradwell as a waste engineer, said:

“I should like to start with a definition quoted from the Oxford English Dictionary, the dictionary that has sat on my desk for the duration of my career within the Nuclear Industry which has spanned over 20 years. The question I had was, what does the term a fat cat infer? The answer: A Fat Cat—a wealthy person, a highly paid executive or official.”

He goes on to say:

“I, and many of my work colleagues employed by Magnox Ltd, are likely to be ‘caught’ in the proposed Exit Payment Cap of the Enterprise Bill, to which I, and my work mates across the board were shocked to discover, as we are ordinary working class people and do not consider ourselves to be Fat Cats by any stretch of the imagination.”

Chris Stephens: Will the shadow Minister confirm that on Second Reading, the Secretary of State used the term “public sector fat cats” in his closing remarks in support of the Bill? Is that not in contrast to the workers whom the shadow Minister is talking about, who work in a physically taxing environment for many years?

Kevin Brennan: The hon. Gentleman is absolutely right. I know that it is difficult to believe—presumably, that is why the hon. Gentleman had to check before making his intervention—but the Secretary of State actually said that the measure was intended to hit fat cats in the public sector, which therefore includes everybody affected by it.

This confirms the understandable anger that is out there. My hon. Friend the Member for Ynys Môn might add examples of workers from his constituency. Agreements have been made and guarantees have been given. We were told that the provision was to hit public sector fat cats, not employees in the private sector. We have tabled the new schedule, which would exempt the companies listed from the Bill. If the Minister has another way of doing it, as I said to her in Committee, I would be interested to hear it. In Committee she was not able to offer any comfort whatever to the workers of the companies listed in new schedule 1. Her response was disappointing, given the weight of evidence submitted to the Committee and the strength of feeling among hon. Members and their constituents. Workers have made their plans and taken life decisions on the basis of promises that were made to them. As far as we can surmise from the limited information that the Minister is prepared to provide about the Government’s intentions, the Government are going to take action that will affect those workers.

In Committee, the Minister rehearsed arguments about all sorts of scares that may have been put about by mythical people whom she was not prepared to name, but going by the evidence submitted to us, the workers in question will be affected to quite a large extent. We represented the workers’ arguments in Committee and made their case on their behalf, but all we got from the Minister was a response to issues that had not been raised in the workers’ letters or, indeed, by us, and a vague reference to secondary legislation at some later date that will name some as yet unknown entities that may be excluded from the cap. In other words, all we got was an empty sheet of paper. I am afraid that that is not good enough.

We in the House need to know what the Government’s intentions are, and we need to be able to tell constituents who have written to us, and who are directly affected, whether they will be hit by the exit payment cap. Those hard-working people are the definition of strivers. They are the beating heart of this country. Their letters reveal that they are not swivel-eyed lefty loonies or fat cats but ordinary working people, many whom live in the constituencies of Conservative Members.

Ministers have put things in the Bill that are meant to get them a headline in the Daily Mail and The Sun. That is fundamentally why the proposal is so flawed. The reality, when we lift the stone and look underneath, is that it will affect all sorts of people whom the Government did not indicate that they intended to hit. Hard-working people are being betrayed by their Government. They would have made very different assumptions about what this policy meant when they read the Daily Mail headline or even the Conservative party manifesto. That is why, if the Government will not stand up for those workers, we will.

Sir Gerald Howarth (Aldershot) (Con): I am pleased to follow the shadow Minister, the hon. Member for Cardiff West (Kevin Brennan). I have constituents who work at the Atomic Weapons Establishment in Aldermaston, at the Defence Science Technology Laboratories in Porton Down and elsewhere, so I have an enormously high regard for those extraordinary public servants who contribute so much to the security of our country. I therefore have some sympathy with new schedule 1.

It is easy for the newspapers to produce graphic headlines such as “Civil service pen-pushers get massive pay-offs”, but I am talking about slightly different people. They are not ordinary people in the sense the shadow Minister was talking about; they are really rather special. They work at the forefront of technology to ensure that the nation remains safe and that our realm remains secure. I know from talking to my constituents that people at the AWE, which has been privatised, are very unhappy indeed. The AWE is a unique and important facility. It is the only place capable of designing and producing the successor to our Trident nuclear missile system, and indeed of maintaining Trident until its successor comes into force. I am told that morale at the AWE is at rock bottom. To remove the last major benefit of working there—pay has been historically low because of the decent benefits—risks the nuclear deterrent, in some people’s opinion.
These people are not the only ones to be affected. A constituent of mine who works at DSTL came to see me at my surgery on Saturday. He is a leading scientist, and he brought with him examples of ceramic armour that he had personally developed for the protection of our troops. I do not know how many Members in the Chamber have been to see any of our defence science laboratories. I represent Farnborough, the home of the former Royal Aircraft Establishment, which is now the headquarters of QinetiQ. I have met some of its employees, who used to work in some pretty shabby conditions—no wall-to-wall carpeting, rubber plants or anything of the sort—although they have rather fine offices now in Farnborough, and I have been struck by the fact that they could get a lot more money in the private sector. When I asked them, “Why do you work here?” they replied, “Because we want to give something back to our country.” Those scientists show an extraordinary sense of patriotism, dedication and loyal commitment to our country; in my view, they contribute disproportionately of patriotism, dedication and loyal commitment to our country.” Those scientists show an extraordinary sense of patriotism, dedication and loyal commitment to our country.

My constituent told me on Saturday that for decades he had been

“Paying my taxes…Saving hard…Avoiding debt…Obeying the law”

and, of course, “Working hard” to develop these life-saving technologies for members of our armed forces. He went on to say:

“in spite of this…I have received below inflation pay rises since 2004…My pension contributions have doubled…My retirement age has increased from 60 to 67…My redundancy terms & conditions have been degraded significantly…My pay is now 20% lower than MOD colleagues outside of Dstl”.

He drew my attention to the 2015 review of the MOD’s science and technology capability by Sir Mark Walport, the Government’s chief scientific adviser, who said:

“We understand that staff retention is difficult in the mid-career stage. We were surprised that Dstl are able to retain staff (let alone good staff) given the comparative low-pay offered.”

Conditions have not improved owing to the austerity measures that we have had to take, which I understand, but that did not stop the chief executive of Dstl receiving a 30% remuneration increase. In those circumstances, it is understandable that these people do not feel that they have been treated as well as they should have been. The other point about them is that, as Crown servants and the kind of people they are, they do not go around protesting; they come to our surgeries or write us a private letter. They will not write to the national newspapers or stand outside with a placard, because they just want to get on with their jobs. I say to my right hon. Friend the Minister that there is a risk that we may be taking for granted people whose contribution to our national security is, as I said, rather significant.

Mark Field (Cities of London and Westminster) (Con): My hon. Friend is absolutely right. Instinctively, I am entirely sympathetic to his argument, which applies to not just Crown employees, but those in the security services. However, could not his argument about such concerns easily be made about everyone working in the public sector? That is why the Government’s instinctive view is against drawing the distinction that he would like to make.

Sir Gerald Howarth: I have enormous respect for my right hon. Friend and I understand his point, but the place I represent is the home of the British Army, as well as the birthplace of British aviation, and it is steeped in technology. I know these people—I did so when I was a Defence Minister, as I have throughout my constituency experience in Aldershot—and I value them. I am afraid that I think they are rather special and that they have been neglected. I have specifically pointed out that their grades have not been made up to MOD grades, because they are busy in their laboratories doing what they like doing—inventing and helping to protect us all—so I will not resile from singling them out. My hon. Friend is entirely right to say that I am doing so, but I hope he will accept my apology for that.

David Mowat: The point about the entire public sector is a reasonable one, but it would be stronger if the Government had not specifically exempted parts of the public sector, namely those in the City of London, such as the privatised banks, and particularly the compensation schemes in what are public sector bodies, such as the Financial Conduct Authority.

Sir Gerald Howarth: My hon. Friend makes a good point.

Mark Field: My hon. Friend the Member for Warrington South (David Mowat) will appreciate that the intention is that many of the parts of the City of London that are currently in the public sector will not be there for very long. The idea is to get them out of the public sector in double-quick time. I should say to my hon. Friend the Member for Aldershot (Sir Gerald Howarth) that I am the son of Army soldier. In my younger life, I lived in Aldershot, as well as in Fleet, which used to be in his constituency, and I have a lot of sympathy with what he says. I am not in any way trying to lobb him off. I totally agree about those in military service and our intelligence services, many of whom could get multiples of what they earn if they left GCHQ, for instance, to work in the private sector. None the less, if we are to draw a line, perhaps we should draw it in a sensible place; otherwise, we should not draw it at all.

Sir Gerald Howarth: As my hon. Friend the Member for Warrington South (David Mowat) implies, the sensible place to draw the line would include these people on the list of exemptions, but there we go.

3.15 pm

Earlier today, I had a meeting with officials from Prospect. They acknowledge that one of our manifesto commitments was to “end taxpayers-funded six-figure payrolls for the best paid public sector workers.” They accept that the Government have a mandate for that, but it is worth putting what they say on record—forgive me for doing so. Mr Deputy Speaker—because they feel that the Government did backtrack on the agreement signed in 2010. They use the word “reneg”, but let me say “backtrack”. They say:

“The current civil service redundancy terms were agreed by Prospect and other civil service unions and the last Minister for the Cabinet Office”—

our noble Friend Lord Maude—
“just four years before the Conservative party’s announcement that it would seek to renege on that agreement. The minister stated at the time: ‘what the new scheme shows is that constructive negotiations with the unions can work and the result is a package that is fair for civil servants and fair for other taxpayers’. He also said: ‘I believe we now have a scheme which is fair, protects those who need the most support, addresses the inequities in the current system and is right for the long term.’

I put it to my right hon. Friend the Minister that, despite the use of the phrase “right for the long term”, the scheme has not lasted more than six years. I will not vote against the Government today, but I urge her to have a discussion with the Treasury to determine whether this matter can be looked at again, because it is not fair on some of our most dedicated scientists who, as I say, are working to keep us secure.

Alan Brown (Kilmarnock and Loudoun) (SNP): I rise to speak to amendment 18, which is in my name and that of my hon. Friend for Livingston (Hannah Bardell). The amendment perfectly complements amendment 15, which would add specific protections to part 9. As the hon. Member for Cardiff West (Kevin Brennan) said, as it stands, and given the rhetoric accompanying it, part 9 is a classic populist move by the Tory Government. They are playing up to the perception of fat cats, saying that people get huge pay-outs that are not comparable with private industry pay-outs, but they are not taking account of long-serving, lower-paid workers.

As I have implied, there is a lot of smoke and mirrors behind this scheme. The £95,000 cap includes pension payments that go not to the workers, but to the pension funds, including in the form of strain contributions for those on ill-health retirement. It is absolutely amoral that somebody who has to retire on the grounds of ill health, having worked hard, perhaps in a manual job, will have their pension capped because of this scheme.

I really do not understand how the Government cannot recognise the impact of the scheme. It was interesting that the House of Lords asked for an impact assessment, but it was not forthcoming. Back Benchers have asked the shadow Minister about the impact, but it is not for Opposition Members to provide that; it is the Government’s responsibility to do so at the outset.

The Government have admitted that this provision could affect workers who earn less than £25,000, which includes librarians, midwives, NHS workers and other long-serving employees. Those people are worlds away from the horror stories that we sometimes read about failed chief executives who walk away with massive lump sums. I understand a curb on pay-outs for those people. Even worse, some people receive a massive pay-out and then pop up in another council as a highly paid consultant. Again, I agree that there should be cap on that. I also suggest that the situation I have outlined is more of a problem in England, given that Scotland has only 32 local authorities, but I understand the concept of trying to control that.

The sum of £95,000 is a lot of money but, to put it in perspective, it is only three and a half years of an average salary, and a pay-out potentially puts someone out of the marketplace for good. We already know that those on ill-health retirement. It is absolutely amoral that somebody who has to retire on the grounds of ill health, having worked hard, perhaps in a manual job, will have their pension capped because of this scheme.

Alan Brown: I agree with that fine point completely. I went through the same experience as a local councillor on East Ayrshire Council. Although some of the payments made would be caught up by this payment cap, they were demonstrated to be value for money because of the payback period of two years. We were able to show good value for the taxpayer.

The Minister for Employment originally pledged to protect workers earning less than £27,000. Amendment 15 would allow that protection to be put in place, while amendment 18 would allow the cap to reviewed and increased in line with inflation. As the Bill stands, that cap is another part of the ongoing erosion of terms and conditions, given that inflation levels and the cost of living is clearly going to rise. The measures allow the Government to maintain a charade of being a party for workers. That is why we will push amendment 18 to a vote, and hopefully the party of workers on the Government Benches will support us.
Albert Owen (Ynys Môn) (Lab): I congratulate my hon. Friend the Member for Cardiff West (Kevin Brennan) and the hon. Member for Aldershot (Sir Gerald Howarth) on the eloquent way in which they spoke to new schedule 1. I will not repeat what I said on Second Reading, except to reiterate the point that the people and companies listed in that new schedule are in no way fat cats. I think we need an apology from the Government about that because these are hard-working, ordinary people who have worked in difficult circumstances for many years, and signed up to agreements in good faith with the Government of the day.

I want the Government to honour their promise to safeguard the conditions of service that were agreed between companies and employees over many years, and I will touch on the definition of public sector workers. In no way are the people listed in the schedule public sector workers. Many of them work for private companies. If this cap is imposed on them, it will not benefit the Treasury at all; it will benefit the private companies that have taken on the contract. There will be no great saving, but there will be a breach of trust, and a considerable loss to those individuals who have been given protection.

I know that this Minister listens to reason and I am sure she agrees that many people will be caught unintentionally under the Bill. The protected status goes back to the privatisation of the electricity industry in the 1980s, and regulations were introduced in 1990 to protect many of the categories listed. More than 120 Magnox workers have written to me. As the hon. Member for Witham (Priti Patel) back in January 2015. It was written by my right hon. Friend the Member for Witham (Priti Patel) back in January 2015. It was not part of the manifesto promise that was made. There has been agreement with Welsh Ministers through the Welsh Assembly, and I am grateful for that.

The Conservative manifesto was very clear that we would introduce the cap and that we would set it at £95,000. It is extremely important to remember that this relates to redundancy pay. The cap will curb only the top end of exit payments—just the top 5% in value of all exit packages across the public sector. Amendment 15 is merely a device based on an article in The Daily Telegraph written by my right hon. Friend the Member for Witham (Priti Patel) back in January 2015. It was not part of the manifesto promise that was made. There is no honour, if I may say, in putting that forward as anything other than a junior Treasury Minister praying in aid in an article she wrote in The Daily Telegraph.

I want to make it absolutely clear that the cap will not affect a classroom teacher earning the maximum of the upper pay range of £38,000 with a normal pension age of 60. It will not affect anyone working in the NHS earning below £47,500 or firefighters. I am told that police officers cannot be made redundant, and in any event no police officer earning below £54,000 would be caught by the cap. The Cabinet Office has confirmed...
that no civil servant earning below £25,000 will be captured. Some earning around £25,000 may be captured, but we can find no such example. A librarian earning £25,000 with 34 years’ experience could still retire on an unreduced pension at the age of 55.

3.30 pm

We also think it unlikely that anyone earning less than £27,000 would be hit by the cap. It is important that we remember that it is extremely rare in the private sector for anyone on a wage of £25,000 to expect, on redundancy, a payment of £95,000—nearly four times their annual earnings. Having said all that, my hon. Friend the Member for Bedford (Richard Fuller), who is no longer in his place, made one of the most important points: it is right that we look at the value of the cap, as opposed to the salary or income someone is earning when they leave.

Finally, I want to address the important points about new schedule 1 and ask hon. Members not to support it. I listened with great care to the excellent points made by my hon. Friend the Member for Aldershot (Sir Gerald Howarth)—I pay tribute to the workers he mentioned—and the hon. Member for Ynys Môn (Albert Owen). I must make it absolutely clear, however, that we oppose the new schedule because we think it wrong to put the exemptions in the Bill. The relaxation provisions allow for special circumstances but only after proper ministerial scrutiny. I can assure them that I will continue to speak to right hon. and hon. Friends in the Treasury.

I agree with the helpful and wise interventions from my right hon. Friend the Member for Cities of London and Westminster (Mark Field), and I hear the points hon. Members are making. I will continue to speak to them, but now is not—

Sir Gerald Howarth: Will the Minister give way?

Anna Soubry: No, forgive me, but the clock is against me.

Kevin Brennan: No it’s not.

Anna Soubry: No, there may be reasons. There is no need to interrupt.

Now is not the time to do what some hon. Members propose. There are other ways of doing it, if it is the right thing to do. It is right, however, that we be true to our clear manifesto commitment to set the cap at £95,000.

Kevin Brennan: On a point of order, Mr Deputy Speaker.

Mr Deputy Speaker (Mr Lindsay Hoyle): It is not a point of order. Come on.

Kevin Brennan rose—

Mr Deputy Speaker: Mr Brennan, I think it is for me to decide. I am sure it was going to be about time, and I am sure we are all aware of the time and what time the debate has to end.

Anna Soubry: I was bobbing up and down like a November the fifth apple, Mr Deputy Speaker. In any event, I do not know what all the fuss is about, because I am concluding my comments.

I believe that all points have been made, and based on everything I have said, I urge hon. Members to support the Government’s new clauses and to reject all the other amendments; they are not necessary.

Kevin Brennan: I respect your ruling, Mr Deputy Speaker, that my point of order, which I did not make, was out of order.

Mr Deputy Speaker: Order. It was going to be about time, but it is not for me to tell you how much time is left, as you know better than I do.

Kevin Brennan: Thank you, Mr Deputy Speaker. I simply note that the Minister was unwilling to give way because of time.

On the comments by the former Treasury Minister, now the Minister for Employment, the right hon. Member for Witham (Priti Patel), I thank the Minister today for confirming to the House that we cannot believe a word Ministers say. I thank her for putting that officially on the record.

Anna Soubry indicated dissent.

Kevin Brennan: Would the Minister like me to give way? I am happy to do so, if it is in order, Mr Deputy Speaker.

Mr Deputy Speaker: Minister, are you commenting from a sedentary position, or would you like to make a point of order?

Anna Soubry: The record will confirm that I did not say that a Minister’s word could not be trusted. I was talking about a comment in a newspaper that does not form part of Conservative party policy and was not in the manifesto. That is what matters the most.

Mr Deputy Speaker: The Minister has clarified her position.

Kevin Brennan: It was not in a newspaper that the policy was announced. As I said, we cannot believe a word Ministers say.

Let me say simply that, as in Committee, the Minister has confirmed nothing at all that will give any comfort to these workers. I am therefore going to ask my hon. Friend, and other hon. Members if they support these workers, to support us in the Division on new schedule 1.

Question put, That the schedule be read a Second time.

The House divided: Ayes 266, Noes 291.

Division No. 207]

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bardell, Hannah

[3.35 pm]
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blenholme, Paul
Boswell, Philip
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brook, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Cherry, Joanna
Clegg, rh Mr Nick
Coaker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowen, Ronnie
Cox, Jo
Coyle, Neil
Crausby, Mr David
Crawley, Angela
Creagh, Mary
Craddes, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Danczuk, Simon
David, Wayne
Day, Martyn
De Piero, Gloria
Debono, Thomas
Decherty-Hughes, Martin
Donaldson, rh Mr Jeffrey M.
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Dugher, Michael
Duncan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliot, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fellows, Marion
Fernier, Margaret
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Gardiner, Barry
Glass, Pat
Glinson, Mary
Godsiff, ro Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Harmann, rh Ms Harriet
Harris, Carolynn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollem, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irранака-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Keven
Jones, Susan Elan
Kane, Mike
Kauffman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Law, Chris
Leesi, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Mr Angus Brendan
MacTaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nalty, John
McCabe, Steve
McCagg, Callum
McCarthy, Gerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stuart C.
McDonnell, John
McFadden, Mr Pat
McGinn, Conoon
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Meale, Sir Alan
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Mullin, Roger
Nandy, Lisa
Newlands, Gavin
O’Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Saville Roberts, Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Starmer, Keir
Stephens, Chris
Stevens, Jo
Streering, Wes
Stringer, Graham
Stuart, rh Ms Gisela
Tami, Mark
Thewlis, Alison
Thomas, Mr Gareth
Thompson, Owen
Thompson, Michelle
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turgg, Derek
Turgg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Whitford, Dr Philippa
Williams, Hywel
Williams, Mr Mark
Wilson, Corri
Winnick, Mr David
Winterton, rh Dame Rosie
Wisart, Pete
Wright, Mr Iain
Zeichner, Daniel

**Tellers for the Ayes:**
Vicky Foxcroft and
Jeff Smith

**NOES**
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Question accordingly negatived.
3.49 pm

More than three hours having elapsed since the commencement of proceedings on the programme motion, the proceedings were interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 41

Restriction on public sector exit payments

Amendment proposed: 18, page 56, line 18, at end insert—

‘(1A) The restriction placed on public sector exit payments must be reviewed at regular intervals and, where necessary, be adjusted in line with inflation and earnings growth.’.—[Alan Brown.]

This amendment would ensure that the level that the restriction on public sector exit payments is set will be linked to inflation and earnings growth.

Question put, That the amendment be made.

The House divided: Ayes 268, Noes 293.

Division No. 208

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Allen, Mr Graham
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Bettis, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Champion, Sarah
Evans, Chris
Farnell, Paul
Ferrier, Margaret
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flinn, rh Caroline
Fynn, Paul
Fovargue, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Glass, Pat
Glnndon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew
Haigh, Louise
Hamilton, Fabian
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Holmén, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Irranca-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keelley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Law, Chris
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Lewis, rh Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Mr Angus Brendan
MacTaggart, rh Fiona
Madders, Justin
Mahmod, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCutcheon, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stuart C.
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Meale, Sir Alan
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Mullin, Roger
Nandy, Lisa
Newlands, Gavin
O’Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamar, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Philips, Jess
Pound, Stephen
Powell, Lucy
Pugh, John
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Saville Roberts, Liz
Shah, Naz
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Sheriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
NOES

Clark, rh Greg
Clarker, James
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Gyln
Davies, Dr James
Davies, Mims
Davis, Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Donelan, Michelle
Dorries, Nadine
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Francois, Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Garnier, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Elidid
Whitehead, Dr Alan
Whitford, Dr Philippa
Williams, Hywel
Williams, Mr Mark
Wilson, Corri
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Owen Thompson and
Marion Fellows

Lewis, rh Dr Julian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLaughlin, rh Mr Patrick
McPartland, Stephen
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryl
Murrison, Dr Andrew
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Percy, Andrew
Phillips, Stephen
Philip, Chris
Pickles, rh Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prisk, rh Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, rh Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Seduis, Andrew
Shapps, rh Grant
Sharma, Alok
Shebbeare, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Amendment 6, page 58, line 37, at end insert—
“(2A) The Welsh Ministers may relax any restriction imposed by regulations made by the Welsh Ministers under section 153A.”

This amendment ensures that the Welsh Ministers have power to relax restrictions imposed by them under new section 153A (see explanatory statement for amendment 3).

Amendment 7, page 59, line 1, at beginning insert—
“except in relation to exit payments made by a relevant Welsh authority.”

This amendment ensures that the Treasury are not able to impose limitations on the power of the Welsh Ministers to relax certain restrictions imposed by Treasury regulations (see explanatory statement for amendment 8).

Amendment 8, page 59, leave out lines 18 to 24 and insert—
“(6) Regulations under section 153A made by the Welsh Ministers may—

(a) make provision for the power under subsection (2A) to be exercisable on behalf of the Welsh Ministers by a person specified in the regulations;

(b) where provision is made by virtue of paragraph (a), make provision for a requirement to be relaxed only—

(i) with the consent of the Welsh Ministers, or

(ii) following compliance with any directions given by the Welsh Ministers;

(c) make provision as to the publication of information about any relaxation of a requirement granted.

(6A) Regulations made by the Treasury under section 153A(1)—

(a) must, if they make provision in relation to exit payments made by a relevant Welsh authority, provide for the power conferred on a Minister of the Crown by subsection (1) to be exercised instead by the Welsh Ministers in relation to those exit payments;

(b) may provide for the power conferred on a Minister of the Crown by subsection (1) to be exercised instead by the Welsh Ministers in relation to exit payments made by any other authority who is not a relevant Welsh authority but who wholly or mainly exercises functions in relation to Wales (but this does not limit the provision that may be made under subsection (4)(a)).”

This amendment allows the Welsh Ministers to provide for another person to relax on their behalf restrictions imposed by them under new section 153A (see explanatory statement for amendment 6). It also requires the Treasury to provide for the Welsh Ministers to be able to relax certain restrictions imposed by Treasury regulations, and gives the Treasury power so to provide in relation to other such restrictions.

Amendment 9, page 59, line 26, at end insert—
“relevant Welsh authority” means an authority who wholly or mainly exercises functions which could be conferred by provision falling within the legislative competence of the National Assembly for Wales (as defined in section 108 of the Government of Wales Act 2006).”—[Anna Soubry.]
International Women’s Day 2016

4.4 pm

Mims Davies (Eastleigh) (Con): Given that the previous business concluded earlier than expected, will the Minister please clarify, for the benefit of the House, whether it is her intention for the present debate to continue beyond 7.30?

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): It is not our intention to keep the House beyond 7.30.

Mims Davies: Thank you, Mr Speaker.

I beg to move.

That this House expresses its solidarity with International Women’s Day; notes with concern that, despite women making up 51 per cent of society as a whole, more progress needs to be made in electing women to Parliament, as well as in establishing equal pay and parity between men and women in positions of leadership; and calls for greater action against FGM and other practices that are harmful to women.

It is a great honour to open this debate. I begin by thanking the Backbench Business Committee for granting the debate and the hon. Member for Gateshead (Ian Mearns), who lobbied the Leader of the House—

Mr Speaker: Order. I apologise for interrupting the hon. Lady. For the benefit of the House, colleagues involved in. I am very proud to serve on the Committee, and the hon. Member for Gateshead (Ian Mearns), who lobbied the Leader of the House—

Mims Davies: Thank you, Mr Speaker.

I thank the Leader of the House for the time allocated for this debate, which I hope will be as full as possible.

There are many areas in which inequality still exists for women. This debate will range, I hope, across complex and varied parts of our society and across the world. In the run-up to International Women’s Day, I have engaged with many colleagues across the House and in the other place, talking about the importance of this day and the issues facing women at home and abroad, and I have discussed with many gentlemen the importance of International Men’s Day. Today’s debate will perhaps boil down to this question: in the age in which we cherish equality of opportunity, why do women not actually get the same chances as men, and what is this Parliament doing to see that happen here and around this wonderful planet of ours?

Women have the chance to run or lead a business, to contribute properly to their community, to influence the world around them, to be paid the same, to be treated the same, to speak in this cherished Chamber and to be heard. Women do not want to be under threat or in danger just from walking home alone, or because of the dangerous or threatening nature of our personal relationships, or because of our religion or perceived position in our community or society.

On this day we have the opportunity to talk about and celebrate the achievements of women across the world, but also on this day we must highlight all the inequalities that still exist. I have two daughters and I want to see them grow up in a society where their gender has no relevance to their opportunities and what they can achieve. Today is my second daughter’s birthday. [Hon. Members: “Happy birthday!”] She is six, and International Women’s Day has real meaning in my house. I hope she is a truly international woman in the making.

There are invisible barriers to my daughters’ futures and to those of other girls. Today I hope we will go some way to confronting them. Equality is about choice. It makes me very proud to know that here, in the mother of Parliaments, we can act as a beacon of equality for women across the world. Today sixth-form girls from across the country are joining us. They have taken part in a series of events throughout the day and I know that some are watching us now from the Public Gallery.

As the chair of the all-party women in Parliament group, it fell to me and my team to make sure that we mark this day appropriately. We open Parliament today to students from across the UK. I want to thank my team and all those supporting me, including other MPs, for their help in making this important event happen, because almost 70 girls, from Aberavon to Ayrshire, and from Eastleigh to Ealing, have come here to be part of this day, to take this opportunity to contribute and to hear our democracy in action. I want to welcome two local students, in particular, from Barton Peveril Sixth-Form College and Eastleigh College.

Yet it was only in this parliamentary Session that we finally got a Women and Equalities Select Committee, which looks at the key issues that this Parliament is involved in. I am very proud to serve on the Committee, under the brilliant chairmanship of my right hon. Friend the Member for Basingstoke (Mrs Miller)—her son also has a birthday today, so many happy returns to him.

It is very easy today to think that the challenges of equality are in the past, but it took until 1995 for us to have the first woman chief constable, until 2009 for us to have the first woman poet laureate, and until 2011 for us to have the first woman commander of a Royal Navy warship. Of course, this country has been led by only one mighty female Prime Minister, and this House has been led by only one female Speaker. Rapid progress for women is absolutely not a subject for historical study; it is an urgent, continuing and pressing need now.

In our panel debate earlier today we listened to students discussing whether successful women are still seen as pushy, bossy or tokens, and indeed whether we do not actually get the opportunities we want because it is just about confidence. Thinking about successful women, it is worth noting that one in seven chefs hired in Michelin-starred restaurants in London are women—

I wonder what Mary Berry has to say about that.

Are stay-at-home mums currently given the opportunity to make the choices that are right for them, or are they still being judged? I chose to stay at home and be with my children when they were very little, but I wonder
whether I would still feel that that was a safe decision to make. Are we still judging our women? Are we really offering them answers to all these questions and allowing them to be part of the community in any way they choose? In order to get true parity, that is what we need to strive for.

All too often it is these set-piece debates in the Chamber that draw the focus of political commentators, so we perhaps see women in only one way. The press will focus on the high politics of our nation, rather than the huge contribution that many people make every day. We need more women councillors, school governors, magistrates, mayors, MEPs, Assembly Members and police and crime commissioners. Often women step forward for those roles but move on too quickly. Why is that? Is it because women take on those roles to deal with single issues, or do they still see barriers to the top?

In business, we need more women on boards and in senior roles. Of course, this Government have taken action to get more women into science, technology, engineering and maths and to get the next generation into leadership roles, but progress remains too slow. In 2013, 33% of local councillors in England were women, compared with 28% in 1997. We need to step up the pace.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I congratulate the hon. Lady and the Backbench Business Committee on securing this really important debate. On the question of progress, when I went to study electrical engineering at Imperial College in 1984, 12% of those studying engineering were women. Today the figure is exactly the same. A quarter of a century has passed, yet we seem to have made no progress in ensuring that science, engineering and maths represent the half of the world who need them as well. Does she agree that that is absolutely unacceptable?

Mims Davies: Exactly that issue was highlighted in our panel debate this afternoon. I absolutely agree that we need to encourage more women into this area. There are 40,000 jobs available in the construction industry, and 45,000 in the agricultural industry. We are perhaps barring women from future opportunities. It absolutely worries me that we have not changed since the 1980s.

We in this House must be reminded that women’s power is at the ballot box. Women should be registered to vote, and we should make sure that all women feel it is important for them to make their own decisions.

Mrs Madeleine Moon (Bridgend) (Lab): Everyone knows that women were given the vote at the end of the 1914-18 war, but that cloaked the fact that working-class men were also given the vote. Does the hon. Lady, like me, celebrate the fact that women, through their campaigning, also led to those men accessing the vote? That should never be forgotten.

Mims Davies: I always think that women campaigning do make things generally better for men.

We must be reminded of the power that women have at the ballot box. It was women voting in higher numbers for the Conservatives in May last year who returned a Conservative majority Government. It will also be women who decide whether we are in or out of the EU and who is the Mayor of London. We need women to come together to vote and to be active in politics, because their effect is always extraordinary, as we have just heard.

Hon. Members around the House will be thinking of the brilliant work of women campaigners. That includes the Women Against State Pension Inequality campaigners, who have come together and had a real impact. I watch with interest to see what results they will achieve. Those women will not stay quiet, and I salute them in their cause. It is a genuine challenge to this Parliament that we get the best outcome for those and all our women.

I am pleased the Government are taking the necessary action to bring about further equality. There are now more than 1 million more women in work than in 2010. The Government have also introduced legislation that deals with stalking, and I welcome that. We are not afraid to tackle issues that Parliament has left unaddressed for many years.

Mims Davies: I absolutely concur. Just on Thursday, we had action on people posing behind aliases—the Crown Prosecution Service is carrying out a consultation on the issue—and using bullying and threatening behaviour on social media. It is absolutely right that the Government continue to lead the way in dealing with bullying, stalking and using personal relationships to affect people’s futures. We will be in a dangerous place if we do not tackle that.

The Government’s recent announcement on the gender pay gap should continue to shine a light on those companies that do not do enough to ensure parity in their workforces. We need more women on company boards, and work on that continues. There has been a huge leap forward, but we can expect to wait for 70 years for full parity at executive level, and that is not right.

Joan Ryan (Enfield North) (Lab): On the gender pay gap, a lot of women in my constituency are in part-time work, and they are typically three times more likely than men to be paid below the living wage. These women are often not well off, and I ask the hon. Lady to join me in calling on the Government and Opposition Front Benchers to do all they can to address that pay gap, which affects the low paid so badly.

Mims Davies: On the Women and Equalities Committee, we are shining a light on that issue. On part-time work—I will touch on this shortly in my speech, which the right hon. Lady may have been reading—it is interesting that, when it comes to men, we talk about agile working, while women appear, sadly, to be the downtrodden part-timers in some places. That needs to be corrected.

We need to put a better structure in place for our carers. I was a carer to my mother, and I am a mother myself. For many people in my shoes, there continue to be too many obstacles to being at home and a part-time worker. This country needs a true carers revolution that does not penalise women or, indeed, men who choose to stay at home with their children or to look after
their loved ones. I spent time with my parents at that age, and I would never, ever change that, but I had the choice.

Angela Crawley (Lanark and Hamilton East) (SNP): Does the hon. Lady agree that flexible working allows parents and carers to look after their loved ones while they continue to work, and that it is imperative that employers take that into account?

Mims Davies: I absolutely agree that flexible working is really important for people to be able to attend doctor’s appointments and to know what is going on at home without being worried about work. Many people who work part-time open their laptops of an evening to make sure that they are up to date, because they have had to go home to care for their children or loved ones.

Part-time work is valuable. It is important and useful both to workers and to employers, yet part-timers are often seen as a stopgap. They are not taken seriously enough and are viewed as expendable employees. It is time to view part-timers as agile, capable multi-skillers who are flexible and come in and make a real difference. They look after families, homes and communities, and hold down equally important part-time roles. I challenge anyone in business who does not believe such workers to be as valuable and helpful and just as useful as their full-time members of staff. Perhaps it is time for such employers to reassess and listen harder to those vital and often more nimble workers.

I want to make it clear that it is not my intention to exclude men from this debate. Many male colleagues will want to contribute their own ideas about how men, as fathers, grandfathers and proud dads of daughters, can make a more just and equal society. International Men’s Day on 19 November highlighted some serious concerns about men’s mental health, male suicide and the modern pressures on men. This changing society will have a bigger impact if we do not bring men fully on this equality journey with us.

I am the 380th women to be elected to Parliament. Women have not played anywhere near an equal role in the history of this House, but we are getting there. I welcome the fact that we are moving towards better representation both in this Chamber and in all the Parliaments across the world. We should also consider what happens around the world.

As well as women’s representation in this Parliament, we should consider what happens around the world. For example, Benazir Bhutto was the first female Prime Minister of Pakistan—indeed, she was the first female Prime Minister in the Islamic world—and she lost her life to an act of terror as she returned democracy to her country. We should pay tribute to women around the world. By way of declaration, I served as an adviser to Benazir Bhutto from 1999 to 2007.

Mims Davies: My hon. Friend is absolutely right. Parliaments across the world will be looking at themselves today and rightly asking whether they are doing enough to make equality a reality. This debate on International Women’s Day is our chance to do just that.

Jess Phillips (Birmingham, Yardley) (Lab): I pay tribute to the hon. Member for Eastleigh (Mims Davies) and my hon. Friend the Member for Brent Central (Dawn Butler) for securing the debate. Members will not be surprised by what I raise to speak about.

In 2015, a woman was murdered in the UK every three days—women murdered by men who they should have been able to trust. Commonly, women are murdered by their partners, husbands or boyfriends, but also in some cases by their fathers, sons or brothers. We wish to give voice to honour the women who died.

Today, I stand to honour every victim in the fight to end violence against women. Here are the names of the women who have died since International Women’s Day last year: Lucy Ayris, aged 25; Alison Wilson, 36; Janet Muller, 21; Sarah Pollock, 41; Jill Goldsmith, 49; Zaneta Balazova, 23; Cecilia Powell, 95; Marian Smith, 74; Violet Price, 80; Karen Buckley, 24; Susan Davenport, 63; Sandra Thomas, 57; Sarah Fox, 27; Bernadette Fox, 57; Aileen Bell, 60; Frances Cleary-Senior, 49; Tracey Woodford, 47; Mariola Cudworth, 36; Anna Rosenberg, 43; Wendy Milligan, 46; Gloria Perring, 76; Mahala Rhodes, 42; Marta Ligman, 23; Emma Crowhurst, 36; Joanna Doman, 55; Shigi Rethishkumar, 35; Neha Rethishkumar, 13; Niya Rethishkumar, 13; Grace Kissell, 33; Jan Jordon, 48; Ramute Butkienne, 42; Anne Dunkley, 67; Phyllis Hayes, 65; Nazia Akhtar, 31; Nadia Khan, 24; Jennifer Edwards, 45; Stacey Henderson, 35; Rita Stephens, 67; Jennifer Williams, 25; Amy Smith, 17; Anita Kapoor, 34; Linda Norcups, 46; Lisa Anthony, 47; Ava Anthony, 14; Lorraine Barwell, 54; Laura Davies, 21; Tracey Baker, 42; Florisse Corette, 81; Jill Moon, 62; Isobel “Becky” Parker, 23; Gillian Phillips, 54; Amal Abdi, 21; Jenny Foote, 38; Miriam Nyazema, 35; Denisa Silman, 25; Jennifer Dornan, 30; Jan Bennett, 67; Laura Holden, 36; Eline Bequ, 34; Katelyn Parker, 24; Elizabeth Nnyanzi, 31; Wendy Mann, 26; Lauren Masters, 20; Sam Ho, 39; Natalia Strelchenko, 38; Julie Collier, 55; Karen Reid, 53; Petra Atkinson, 42; Anne-Marie Cropper, 47; Nicola Cross, 37; Shelley Saxton-Cooper, 45; Sarrah Garbu, 27; Jourdain John-Baptiste, 22; Maxine Showers, 42; Helen Lancaster, 54; Malgorzata Marczak, 29; Usha Patel, 44; Leanneh Cameron, 29; Imelda Molina, 49; Kerry Reeves, 26; Christine Tunnicliffe-Massey, 57; Bianca Shepherd, 58; Barbara Barniecka, 49; Kayleigh Haywood, 15; Susan Mitchelson, 45; Kelly Pearce, 36; Jean Robertson, 85; Wendy Goodman, 48; Josephine Williamson, 83; Sian Roberts, 36; Hilda Mary Oakland, 71; Ravinder Jutla, 43; Jackie Abbott, 54; Lija Aroustamova, 52; Mumtaz Member, 56; Sian Blake, 43; Kathleen Griffin, 57; Manmohan Ghebrehiwet, 22; Daria Pionko, 21; Katie Locke, 23; Rita King, 81; Marjorie Elphicke, 53; Katy Rourke, 25; Katrina O’Hara, 44; Georgia Symonds, 25; Lisa Lyttle, 49; Andrea Lewis, 51; India Chipchase, 20; Guida Rufino, 38; Elidona Demiraj, 25; Geraldine Newman, 51;
I want to thank Karen Ingala Smith and the Counting Dead Women project. She does not allow these women to be forgotten; she shouts their names so we can do better. I want to note that as I read each and every woman’s story, the variety of the women struck me. These were not all poor women. They were women of every age. They were teachers, dinner ladies, doctors, dancers and daughters. Their perpetrators were not feckless drunks, but respected fathers, City bankers and eminent lawyers. Violence against women has no one face. We must do better. These women are gone. Here, in this place, we must not let them die in vain. We owe them that much. We owe them much more than what they got. [Applause.]

Several hon. Members rose—

Mr Speaker: I call Maria Miller.

Mrs Miller rose—

Mr Speaker: Order. Sorry; moved by the significance of what we have just heard, I have neglected my duties. I should tell the House that, on account of the very large number of Members wishing to contribute, there will be a four-minute limit on Back-Bench speeches with immediate effect. I thank the hon. Member for Birmingham, Yardley (Jess Phillips) for what she has said.

4.31 pm

Mrs Maria Miller (Basingstoke) (Con): It is difficult to follow my hon. Friend the Member for Birmingham, Yardley (Jess Phillips). I call her my hon. Friend because we are fellow members of the Women and Equalities Committee, and we have a shared passion for making sure that the voices of women are heard loud and clear in this House. What she has done has helped to make sure that the stories of those women are remembered and that their voices are heard, even if they are now departed.

International Women’s Day comes around every year, but since we last celebrated it we have had something else to celebrate, which is the establishment of the first ever Select Committee for women and equalities. Everybody in this House who was involved, and those no longer in the House, should be congratulated on the work they did to establish the Committee, which I have the privilege of chairing. Today, we have turned the tables in the Committee: young women have taken evidence from Members of Parliament. I particularly welcome my constituent, Aheng Negargar. She has been able to be with me today, and I know she has enjoyed it immeasurably.

Congratulations must go to my fellow Hampshire MP, my hon. Friend the Member for Eastleigh (Mims Davies), and to the hon. Member for Brent Central (Dawn Butler). Both ladies were a formidable force in front of the Backbench Business Committee. I had no doubt that they would secure a debate on the Floor of the House, and they did so at once. I should add that we thought about adding an extra criterion for being a member of the Women and Equalities Committee—having a child born on International Women’s Day. However, looking at the hon. Member for Hampstead and Kilburn (Tulip Siddiq), who was a member of our Committee, I hope that she does not feel that it is necessary to give birth today, although I am sure many people would be on hand to help out.

I will make two very brief points in my contribution today. As you know, Mr Speaker, there are more men in the House of Commons today than there are women who have ever been elected to Parliament. I was elected in 2005, as the 265th woman to be elected to this House, which is a shocking fact. I was not aware of that when I was elected. Since women were given the vote in this country in February 1918, 34 million women have been born, but just 450 have ever sat on the green Benches. No other position has been worse at attracting women than that of MP. How can we hope to change ingrained prejudice in our society if we fail to hold a mirror up to ourselves and realise that, as an institution, we are not making the progress that we need to make to encourage more women to take their position on the green Benches?

It is not rocket science. Working in two places, a lack of certainty, a culture of long hours and presenteeism are not conditions that will encourage more women to join us on the green Benches. I ask Members to think long and hard when they consider the way that we organise the business of the House, and I ask them to make us more representative in the future and a place of work that people want to join.

My second point is about leadership. I have no doubt about the Government’s commitment to putting equality at the heart of their policy, or their desire to see more women in leadership positions. The symbolic importance of Lord Davies’s work in getting 25% of women in non-executive positions is important, but we must go further than that. We have no shortfall in talent in this country; we have an underperformance of that talent further than that. We have no shortfall in talent in this country. However, just 450 female MPs have ever been elected to Parliament. I was elected in 2005, as the 265th woman to be elected to this House, which is a shocking fact. I was not aware of that when I was elected. Since women were given the vote in this country in February 1918, 34 million women have been born, but just 450 have ever sat on the green Benches. No other position has been worse at attracting women than that of MP. How can we hope to change ingrained prejudice in our society if we fail to hold a mirror up to ourselves and realise that, as an institution, we are not making the progress that we need to make to encourage more women to take their position on the green Benches?

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Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): When we organised the photo that is now in the Admission Order Office for all visitors and Members to see, there had been only 370 women MPs. There have now been 450 female MPs over 98 years, but there are currently 459 male MPs in this House alone. The right hon. Lady and I are privileged and happy to be among those female MPs in the House today, but does she agree that those figures are not good enough?

Mrs Miller: I could not agree more, and we need to hear from the leaders of every political party represented in this House a complete commitment to increase the number of women MPs at the next election. That will be a challenge with the boundary changes, but it a challenge that we should take on. It is a once-in-a-lifetime opportunity to increase significantly the proportion of women on the green Benches representing the people who live in our country.

The workplace, whether in Parliament, the City, or other institutions, was designed by men for men, and it has not changed fast enough to retain women in day-to-day positions or leadership positions. We must ensure that jobs, whether in Parliament or beyond, are designed for people who are living lives today, not as they were lived 20 years ago. I know that Ministers understand that from the policies that they are implementing, and I urge them to continue that work. The Women and Equalities Committee will always hold their feet to the fire.
Valerie Vaz (Walsall South) (Lab): It is a pleasure to follow the right hon. Member for Basingstoke (Mrs Miller), and I congratulate everyone who is taking part in the debate. I apologise for squeezing a nine-minute speech into four minutes.

This debate takes place against the background of the recent murder of Berta Cáceres, a feminist activist who was shot in her home in western Honduras because of her defence of the rights of indigenous people. I hope that many women will continue her work. The Secretary-General of the United Nations has said that when he took office there were nine Parliaments in the world without women. That figure is now down to four, but that is four too many, and there has still been no female UN Secretary-General. Hon. Members are right to mention the percentage of women in this Parliament, which now stands at 29%. Her Majesty’s Opposition, the Labour party, has 43% female MPs, which is nearing equality.

Fiona Mactaggart (Slough) (Lab): My hon. Friend remarks that we have not had a female UN Secretary-General, but will she join me in congratulating the current secretary-general of the Commonwealth, Baroness Scotland?

Valerie Vaz: I will, and I am delighted that she was selected. However, the statistics are still damning. In law, one Supreme Court judge is a woman, and only 13% of QCs are women; in science, women make up only 14.4% of the science, technology, engineering and maths workforce in the UK; in business, only 5.5% of chief executive officers in FTSE 100 companies are women. What about the gender pay gap? In 2014, according to the Office for National Statistics, it was 14.2%, which means that in effect, women work from about 9 November to the end of the year without any pay.

I want to raise two issues about women in my constituency. Locally, there was an equal pay judgment in 2008, and the poor women who worked for Birmingham City Council are still waiting for a pay-out. The men who did the same sort of work picked up extra pay through routine overtime and other bonuses. Mary Ashby and Josephine Haynes are retired, and they have a right to their pay-out. The Government can find £375 billion for quantitative easing, so will they please find the money to make sure that all the women get their pay-out?

Mr Angus Brendan MacNeill (Na h-Eileanan an Iar) (SNP): The hon. Lady makes a powerful point about women’s pay. According to the OECD, the Scandinavian countries of Iceland, Norway, Sweden and Finland score highly in where women are most equal. Those countries also lead the UN human development index and a number of other indicators. When women are doing well in a society, everybody does well. That helps the hon. Lady’s argument.

Valerie Vaz: I absolutely agree.

The second issue I want to raise is the closure of Her Majesty’s Revenue and Customs offices in Walsall South. Some 90% of the 60 jobs that will be lost are taken by women, who have caring responsibilities, so they need to stay local. There is also the issue of higher travel costs, the additional travelling time and the anxiety caused by the uncertainty. The staff build up the skills over the years, which helps them to get promotion through the civil service.

Sue Hayman (Workington) (Lab): Will my hon. Friend give way?


On Saturday morning, more than 500 people in Walsall town centre signed a petition to ask the Minister to look again at this dislocation of women’s lives and stop the relocation to Birmingham.

Internationally, there may have been a fantastic victory in Burma for the National League for Democracy, but the Burmese army has used rape and sexual violence against women for decades as part of its warfare against ethnic minority groups in the country. Many victims were gang-raped and many were killed, and United Nations reports have described rape and sexual violence as “widespread and systematic”. The Burmese army accounts for 25% of the Burmese Parliament. We must keep up the pressure to get rid of the army from the Parliament in Burma.

In Delhi, there was an outcry following the gang rape, assault and murder of Jyoti Singh on a bus. Leslee Udwin’s film “India’s Daughter” showed the devastating impact of Jyoti’s murder. Who can forget the late Sue Lloyd-Roberts’ interview with the cleric from Gambia in which she challenged him about female genital mutilation, or the Nigerian girls who were kidnapped almost two years ago this April?

We need to do more than just have a hashtag, and that is where Governments come in. Almost every major piece of legislation that has improved the lives of working women has been introduced by a Labour Government: the Work and Families Act 2006, which extended the right to statutory maternity leave to a full year for all employed women, regardless of length of service; the introduction of paternity leave in 2003; and legislative protections for women and mothers under the Equal Pay Act 1970, the Sex Discrimination Act 1975 and the Equality Act 2010. Everybody knows how brilliant Sure Start centres are in helping local children, mothers and fathers in our communities. We need to save them.

Education is the key. As Gandhi said, if we educate mothers we educate society. Women cannot wait for the trickle-up to promotion—there needs to be positive action. Marin Alsop, who in 2013 was the first female conductor of the last night of the Proms, admitted to being “quite shocked that it can be 2013 and there can still be firsts for women”.

Let us hope that by this time next year, women’s place at the highest levels will be commonplace. We owe it to future generations.

Mrs Helen Grant (Maidstone and The Weald) (Con): Last week, when I was in Nigeria, I had the honour of meeting a very small team of dedicated and passionate...
campaigners. On arrival at the hot, dusty open-air venue, I could hear them chanting and singing, and a lot of them were wearing red. Every day, this small group—mainly of women, but with some men—meet at Unity Fountain in Abuja. They campaign for the return of 276 girls taken by Boko Haram from their school on 14 April 2014. Fifty-seven of the girls escaped shortly after their abduction, but 219 remain missing. These young girls from Chibok were just like our girls. They were daughters, they were granddaughters, they were sisters, they were cousins and they were nieces. They were loved. They had been encouraged to embrace education—and they had, and their families had—and they were preparing for their final school certificate. They had hopes, dreams and aspirations, and then disaster struck.

Notwithstanding world condemnation and the support from Michelle Obama, our Prime Minister and others, the girls have not been returned. It is likely that many are still being held by Boko Haram, probably in smaller groups. Many will be pregnant as a result of rape, often by different men, over prolonged periods, and many will have been forced into marriage. Some will have been used as suicide bombers, and some will have died as a result of physical and mental abuse.

The Chibok girls are a small proportion of an estimated 2,500 women and girls abducted by Boko Haram in 2014. As they return, many face discrimination and rejection by their families and communities. Some fear that the girls have been radicalised. Others believe that the children conceived, carrying the violent characteristics of their biological fathers, will be the next generation of fighters. As a result, children, new-born babies and mothers are facing stigma and rejection, and risk further violence.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The hon. Lady is making an incredibly powerful speech about her experiences last week. Is she not as saddened as me that this is a situation not just in Nigeria, but in many countries around the world? I met today representatives of the Yazidi community that is still missing hundreds of women captured by Daesh and taken into sexual slavery. Does she agree that we have to put the protection of women and girls at the heart of all our international policies to stop these tragedies happening?

Mrs Grant: The hon. Gentleman makes an excellent point, and I wholeheartedly agree with him.

These children, babies and mothers are victims—they have done nothing wrong—and should be getting all the help and support they deserve and need to move on in their lives and reintegrate. As I stand in the Chamber today, I can still hear the chants of those Nigerian women, and I can still see their round and pained faces. They said, “Bring back our girls now and alive. Bring them back now.” Rarely have I witnessed such strength and determination.

Now these brave, strong women need our support, as we approach the second anniversary of the girls’ abduction. From 7 April to 14 April, there will be an international week of action to raise further awareness and to keep the issue in the spotlight. We want people everywhere to write, email, and tweet #BBOG; and to hold rallies, vigils, talks and Google chats. We need Governments and agencies around the world to share credible evidence and intelligence, and we need to keep these innocent girls in our thoughts and prayers. Just one tweet or one post can make a difference and bring our girls home.

4.48 pm

Fiona Mactaggart (Slough) (Lab): I want to structure my speech around the motion, which starts by expressing solidarity with International Women’s Day, as I have done today by dressing in the suffragette colours—just one symbol of that solidarity. Underneath, I am wearing a Fawcett Society feminist T-shirt.

The second part of the motion “notes with concern that, despite women making up 51 per cent of society as a whole, more progress needs to be made in electing women to Parliament”.

Like you, Mr Speaker, I was a member of the Speaker’s Conference on representation in this place. We have made progress. I am proud of the Labour party, which still provides more than half the women in this place, for taking the decision, which was not an easy one within the party, to use women-only shortlists. I was originally called a “quota woman”, but everyone has forgotten that now because they realise that I am quite an effective Member of Parliament.

We need to go further. I welcome the new Conservative women to the House. In some ways, I am glad that they were beneficiaries of the collapse of the Liberal party which, in my view, has done less than any other party on this issue. Let us remind ourselves why it is so important to have women here. At the moment, democracy fails if people cannot hear their voices in Parliament. Do women make a difference? Absolutely, they do.

I remember asking the Clerk of the Defence Committee at the turn of the century what difference having women on that Committee for the first time had made. I was not sure what the answer would be but, “Of course it has made an enormous difference, Fiona,” was what this rather stuffy Clerk said. I said, “What?” He said, “Well, we just used to talk about how big the bombs were, but now we talk about the families of the people who fight.” I just know that what would make me brave is knowing that my family is safe.

Women bring something additional to Parliament. One thing we achieved under a previous Prime Minister was the first ever stealth tax cut, when he could not bring himself to mention during his Budget that the level of VAT on sanitary protection had gone down. I am disappointed when we get patted on the head on some of these issues, in that the most recent san pro tax cut turned into a way of making this a kind of voluntary tax—“Guess what? We’ll give it to the Eve appeal.” I am glad that the Eve appeal is getting the money—I am a survivor of ovarian cancer myself—but if san pro is being taxed, the money should go into strategic support from the Government.

Jess Phillips: Does my right hon. Friend agree that the Government should look at some of their big strategic wins on women’s issues, such as human trafficking legislation and the Modern Slavery Act 2015? Should they not focus the money on something like that?

Fiona Mactaggart: My hon. Friend anticipates where my speech is going next.
The next part of the motion refers to equal pay. We have made some progress on that, but I am glad that the Women and Equalities Committee is looking at the fact that older women are being left behind when it comes to equal pay. They are being left behind in many other ways, too, so we need to try to sort that out.

The final part of the motion “calls for greater action against FGM and other practices that are harmful to women.”

Fiona Mactaggart: It is essential that we have a strategic response to violence against women and girls. We have all been moved by the speech of my hon. Friend the Member for Birmingham, Yardley (Jess Phillips), and we know that women—internationally and in the UK—are particularly likely to be victims of violence, which might be through so-called cultural practices such as FGM, or victims of human trafficking.

I am glad that the Government have introduced the Modern Slavery Act 2015 and are focusing on the issue. We know that, internationally, the biggest reason for trafficking in human beings is trafficking for sexual exploitation. With women who are murdered, we know that if they have been in prostitution, their perpetrator is much less likely to be caught and convicted. Our average murder conviction rate is 75%, but at the moment we convict only 23% of the murderers of prostitutes. That is a shocking figure. We fail to have an intelligent, strategic response to the existence of prostitution, recognising that it is, as it is actually practised, a mechanism of violence towards women, for the sexual exploitation of children and for turning women into commodities, thus making all women’s lives less safe.

I am glad that the Home Affairs Committee is looking at this issue, but until we follow Sweden’s lead by targeting the men who create this problem and saying that it is an offence to pay for women’s sexual services, I do not think we will end the horror that is the reality for most women and girls involved in prostitution—the horror of drug addiction; the horror of pimping; and the horror of exploitation and trafficking. That is something that we really need to focus on. When I first came to this House, we were reluctant to discuss the word “prostitution”, and I am glad that we now have a Chamber that is prepared to talk about it. However, we now have to do things to end this form of exploitation.

4.54 pm

Mrs Cheryl Gillan (Chesham and Amersham) (Con): It is a pleasure to follow the right hon. Member for Slough (Fiona Mactaggart). Let me also congratulate my hon. Friend the Member for Eastleigh (Mims Davies) and the hon. Member for Birmingham, Yardley (Jess Phillips) on securing the debate.

It was 20 years ago yesterday that I, as Women’s Minister, opened a debate on International Women’s Day that was taking place in Government time. I hope that Ministers will consider allowing a full day’s debate on this subject in Government time, because I think that that would be appreciated by Members on both sides of the House.

Twenty years ago, we had a lady Speaker—and very formidable she was—but only 60 MPs were female, and even today we have only 191. Although the percentage figures have increased, I think—as, I believe, do many other Members who are present today—that that is still not good enough. We are still not doing enough to inspire more women to take up political careers. That, of course, is little wonder, given that—notwithstanding what was said by my right hon. Friend the Member for Basingstoke (Mrs Miller)—the way in which our parliamentary system operates is viewed through the prism of Prime Minister’s Question Time which, on a good day, often seems little better than a primary school playgroup. Indeed, I have seen primary school playgroups whose behaviour has been better.

On that occasion 20 years ago, I had recently returned from Beijing, where, at a United Nations conference, a group of us had negotiated a platform for action. I was supported by Baroness Chalker and the then Member for Parliament for Tiverton and Honiton, Angela—now Baroness—Browning. More than 36,000 women attended that conference. I think that women’s lives have improved since then but, as I have just four minutes in which to speak, I can give only two brief examples of how.

Back in the 1990s, the global average number of maternal deaths per 100,000 live births was 338. The highest level was in sub-Saharan Africa, where it rose to an appalling 510. By 2015, the figure had fallen to 169. I welcome the fact that a further target of 70 has been set as part of the sustainable development agenda. Meanwhile, the percentage of women parliamentarians worldwide has doubled in those 20 years—from 11.3 in 1995 to 22.7 now. A crime that particularly affects women is cybercrime. As we have heard, there is new technology that can assist women, but can also be used as a weapon. According to UN Women, one in 10 women in the European Union has experienced cyber-harassment since the age of 15, including unwanted, offensive, sexually explicit e-mails or SMS messages, or offensive, inappropriate advances on a social networking site. The risk is highest among young women between the ages of 18 and 29. Tomorrow I shall be very pleased to be supporting the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts), who will introduce a ten-minute rule Bill covering cybercrime of that kind. It has cross-party support, and has been prepared through the all-party parliamentary group on digital crime, with the able assistance of Harry Fletcher and the Digital Trust. As an officer of the group, I hope that it will initiate some more updated laws to deal with technology-enabled offences, as well as consolidating areas of the law that relate to cybercrime. While we know how helpful technology can be, we need to ensure that our Government act so that it is not used as yet another weapon with which to beat women.

4.58 pm

Paula Sherriff (Dewsbury) (Lab): It is a pleasure to be taking part in the debate. However, notwithstanding all the good will and consensus, we should not forget
the long and bitter struggle in which women in this country had to engage in order to ensure that their voices were heard and the issues that affected them were debated and addressed. It goes without saying that we should take a moment to reflect on the thousands of women across the world who are still fighting that good fight today—in some cases, in very desperate circumstances.

I hope that the House will forgive me if I briefly break the lovely consensus to score one quick political point. The position of Minister for Women, as it was then, was created by Labour back in 1997. Women have played key roles in Labour from our earliest days, and of all the sweeping changes to Government introduced in 1997, I am glad to say that the creation of a ministerial position dedicated to women’s issues has been one of the most quietly enduring.

I would like to mention two issues. The first is the issue of gender pricing. We are all familiar with the issues of unequal pay and discriminatory employment practices, but the often larger price tag associated with items marketed specifically at women is the reverse side of the same coin. I shall give the House a couple of examples. In research undertaken recently by The Times, it was found that razors for women cost, on average, nearly 50% more than the equivalent products for men. At Tesco, a pack of 10 pink disposable razors is twice the price of a standard pack, whose only difference is the colour. At Argos, a child’s scooter is £5 more expensive in pink than in blue. And—this is something I still cannot quite get my head around—Bic sell “For Her” ballpoint pens that cost more than the standard model.

Overall, it has been estimated that women’s products cost more 42% of the time, whereas men’s products cost more just 18% of the time. In some cases, it may well be that items aimed at women genuinely cost more to produce than those aimed at men, and that retailers pass that cost on to consumers. But in far too many cases, women are being told that they should buy a specific product because it is the only version suitable for women, when in reality there is no real difference in the product. In those cases, it can be argued that they are being misled. I urge the Minister to ensure that independent analysis and further study is carried out to identify the extent of unfair gender pricing and marketing practices in the UK. We need to quantify the full cumulative impact of gender differentials in pricing for women, so that we can start to get to grips with this issue.

Mrs Miller: I am trying to resist the temptation to intervene, but is the hon. Lady as surprised as I was to discover that, despite the fact that the Select Committee has written to a number of the companies involved in this investigation, we have not yet had a response from all of them?

Paula Sherriff: Yes, that is pretty shocking. The right hon. Lady has pre-empted my next point. I was about to ask the Minister to meet the major retailers to identify what steps they are taking to rectify the situation.

My second point is related. Colleagues will know that over the last few months, along with many other Members, I have been banging the drum for the abolition of VAT on female sanitary products. Periods are a fact of human biology, not a leisure activity that women choose to indulge in. Tampons and other sanitary products are an absolute necessity, and certainly not the luxury that they are absurdly taxed as. More than 300,000 people have now signed a petition calling for a change to this ludicrous state of affairs, and it is about time that decision makers in Westminster and Brussels sat up and took notice.

We have heard time and again from the Government that this is all in the hands of the European Commission, and that the UK is keen to press this issue in conjunction with our European partners, but the apparent lack of progress has left many of us wondering how committed the Government really are on this issue. I ask the Minister—as I asked her colleague, the Economic Secretary to the Treasury, the hon. Member for West Worcestershire (Harriet Baldwin)—to guarantee that the Prime Minister or the Chancellor will come to the House and make a statement once the Commission has responded to our request, so that the public can know exactly where we stand before the referendum. The official United Nations theme of this year’s International Women’s Day is “Make it Happen”, and that is precisely what I urge the Government to do.

5.3 pm

Mrs Caroline Spelman (Meriden) (Con): I congratulate my hon. Friend the Member for Eastleigh (Mims Davies) on securing this debate. For many years, it was impossible to hold such a debate in the main Chamber, so the fact that we are here today is a mark of progress in itself. Today, as we observe International Women’s Day, the Government are launching a new campaign in which 99 women stand in solidarity with refugee women. I have the privilege of supporting this campaign along with many notable women including Mary Beard, Charlotte Church and Romola Garai, who recently appeared in the excellent film “Suffragette”, which I commend to any hon. Members who have not yet seen it.

The campaign was created to reflect the 99 pregnant women who were detained in the Yarl’s Wood detention centre in 2014. Of those 99 women, only nine left detention to be removed from the UK. Indeed, the figures I have seen suggest that only a very small minority of detained women are removed while pregnant, suggesting that the practice is somewhat obsolete. I recently had confirmation from the chief executive of Serco that the total number of pregnant women held at Yarl’s Wood last year was 69; fewer than the year before, but still too many. I strongly urge the Government to do all that they can in 2016 to stop the holding of pregnant women in detention centres once and for all. There are better places for the detention of a woman who is expecting a baby. Sarah—not her real name—was detained while pregnant and said:

“When I was in Yarl’s Wood I found it hard to believe that I was in the UK. I seemed to be in a place where human rights don’t exist. I saw so much misery and depression and mental illness while I was in there. There is constant crying and self-harm because the women don’t know why they are there or for how long.”

Some 2,000 asylum-seeking women are locked up in Yarl’s Wood each year. The majority are survivors of sexual violence and rape. Up to 93% of the women detained at Yarl’s Wood claim to have suffered sexual violence of some form. The most vulnerable women we can think of are being kept in far from ideal circumstances. The new “adults at risk” policy should reduce the
detention of vulnerable women and stress the need to move away from detention overall, and I commend the Home Office for those important steps. The recent report by Stephen Shaw also made strong recommendations in that area and I believe that Home Office Ministers have recognised the need for reform. Along with Women for Refugee Women, I hope that discussions will soon bear fruit, so that pregnant women seeking protection in this country as refugees will no longer face detention. The cost for individual women is so great that we cannot afford to wait any longer.

I also met the Yazidi women who are here today and was reminded of what drives women to seek safety in a country such as ours. Some 3,000 Yazidis are still in captivity in northern Iraq and Syria under Daesh occupation. Their children aged 11 to 16 are pressed into military service for Daesh and children as young as seven are being trained for action. These women are abused and raped. They are not in the UNHCR camps from which we have promised to take refugees, so a separate programme is clearly needed. Those two issues remind us of the drivers that bring pregnant women here and why we must ensure that we welcome them appropriately to our country.

5.7 pm

Siobhain McDonagh (Mitcham and Morden) (Lab):
The theme of this year’s International Women’s Day is gender parity, and I want to focus on the plight of low-paid women. We like to think that we live in an enlightened age of women’s rights, but, shockingly, the World Economic Forum has calculated that the gender gap in health, education, politics and the economy will not close until 2133. It will therefore take another five generations before women are on an equal footing with men.

Turning to women’s economic parity with men in the UK, a quarter of women now earn below the real living wage, which is £9.40 an hour in London. Our so-called economic recovery and increasing employment are being achieved off the backs of low-paid women. A staggering 60% of new jobs for women created since 2010 have been in the lowest-paid industries. Women make up three quarters of those in part-time work, earning on average 25% less an hour than their full-time colleagues. They dominate the lowest-paid sectors, where 62% of workers paid below the living wage are women. Some 90% of nurses are women and 84% of carers are women. Over 70% of hospitality waiting staff are women. In all those professions, women perform important work, but they are hugely undervalued.

Even in higher-paid jobs, women earn significantly less. The figure for median gross earnings for men is almost £30,000, but it is just over £24,000 for women—a 25% gap. While women make up half of all apprentices, they are being short-changed because of implicit gendered occupational segregation. Women dominate the lowest-paid apprenticships, making up 83% of health and social care apprentices and 91% of childcare apprentices. Meanwhile, men dominate the highest-paid apprenticships, where only 3% of engineering apprentices, 2% of construction apprentices and 10% of IT apprentices are women. The outcome is a gender pay gap in apprenticships that is now at 21%. That means that a woman apprentice will earn just £4.82 an hour on average, which compares with £5.85 an hour for her male colleague. There are, however, a few promising developments for future generations, and I would like to take the opportunity to congratulate Hewlett Packard Enterprise’s sponsorship of TechFuture Girls, which I welcomed to Parliament last week. This is a remarkable network of clubs inspiring young girls into tech, where they are currently hugely under-represented, and it is available free to all schools in the UK.

We also know that the Government’s gendered policies have seen benefits cuts that have hit women disproportionately, in favour of tax cuts for high earners, disproportionately benefiting men. Since 2010, £26 billion-worth of cuts have been made in benefits, tax credits, pay and pensions, and a staggering 85% of that total has been taken solely from women. At the same time, the Government have watered down the Treasury’s gender impact assessments, meaning that the true extent of these changes and their real impact on women is being disguised.

We might think that the introduction of the so-called “national living wage” would make the situation a lot better for women. I ask every woman in the House, when she listens to the Budget next week, just to consider that many women will take home less next month because of the national living wage, as a result of the stripping out of benefits, London weighting and double time on a Sunday. Let us then, as women, all stand together and say that those women deserve more, not less.

5.11 pm

Sir Peter Bottomley (Worthing West) (Con): When Eleanor Rathbone was elected to this House, one of her first speeches in the 1920s was about female genital mutilation.

She then went on to talk about the need for family endowment, saying that it was ludicrous to think that the earnings, generally of a man, at paid work can support a family of varying size. That is why she argued for family allowances, which were opposed by all parties, for their own reasons, until the wash-up session before the 1945 elections, when that measure went through this House and the House of Lords with nobody opposing it. That shows the endurance needed to push good ideas to their eventual adoption. After that, we moved on to child benefit.

When I was first elected, a Chancellor of the Exchequer—a Labour one, but that is not terribly important—argued that there was no need to bring in family allowance for the first child because the married couple’s allowance made up for that, not realising that half the married men had no dependent children and half the married men had a working wife. It was therefore one of the least directed ways of trying to support the needs of children while they are necessarily dependent—they are not allowed to work, so they cannot work and cannot earn.

I wish to make two brief additional points. The first is that we need to equalise work, by taking paid and unpaid work together. We ought to have an indicator that comes out every two or three years showing how much of the unpaid work in a household is done by the men and how much is done by the women. Until we start getting that more consciously becoming more equal, the opportunities for equality in paid work will remain distant.
The second point I wish to make is about expectations, hopes and opportunities. Anybody who went to see the exhibition in the Attlee Room in Portcullis House yesterday, where scientists, mathematicians and technologists were showing what they were doing, would not have been able to tell by the posters, except by looking at the name, whether the work and research had been done by a woman or by a man. One that particularly struck me was about the woman who had found a marker for prostate cancer. It was very important, low cost and effective, and it had no false positives. This was the kind of work that one would have expected to get a Nobel prize for if it had been done 30 years ago and if it had been shown to be working.

When we can get every child in primary school to feel at ease with maths and when everyone with talent can move on, we will find that all our children can reach forward. Whether they end up as mathematicians, engineers or scientists does not really matter, but they need to be as familiar with those subjects as they are with the arts, literature, drama, sport and the like. Let us therefore have the same expectations, opportunities and hopes here.

Tied to that, may I suggest that we also try to get more attention paid to an article in today’s Conservative Home about the Marmot curve and how we can try to get it into a flat line? No matter what the deprivation of the household we are born into, no matter whether we are Asian or black, in a lone parent family or not, we have the opportunity that education gives us, and that the hopes and expectations of our parents can give us, and we do not have our life chances determined by who are parents were, but more by what our parents do and what we can do ourselves.

5.14 pm

Deidre Brock (Edinburgh North and Leith) (SNP): We are just less than one month short of the 105th anniversary of Emily Wilding Davison’s night in the Undercroft here. In and of itself, that action was not a turning point, but it was part of a larger movement and societal change that have at least made strides in the right direction.

Emily Davison is a fine example of how it often takes straightforward thinking and direct action to make the changes that later generations come to see as normal. Changing the normal view of things is what drives society forward and it is very seldom easy, especially for women. I suggest then that it is the responsibility of every decent Government in every civilised nation on this earth to help advance the rights of women.

Less than two weeks ago, the Prime Minister of the United Kingdom told us how his Government had helped arms manufacturers from the UK sell arms to Saudi Arabia. That is a country where women cannot open a bank account without their husband’s permission, or try on clothes in a shop—the thought of an undressed woman behind a door, it seems, would be too much for Saudi men. It is a place where a woman cannot drive a car. I think that I am right in saying that it is the only country in the world where it is illegal for a woman to drive.

When a teenage girl was gang raped in 2006, the courts sentenced her to corporal punishment for being out of the house without a chaperone. She received 90 lashes for getting raped. Just last year, Suad al-Shamari, a Saudi women’s rights activist and the first female lawyer to appear before a Saudi court, was released from prison where she had been detained for three months without trial for advocating women’s issues. She was released when she promised to reduce her activism. This is the nation that the UK Prime Minister feels it is appropriate to celebrate doing business with.

Human rights are women’s rights and the rights of the women of Saudi Arabia should be at the top of the agenda for inter-Governmental relations. International Women’s Day has to be about promoting the rights and freedoms of women across the world. It has to be about ending repression, about engendering respect, and about parity of esteem between women and men.

The Government of the UK should be crowing when they make advances in those areas rather than providing more weapons to what is, essentially, a repressive regime for women. In the face of all that, women in Saudi Arabia are changing the face of their country. Despite the roadblocks put in their way, we see ground-breaking women such as Haifa al-Mansour who wrote and directed the first feature film to be shot there, and Samira Ibrahim Islam and Hayat Sindi, who are Saudi scientists who proved that Saudi women can match men in science. Using humour to chip away at the patriarchy is female Saudi comedian Amy Roko. They are transforming their lives and making the changes that will create a new normal for future generations of Saudi women, but they need the help and support of the international community if they are to succeed.

A Foreign Secretary stood in this Chamber once and promised an ethical foreign policy. He has gone and so has any semblance of an ethical foreign policy—it left here before he did—but the civilisation that we so readily pretend or aspire to demands that just such a policy be the guiding light of our international relations. On International Women’s Day, please let each Member here pledge that the rights and protection of women should be uppermost in their thinking about international relations.

5.18 pm

Nusrat Ghani (Wealden) (Con): Like many women sitting at home watching this debate today, I remember catching a glimpse of a female MP on telly and wondering what kind of woman one had to be to enter politics. What kind of woman is she, I thought. Now, working alongside them, I have encountered strong women, such as my hon. Friend the Member for Eastleigh (Mims Davies) and the hon. Member for Birmingham, Yardley (Jess Phillips) who have brought this debate to the Chamber today. Their strength comes from knowing who they are. They are tenacious and determined women who have gained respect in this male-dominated field of politics. There are 191 of these pioneers in this House, and we on the Government Benches should be proud to claim 68 of them, 27 of whom were newly elected last year. However, while being proud, we must also be ambitious for more. We who are lucky enough to be here must take seriously our responsibility to those who are not.

I would like to ask the House to join me in saluting all women and especially all female parliamentarians. It is often suggested that we are pioneers, and that we must buck trends, refashion the system and upset the milk cart. Yes, in a way we must—we are all pioneers and have shared experiences of the fight and struggle
for the privilege of sitting on these green Benches. It is our duty to raise issues that have previously gone unspoken. The collective female membership of this House is a powerful forum for change, and I want to raise three brief points.

First, how do we as a collective compel legislators, parliaments, the United Nations and all the decision brokers to better represent the lives and aspirations of women? Here today we have a groundswell of energy to represent women from all walks of life, and we need to hold national and international organisations to account to perform for women and not just for men.

Secondly, how do we harness technology to promote and support women? We heard earlier about online stalking, bullying and cybercrime. We are all on social media and all of us female parliamentarians must have been trolled at some point. Imagine the response there would be if we women who are targeted by misogynistic trolls all supported each other in shouting them down. Let us challenge Facebook and Twitter to support women to get online and shame the bullying tactics of anonymous people, mostly men, who dare to put us in our place. We must come together not just for one day, but use our collective voice to shout more loudly every day. We must take over those social media spaces and make them our own.

Finally, as an MP in this Parliament I do not have to justify my gender to represent one of my constituents, nor do I have to justify the way in which I represent someone because of my gender. That is how it must be in society too, and in every community, every family and every organisation, but that, unfortunately, is not the case throughout the country. In my constituency, Wealden, men earn 20.8% more than women. We must champion those women in this House.

In sharia courts in this very country, the testimonies of women are worth half as much as those of men. We must represent those women in this House. In communities where gangs groom and abuse children, their victims’ testimonies are often ignored by the authorities. We must speak up for those women.

We still have a long way to go to ensure that the testimonies of women are taken as seriously as those of men. When all of society accepts that our daughters, our sisters and our mothers are not owned by any man—are not owned by anybody but themselves—and have something to offer because of, rather than in spite of, their gender, only then will we have succeeded.

5.22 pm

Christina Rees (Neath) (Lab): It is an honour to speak in today’s debate and to follow the hon. Member for Wealden (Nusrat Ghani).

My constituency is not short of formidable, tenacious, and inspiring women. It is a great privilege for me to be the first woman to represent Neath in the House, and to have the responsibility of carrying on the legacy of all the women who have made contributions to public life in Neath. I am, in more ways than one, standing on the shoulders of giantesses.

I take this opportunity to pay tribute to Gwenda Thomas, the first and only woman Welsh Assembly Member for Neath, who is retiring at the end of the month after 17 years of service to both her constituency and Wales’s devolved Administration. Winifred Coombe Tennant, a British suffragette and philanthropist, made her home at Cadoxton Lodge, in my constituency. She was a leading figure in the campaign for women’s suffrage in South Wales. Katherine Jenkins, the globally recognised mezzo-soprano, was born and grew up in Neath, and her mother remains a committed activist. The recently ennobled Dame Siân Phillips, a world-renowned actress and singer, is from Gwaun Cae Gurwen. Another of Neath’s famous singing women, Bonnie Tyler, needs no introduction, nor does her song, “Lost in France”.

During the miners’ strike of 1984, women led from the front of the picket lines, organised valley support groups, and kept spirits alive in homes and heartlands across south Wales. The story of the 1984 miners’ strike was most recently told in the triumphant film “Pride”, which tells how the lesbian and gay community supported miners in the Dulais valley, and the story of the tireless and fearless Hefin Headon, a woman who was as much a leader during those times as any lodge chairman.

Out of that story of pride, adversity, camaraderie and success grew an innovative community organisation called the Dove Workshop, set up by women for women. Its founders include Hefina Headon and Mair Francis. The organisation has been held up across Europe as a model for community adult education. Established to offer women opportunities to retrain during the years that followed the miners strike, it was the birthplace of the Community University of the Valleys and has subsequently supported thousands of women to gain qualifications, including undergraduate degrees.

The Dulais valley is also home to Bethan Howell, Welsh rugby international, founding member of Seven Sisters RFC ladies’ rugby team and champion of equality. I must also pay tribute to two exceptional women who have had a profound impact on sport in Wales. Professor Laura McAlistair and Sarah Powell, both of whom have had outstanding sporting careers and are now leading the way as the first female chair and CEO of Sport Wales respectively. Of course, one of Great Britain’s greatest Olympians of all time was Baroness “Tanni” Grey-Thompson of Eaglescliffe. In my sport of squash we have Welsh international Tesni Evans, who has recently reached a career-high world ranking of 24. Of course there is also Margaret Coleman, wife of Donald Coleman, one of my predecessors, one of the most tenacious women I have ever met, and one of the busiest octogenarians I know.

Stephen Doughty: My hon. Friend is offering an impressive list of powerful Welsh women, and obviously she is one of them. Will she join me in paying tribute to Baroness Gale of Blaenrhondda in the other place, who has done so much in the Welsh Labour party to stand up for the rights of women, and who continues to do so to this day?

Christina Rees: I thank my hon. Friend for that intervention, because it would be remiss of me not to mention Baroness Gale.

I am proud to be taking through a private Member’s Bill—it is scheduled to have its Second Reading next Friday—that would bind in law the need to include mothers’ names on marriage certificates, something that does not currently happen, and an inequality that is yet to be set right.
It was a Labour Government who passed the Equal Pay Act 1970, a monumental occasion in women's history, but one that, unfortunately, did not mark the end of inequality. Forty-six years on, women still earn only, on average, 81p for every £1 earned by a man. There is much more to be done.

5.27 pm

**Victoria Atkins** (Louth and Horncastle) (Con): I hope that you will not think it boastful of me, Mr Speaker, if I declare that my constituency of Louth and Horncastle in Lincolnshire leads where others follow, particularly when it comes to electing female MPs, for I am not the first female MP to represent the seat. In 1921 the good people of Louth elected Margaret Wintringham. She has an important place in history; she was the first English-born female MP in this place, and the third ever female MP elected to this place. Fast-forward to 2015, and I am the 428th female MP, because since 1918 only 450 women have been elected to this place. That total is lower than the number of men in the House of Commons just in this Parliament. Therefore, when people ask why we need campaigns such as International Women's Day, I have to say that sadly we do not need to look too far.

We need more women in politics, not just in the House of Commons but across the board. We need more women, of every party, standing up for local communities in councils. We need more women reporting on national and local politics. We need more women shaping policies in think-tanks and universities across the country. We need more women in Whitehall advising Ministers on implementing policies. We need that not because women's experiences are in any way better or worse than men's, but because they are different. We must reflect the experiences of women and men across the country.

**Rebecca Pow** (Taunton Deane) (Con): Does my hon. Friend think that we perhaps do not have so many women in higher positions because women are not so good at putting themselves forward in the systems that are in place, which they have to go through to get to those positions? Men—I obviously have massive admiration for our colleagues—are very good at that, but women are not so good. I have two daughters going through the process now.

**Victoria Atkins**: I congratulate my hon. Friend's daughters. A lot of women are perhaps used to being the power behind the throne, to use a well-worn phrase. I hope that one of the things we have done today, in celebrating International Women's Day and inviting young women from our constituencies into the House of Commons, is to give those young women a little more confidence and courage in putting themselves forward when they want to achieve something.

Let me return to 1921 for a moment. My predecessor Mrs Wintringham campaigned on an issue that, sadly, is familiar to us in 2016: equal pay. After 95 years, there is still inequality of pay. We know that the situation is getting better, and the Government are doing a great deal to tackle it, but I welcome the promise of my right hon. Friend the Member for Basingstoke (Mrs Miller) to hold them to account so that we can do even better.

Why does any of this matter? It matters because it is the right thing to do. It matters when we meet young women in our constituencies. Today, I have had the pleasure of being visited by two young constituents, Jessica and Ellie—they made the trip down from Louth and Horncastle, which is three hours' drive at best. They have seen Downing Street, they have seen this place in action and they have listened to the 50:50 panel. That is all important stuff, which I hope will really energise and enthuse them in their careers in the future. For Jessica and Ellie, and for the millions of women across our constituencies, this debate is so important. However, this is not just about today; it is about what we do from now until the next International Women's Day and beyond.

I am pleased that the Chamber has been so busy this afternoon. May I say thank you to all the male Members of Parliament who have come to support the campaign? Although women may form 51% of the population, we must not forget that men form the other 49%. I may just have been terribly controversial there without meaning it, but anyway, I thank everyone who has supported the debate.

5.32 pm

**Tom Brake** (Carshalton and Wallington) (LD): This is the second debate I have spoken in on international women's issues recently. At an event last week, the right hon. Member for Don Valley (Caroline Flint) commented on the fact that it was much harder for women to get elected to Parliament than it was for many of the mediocre men who are here. I am therefore happy to speak on behalf of mediocre men.

Yesterday, I had the pleasure of meeting two young women, Alalea and Liza, who came here as part of the SET for BRITAIN event. They are both PhD students from Imperial College—my old college. Alalea is working on the subject of concrete, and Liza is working on wear particles. Although neither subject might sound totally stimulating, I can assure Members that the two young women's presentations were absolutely brilliant.

However, we cannot deduce too much from what those young women are doing. Clearly, at an international level, a huge amount of work still needs to be done on women's rights. Many Members will have received the email from Amnesty International setting out the six reasons why it thinks we still need an International Women's Day. One of the examples it provides is that in Ireland, for instance, "women with fatal health conditions are often refused life-saving treatment because of the risk it poses to the foetus."

Clearly, therefore, we still need to make major advances on women's rights abroad.

**Naz Shah** (Bradford West) (Lab): Will the right hon. Gentleman give way?

**Tom Brake**: I am afraid I will not, because many Members want to speak, and if I give way, that will mean less time for others.

There are still strong international challenges that need to be addressed, and there is certainly no room for complacency at a local level. The domestic violence statistics from my own borough show that domestic abuse forms 40% of all violent crime in Sutton, in the south-west London suburbs, which is relatively affluent. Of course, domestic violence is also severely under-reported, so perhaps only 50% of incidents are reported to the police.
The right hon. Member for Slough (Fiona Mactaggart) made a rather ungenerous comment about the Liberal Democrats as a party. She and I have discussed gender issues, and she could have asked me what the Lib Dems have been doing. I would have explained to her that our five most winnable Westminster seats in Scotland have been allocated to women candidates, so barring a dreadful election result in 2020—which I know some will wish on us—there should be a significant improvement. The same will be true in England, because our party conference is going to agree, I hope, to something for which I have been pushing, namely an all-women shortlist for every English seat from which a man is standing down. Barring unforeseen bad results, there should be a significant improvement.

I want to finish on the subject of female genital mutilation. My colleague Lynne Featherstone, who is now in the House of Lords, pushed very hard on the issue when she was a Minister. I want to leave the Under-Secretary of State for Women and Equalities and Family Justice, who will respond to the debate, with one point, which is that if we are serious about doing something about FGM, there needs to be mandatory personal, social, health and economic education, because otherwise the issues will not be addressed in some schools. I hope she will respond positively to that point.

Mr Speaker: Order. I am sorry to have to reduce the time limit for Back-Bench speeches with immediate effect to three minutes, but I am trying to get as many people in as possible.

5.36 pm

Andrew Griffiths (Burton) (Con): It is a delight to speak in this debate and to follow on from the words of my hon. Friend the Member for Louth and Horncastle (Victoria Atkins) about the male contribution. Anybody who reads the Hansard of last year’s debate will see that no male MPs made speeches, but some made interventions, so it is great to see so many men taking part in today’s debate, because this issue affects all of us. It affects our wives, sisters, daughters and grandmothers. None of us in this House would accept it if our daughters were prevented from reaching their true potential, if our wives were paid less than a man doing the same job, or if our mothers were discriminated against. We must all work together to ensure that we bring fairness and equality to Britain, and this debate is an important part of that.

It is important to consider the aims of International Women’s Day, one of which is to root out bias in the workplace. Of course, this place is a workplace, and I am delighted that there are now 191 female MPs, which is a big improvement on the 141 in the last Parliament, but we have much more to do. It is fantastic that almost 30% of Members are women. That is the highest number ever and a fantastic step forward, but we cannot be complacent and take our foot off the gas.

I am incredibly delighted that 68 women are part of this Conservative Government. One of the reasons for that was the work of Women2Win. I want to pay tribute to some formidable women, including my right hon. Friend the Member for Maidenhead (Mrs May) and Baroness Jenkin of Kennington, who, along with the late Baroness Ritchie of Brompton, did a huge amount to develop Women2Win, which brought in new women, gave them confidence and helped them to deliver. I also pay tribute to my hon. Friend the Member for Hexham (Guy Opperman), who did a great deal to continue that work.

Alex Chalk (Cheltenham) (Con): Does my hon. Friend agree that having more women in Parliament is in the national interest and that it will improve the tone and tenor of debate and, dare I say it, the quality of our legislation?

Andrew Griffiths: My hon. Friend is absolutely right. It is no surprise that when we widen the gene pool and get more women and diversity around the table, we make better decisions.

In the time I have left, I want to talk about something close to my heart. Engineering has a turnover of more than £1 trillion, which is a quarter of all UK enterprises, yet 64% of employers say that there is a shortage of engineers. That shortfall will lead to there being 55,000 fewer engineers by 2015 than the UK economy needs. Women make up only 9% of the engineering workforce. That is a scandal, and we need to do more to address it.

Fiona Mactaggart: Will the hon. Gentleman give way?

Andrew Griffiths: I will not, if the right hon. Lady does not mind, because I have only a few seconds left.

A paper by EngineeringUK shows that UK has the lowest proportion of female engineers in the EU. The figure is 9% in the UK, but 30% in Latvia. Girls outperform boys in STEM subjects but fail to continue those studies to A-level and beyond. In the past five years, 12,000 STEM A-levels were taken by women, but in 2013-14 only 3.8% of engineering apprenticeships were taken up by women. That represents a huge missed opportunity. We need to make sure that the girls who are coming through schools now become the engineers, designers and entrepreneurs of tomorrow. That is how women will take their place in the UK economy.

5.40 pm

Ruth Cadbury (Brentford and Isleworth) (Lab): I thank the hon. Member for Eastleigh (Mims Davies) for securing the debate along with my hon. Friend the Member for Brent Central (Dawn Butler). I am pleased that we are here in Parliament to recognise and celebrate International Women’s Day, along with women and Parliaments across the world. I am also happy to be the third consecutive woman to represent Brentford and Isleworth. We must remember that although women have guaranteed rights in law in the UK, there are still cultures, attitudes and practices that hold women back, subject them to violence and deprive the economy of the benefit of their full involvement.

So many issues that disproportionately affect women are worthy of debate, but I will focus on women’s status in the workplace. In the past 30 to 40 years, there has been a significant increase in female employment. As a consequence, there has been positive Government policy change on matters including workplace rights, childcare and anti-discrimination law. One of the big issues now
is flexible working. Employees can have flexible working, but they have to have been in post for six months. Many employers are beginning to realise the value of flexible working. An employer in my constituency, Debbie Leon, who represents a successful and growing company called Fashionizer, recognises that having flexible working practices enables her to get the best employees in the field.

Unfortunately, such practices are not always to be found in traditional workplaces, and I hope that Ministers will review the position. In fact, the Minister for Skills, the hon. Member for Grantham and Stamford (Nick Boles), told the Women and Equalities Committee that he used flexible working arrangements at the point of recruitment in the organisation that he ran to get the best staff for the job. If a Minister could do that in a previous workplace, I hope that Ministers will be encouraged to introduce a right for employees to request flexible working from the outset. I want women at all stages of their caring responsibilities to feel free to apply for jobs and not to be constrained by fixed work times and work days.

We cannot talk about flexible working hours and workers’ rights without talking about the European Union. Britain’s membership of the EU gave British workers the right to minimum paid maternity and paternity leave, and to equal pay and anti-discrimination laws. That is why I will be voting to stay in the EU.

5.43 pm

Craig Tracey (North Warwickshire) (Con): I congratulate my hon. Friend the Member for Eastleigh (Mims Davies) on securing this important debate. I am delighted to speak today as chair of the all-party group on women and enterprise. I really enjoy that role, although I have to admit that when I was first asked whether I would carry it out, I was worried that someone had misread my name and put it back to front. Thankfully, that was not the case and it is now my pleasure, through the APPG, to work with a talented group of inspiring female entrepreneurs from across a range of different backgrounds and business sectors. I want to focus on one of the key aims of our APPG, which is to encourage aspiration and entrepreneurship among women of all ages, but particularly young women.

Amanda Milling (Cannock Chase) (Con): Does my hon. Friend agree that Young Enterprise represents an excellent way of inspiring teenage girls to consider becoming entrepreneurs and business women in the future?

Craig Tracey: My hon. Friend is absolutely right. It was good that she raised that point in Prime Minister’s Question Time last week.

There is overwhelming evidence that harnessing female entrepreneurship can only be positive for our economy. Indeed, a report that was published in 2013 calculated that boosting female entrepreneurship could deliver approximately £60 billion extra to the UK economy. We also know that women bring a diversity dividend, whereby gender-balanced boards are more successful on every measure, according to a study by McKinsey & Co.

We are making good progress, but we still lag someway behind the USA, where women are twice as likely to be entrepreneurially active as UK women, although the rates for men in both countries are the same. In 1988, the USA put in place a women’s business Act, which introduced long-term infrastructure measures, such as the women’s business centre programme, and created the National Women’s Business Council. It is no coincidence that since those initiatives went live, over 30% of US enterprises have been female-owned. I ask Ministers to look carefully at such models to determine what lessons can be learned.

Evidence suggests that one of the biggest barriers to women starting their own business is a fear of failure. Studies often say that female entrepreneurs are held back by risk aversion and low confidence. In fact, it is not necessarily a lack of self-confidence, but an informed assessment of how prepared they feel to embark on the all-important first step. That is backed up by the fact that women who have undergone some form of enterprise training are twice as likely to be engaged in entrepreneurial activity, with specific female-focused business support being vital to greatly encouraging participation.

With that in mind, it is imperative that we offer our potential female entrepreneurs the best possible chance to achieve by giving them effective information, advice and guidance in schools. Schemes such as the Careers & Enterprise Company are a welcome addition and provide an excellent opportunity to plug an all-too-evident hole in our current careers advisory process. That alone is not enough, however, so we need to encourage more female role models and entrepreneurs into our schools, colleges and universities. A big step forward in that respect would be for senior women in business and politics to engage practically with their local students—to tell them their story, which would undoubtedly not have been all plain sailing, and, in essence, to inspire and support a new generation of female entrepreneurs.

We are in an exciting place in our history. We understand more than ever what we can do to support, nurture and encourage female enterprise. With the right long-term strategy from the Government, in partnership with our current entrepreneurs, the goal of equality and parity in business is a lot closer than we might think. I look forward to playing my part, through the all-party group, to help to make that happen.

5.47 pm

Ms Tasmina Ahmed-Sheik (Ochil and South Perthshire) (SNP): I am delighted to speak in this important debate. I pay tribute to the hon. Member for Eastleigh (Mims Davies)—before this debate started, she chaired an excellent cross-party panel with young women about International Women’s Day—and, indeed, to the hon. Member for Birmingham, Yardley (Jess Phillips) for her excellent contribution to the debate.

There is no doubt that huge progress has been made for women around the world in the 97 years that have passed since Nancy Astor took her seat on the green Benches. Many hon. Members will recall the story of how, when the first female MP tried to reach her usual place in the middle of a row, other MPs moved closer together to leave no space for her to get through, and then laughed and jeered as she forced past them. The braying some of us still hear in the Chamber seems a tired relic of those distant days—it is time to move on. Perhaps we should move on from the outdated “Hear, hear” to modern applause. That would be a welcome change, but it is probably best described as work in progress.
I should say that while 17 of us on the SNP Benches are women, the 54 of us are 100% feminists. I am very glad that my party has led the way, with Nicola Sturgeon’s gender-balanced Cabinet. More than two thirds of our new candidates in the elections to the Scottish Parliament are women.

Hannah Bardell (Livingston) (SNP): My hon. Friend mentions our First Minister, Nicola Sturgeon, who has received plaudits internationally for having a gender-balanced Cabinet. Will my hon. Friend join me in paying tribute to Winnie Ewing, our first female SNP MP, who came up against some of the outdated practices that my hon. Friend mentions?

Ms Ahmed-Sheikh: Absolutely. We stand on the broad shoulders of the giants who came before us and had to deal with so much in this Chamber and beyond. Huge strides have been made to improve the representation of women in Parliament at Westminster and Holyrood, but there is much more to do. I pay particular tribute to the significant work of the Women 50:50 campaign in Scotland.

Chris Stephens (Glasgow South West) (SNP): Is it the case that advances in female representation came about from positive action, and that more positive action is required?

Ms Ahmed-Sheikh: I agree with my hon. Friend, and until we believe that there is a level playing field in how people are chosen, positive action is welcome.

It is as important to seek to modernise practices and attitudes towards women in public and political life now as it was 100 years ago. We cannot stand still. It is vital for democracy that those who make laws across the world are representative of their countries at large, and that is important in the fight against Daesh and in the debate on our continuing membership of the European Union. Last year, I was privileged to chair an event that aimed to give a platform to the female perspective in Syria. Women are so often the forgotten victims of conflicts, and the forms of terrorism that we see today greatly impact on them.

Women have been at the forefront of action in Syria to combat child recruitment to armed groups, and they have led and co-ordinated the disarmament of men in public places in some refugee camps so that children do not have to walk around and see armed men. Those initiatives also disguise the names of their community projects to keep their work hidden from Daesh networks. Only by taking such action can we prepare Syrian women for skilled workers in these areas. I want to encourage more women to get involved in STEM, if they wish to, and that all doors are open so that should a young woman wish to become a chef, she can; so that if she wants to become a doctor, she can; and so that if she wants to be an engineer, she can. For me, this is about aspiration, something to which this Government are undoubtedly committed. Along with the great strides made in tackling the root cause of the gender pay gap, it is clear we are heading in the right direction.

When considering the impact made by women in positions of leadership, particularly in business, we should be proud that there are more women-led businesses than ever before. Historically, this country’s business culture has hindered women, who are just as accomplished as men when it comes to work. When I started in the retail sector, very few women held management positions and they were kept predominantly on the shop floor. Women often lack confidence and the belief that they can do any job as well as any man. I believe that we must instil a girl’s belief in herself at an early age.

My city of Derby has a rich history in the engineering and manufacturing sector, and STEM subjects are often at the core of that. There is an ever-increasing demand for skilled workers in these areas. I want to encourage more women to get involved in STEM, if they wish to, and to eliminate the ongoing perception that that is a male-dominated area.

I want to ensure that women and girls have choices and that all doors are open so that should a young woman wish to become a chef, she can; so that if she wants to become a doctor, she can; and so that if she wants to be an engineer, she can. For me, this is about supporting girls in their careers of choice and encouraging aspiration, something to which this Government are undoubtedly committed. Along with the great strides made in tackling the root cause of the gender pay gap, it is clear we are heading in the right direction.

I could, of course, continue at length, but I would like to finish by highlighting a very special woman: my grandmother who, at the age of 97, had an amazingly full life. She worked all her working life and was as fiery at 97 as she was when she was 27. She is proof positive that all women, whatever they do, should be proud of themselves and their achievements. I am proud to be an MP, a mum and a wife, but most of all I am proud to be a woman.
Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I speak today as my party’s first female MP and the first woman to represent to Dwyfor Meirionnydd—and proudly so. I am a member of a party that elected its first female leader, Leanne Wood, four years ago almost to the day. I thank the hon. Member for Eastleigh (Mims Davies) for securing this debate, and hon. Members for all the extraordinary speeches we have heard so far—I am very much enjoying them.

Patrick Grady (Glasgow North) (SNP): The hon. Lady notes that her party is now led by a woman. As has probably been said, the devolved Administrations in Scotland and Northern Ireland are led by women. Will she accept the hopes of SNP Members that that will also be true of Wales come the elections in May?

Liz Saville Roberts: I do, of course, agree with the hon. Gentleman very sincerely.

I speak as a Member of an institution that is still heavily male-dominated, in a profession that is still male-dominated. As others have said, although men are still in a minority in the Chamber today, it is easy to see why women might feel excluded from politics. A woman watching recent debates about increasing the state pension age for women would have seen a Chamber dominated by men arguing that women did not need to be given more notice that they would need to work longer before retirement, and that that somehow did not count as discrimination.

It is with this awareness that I firmly support means to propel us towards a fairer society and a fairer economy. We still live in a society where the important workplaces—the boardrooms, the debating chambers, the engineering consoles and the fighter jets—are dominated by men. It is in those places that are considered insignificant to society—the nurseries and the nursing homes—where we find that poorly paid women make up the great majority of the workforce doing the things that do not really matter, such as looking after their fellow human beings. Surely the time has come for us as a society to adjust our values. Why is it that those spheres of activities that are traditionally women’s work are so undervalued? Why should maintaining machinery and playing tricks with money have such high status, and thus be better paid, than caring for people in their old age?

While girls have traditionally been directed towards certain careers, equally boys have grown up thinking that caring for their fellow human beings is not for them. In activities such as politics, taking risks is valued and respected, but girls are still conditioned to tread carefully and live carefully—not causing offence, not drawing attention to their intelligence and not being adversarial. To describe a man as ambitious is complimentary, but to describe a woman as ambitious implies criticism. That is why we must lead by example.

The National Assembly for Wales became in 2003 the first gender-balanced national legislature in the world, helped in part by positive discrimination towards women. Plaid Cymru leader Leanne Wood became a Member of the National Assembly in 2003 under Plaid Cymru’s positive discrimination policy for regional list nomination. At my party’s spring conference this weekend, four years after she was made leader, Leanne was introduced to the stage by 17-year-old Lucie Wiltshire, who got involved in politics after meeting Leanne.

I think that we would all agree that no young person should ever be prevented from reaching their goals because of their gender. What is equally important, however, is how society enables girls to imagine their own goals. As a former teacher, I urge us to encourage others—girls and women—to take risks, to be fearless and to embrace ambition. As always, we are limited only by our imaginations.

Rebecca Harris (Castle Point) (Con): I am grateful for the opportunity to speak briefly in this important annual debate. In the time left, I wish to focus on the gender pay gap and the lack of women in senior professional roles in this country.

The gender pay gap is stubbornly persistent, despite the Equal Pay Act 1970 having been passed more than 40 years ago, and women are still woefully under-represented in the higher levels of British industry. We are aware of the depressing statistic that more men called John serve as chief executive officers in FTSE 100 companies than women. We can laugh at the statistics, but they reveal a depressing truth: our major industries are still not reflecting our society and are therefore not drawing on as wide a gene pool as they could.

The causes often begin early. I believe that schools need to play a significant role in overturning stereotypes, both in what they teach and what careers advice they offer, given that the gender pay gap is, in part, driven by the types of job women do. We all know that attitudes can change. Nearly 40 years ago, my own sister was a straight-As pupil and informed her school that she wanted to go into medicine. The reaction of those at her school was to suggest that, as a girl, she might prefer to consider nursing. Characteristically, she totally ignored that advice, and fortunately the world was spared a first-rate but horrendously bossy nurse. Instead, we got a superb doctor.

Nearly 40 years later, the majority of applicants to medical school are women, and something similar is occurring in law, so we know that we can change attitudes. We need to make the same changes in other careers for women, especially in engineering, where we have a desperate need for more talent, but we need to do it faster than we have changed attitudes towards other careers. I welcome the progress the Government have made over the past five years and the huge improvement in the number of girls taking STEM A-levels, but we need to keep pushing the case to get more into engineering.

The problem does not end when girls leave schools. Women still face unconscious discrimination in the workplace, and too many women feel they must choose between motherhood and building a career. I therefore welcome the Government’s move to achieve shared parental leave. Ane cdetoalw, we know that when women have families, their managers often feel they are less committed to the organisation, especially if they choose to take part-time work. Conversely, it seems, anecdotally, that when men become fathers, their managers sometimes feel they must require a pay rise and a promotion.

Shared parental leave, even if men do not take it up, will at least force men to face the dilemma and think through what effect it might have on their career prospects,
which, if they become managers of women in the future, could be of enormous benefit. As we have said, we want both men and women fighting to make sure this annual debate becomes something for the history curriculum in the future.

6.2 pm

Alison Thewliss (Glasgow Central) (SNP): When we miss out women from our legislatures, we make grave errors that seriously affect women and their families: we do not give the attention we should to maternal health and breastfeeding; we do not consider the impact of legislation on women; we leave women destitute without recourse to public funds; we get a Chancellor who believes that women paying the tampon tax for their own domestic abuse services is appropriate; and we see the introduction of welfare reforms such as the household payment in universal credit, the two-child tax credits policy and the rape clause.

In the brief time I have, I would like to concentrate on the two-child policy and the rape clause. It is a vindictive piece of policy that passes judgment and says the Government consider only the first two children worthy of support. To ask a woman to prove that her third child has been born as the result of rape to gain eligibility for child tax credits is utterly abhorrent. It stigmatises that woman and her child and is inconsistent with our obligations to treat children equally under the UN convention on the rights of the child.

There seems to be an assumption by some that rape just happens somehow. It is not acknowledged that it is most likely to happen to women already in coercive, abusive relationships. These women are in a particularly vulnerable place.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): My hon. Friend will be aware of the additional funding announced by Scotland’s First Minister today to help abused women get back into work. Does she agree that we need more of these initiatives across all Governments to help women in such positions?

Alison Thewliss: I absolutely agree with my hon. Friend. Members will be aware that I have been questioning the rape clause since last July’s Budget, but I have still not had a satisfactory answer to explain why this policy is required and how it will work. Lord Freud suggested on 27 January in the other place that proof that a woman’s third child was born of rape might not come via the criminal justice system, but instead come from a third-party official such as a GP or a social worker. This does not, however, resolve the problem. For many reasons, these women may not be able to tell their GPs about their circumstances, and there may be no social work involvement.

I am not sure how many women will end up claiming under this policy. If a woman is in a relationship and suffering domestic abuse, she might be putting herself at serious risk by making the claim in the first place. A similar issue arises in the household payments system and universal credit—if a woman requests a split payment, her partner will almost certainly know about it. She may well be doubly damned by this Government, because Lord Freud has also refused to allow an exemption to the two-child policy for women escaping abusive, controlling relationships, which is what the Scottish Government are trying to counteract.

There is still a distinct possibility that a woman could tell her story to the Department for Work and Pensions and Her Majesty’s Revenue and Customs and not be believed. Those organisations are not known, after all, for taking people at their word. There is not yet guidance, and the Government will not say who they are consulting.

The two-child policy also fails completely to recognise the complex nature of families in 2016. A couple who have children from previous relationships will, under the two-child policy, lose their child tax credit eligibility when they come together. There is no detail yet on exactly how multiple births will be protected. There is no acknowledgement of the impact on those who, for religious reasons, may traditionally have larger families. That is hardly fitting for a Government who vaunt their “family test”.

I have heard it said that families should have only the children they can afford, but that point of view does not acknowledge the challenges that life presents. A family may have three children and be well able to afford them, but what if one parent loses their job, takes ill or dies? There is no safety net whatever in the two-child policy to cover that eventuality, particularly if the remaining parent is required to work less to care for the family.

The two-child policy is rigid, ineffectual and unnecessary. The rape clause stigmatises vulnerable women and their families. This is a policy made on the hoof for the sake of a Daily Mail headline and a Tory conference press release. It is tantamount to social engineering. My plea on International Women’s Day 2016 is that we reject this kind of policy—the two-child policy and the rape clause—and we support every woman and every child equally.

6.7 pm

Jake Berry (Rossendale and Darwen) (Con): I thank my hon. Friend the Member for Eastleigh (Mims Davies) for securing this hugely important debate. Today, on International Women’s Day, I want to draw Members’ attention to an international crime that is now being perpetrated against young girls and women here in our country today. I refer to breast ironing. For the benefit of any Members who might not have heard of it, this is a ritualised form of child abuse that originated in Cameroon but is now happening in the UK whereby hot objects heated on a stove are placed on a girl’s breasts during puberty to retard the growth of the breast in the bizarre and wrong belief that this in some way makes them less sexually attractive to men.

This is a hidden crime in the same way that female genital mutilation was a hidden crime just a few years ago. It is hidden because it is carried out by a very close family member, normally a mother, sister, aunt or grandmother. A charity called CAME, which is run by lady called Margaret Nyuzyzewira, estimates that 1,000 girls and young women in this country are having their breasts mutilated today because of this cultural activity. Because it is so hidden, I decided to do a freedom of information request to all police forces in the UK to try to find out what they are doing about this abhorrent practice. I am devastated to say that 15% of all police forces did not even know that this practice existed, and 38% of those that responded said that they had no information about it and could not tackle it.
Having revealed those shocking figures, I want to talk briefly about what action we can take. On International Women’s Day we must send out a clear message that this is a crime and that the perpetrators, whoever they may be, must and should be prosecuted. I know of one case reported to the police in 2013: they had an existing pool of offences to choose from, but there is considerable confusion in this area of the law. I hope that I can call on the Government today to create a stand-alone offence of breast ironing to protect young girls and women in our country.

We are a Government who have taken fantastic action on female genital mutilation. In the Serious Crime Act 2015, we provided anonymity for victims and created an offence of failing to protect someone from FGM. We also issued statutory guidance. I hope that we can raise the profile of breast ironing, and that it can be treated in the same way. It is a crime that is secret in nature, it has a long-term and irreversible effect on women’s breasts, and people will not report a family member. Unless we do something about it, this hidden crime will remain just that: hidden.

6.10 pm
Liz McInnes (Heywood and Middleton) (Lab): I started today by being interviewed by a researcher from Brunel University about the subject of women as leaders. One of the questions that she asked me was, “What qualities make a woman a good leader?” I do not actually think that leadership skills are gender-specific, but what women do need are more female leaders to act as role models, and for it to be seen as commonplace for women to take the lead in business, politics, sport, and other areas that tend to be male-dominated, such as science and engineering.

The motion refers to the need to get more women into Parliament. As many Members have pointed out, we currently have 191 female MPs. I am proud to say that 99 of them are Labour MPs, and I am proud to be a member of that group. In respect of female representation in Parliament, we are getting better, but we clearly have a long way to go. I believe that one of the issues is that this place is still perceived as being very male-oriented. However, improvements have been made in sitting times, and I do not want any retrograde steps to be taken in that regard.

Women often have to dance to men’s tunes. I am reminded of Ginger Rogers, who, when she was asked about dancing with Fred Astaire, replied, “It’s simple: I just follow what Fred does.” Then she added, “But backwards, and in high heels.” For me, that sums up many situations in which women find themselves today. We need to find new ways of working that suit us, our families, and our responsibilities and commitments.

A few Members—including the hon. Member for Eastleigh (Mims Davies), in her excellent opening speech—have referred to the raising of the women’s state pension age. The WASPI women have shown themselves to be committed campaigners against that injustice. These are women who have been excluded from occupational pension schemes because they work part-time. These are women who have suffered ill health: many of those who have contacted me have had to leave work because of health issues, and are surviving on minimal incomes. These are women who are caring for elderly relatives. One of my constituents told me that she had had to give up work to care for five elderly relatives, and she also provides respite foster care.

These are hard-working, committed, caring women, who have given much to their communities, families and workplaces, yet it appears that their reward is to have to wait longer for the state pension on which they were relying. Would it not be a wonderful gesture if, on International Women’s Day, the Government were to commit themselves to proper transitional arrangements for the WASPI women? Let them walk not backwards in high heels, but forwards, and in sensible shoes.

6.13 pm
Dr Tania Mathias (Twickenham) (Con): I commend my hon. Friend the Member for Eastleigh (Mims Davies) for securing the debate. In the short time is available to me, I wish to focus particularly on female genital mutilation. On this one day of the year, we have a chance to audit where we have come from and where we wish to go. I agree with my hon. Friend for Rossendale and Darwen (Jake Berry) that we have some good legislation, notably the Female Genital Mutilation Act 2003 and the Serious Crime Act 2015. As has already been mentioned, it is now a crime to fail to protect a woman or a girl from female genital mutilation, which is very important.

I believe that good training is available. I myself have just completed the Home Office’s free online training. However, improvements can be made. It is excellent that the National Society for the Prevention of Cruelty to Children has a free 0800 telephone number, and the Government are doing brilliant work with The Girl Generation, an African-led movement to end female genital mutilation. I applaud every African woman, and every African girl, who is part of that incredibly important movement. However, more than 120 million women and girls in the world have suffered from FGM, including 100,000 in our community, and we can do more. There have been no successful prosecutions in this country.

Maggie Throup (Erewash) (Con): Does my hon. Friend agree that raising issues such as FGM and breast ironing in this place raises awareness of the issues and ensures that more action can be taken against these horrendous crimes?

Dr Mathias: I absolutely agree with my hon. Friend.

What more can we do? Having read the motion, I believe that we should not hide behind letters and acronyms; we should call it female genital mutilation. The Home Office online training has clinical diagrams, but they hide the absolute barbarity of the crime. The training should include images of it, however appalling they might be. In fairness to the Home Office training, however, it pointed out that the equivalent of female genital mutilation in a man would be the removal of the head of the penis and of a third of the shaft. That is what we are dealing with, and this practice has to be abolished.

We can do more. The most vulnerable people in this country are isolated migrant populations. We are not reaching out to them, and they are not reaching out to us. Speaking as a doctor, I know that if a woman comes to my clinical practice but cannot communicate with me
[Dr Mathias]

in the same language, it is difficult for me to ask very personal questions through an interpreter. It is even harder if that interpreter is a male friend or relative. We have to do more.

I shall finish by quoting Gloria Steinem, because we cannot have International Women’s Day without her. She has said:

“The human race is like a bird with two wings, and if one wing is broken, no one can fly.”

6.16 pm

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate, and I thank the hon. Members for Eastleigh (Mims Davies) and for Brent Central (Dawn Butler) for setting the scene so vividly and efficiently and for focusing our attention on the issues.

I look forward to the day when there are no longer issues that adversely affect women more than men, but still in 2016 we have a long way to go. Each year more than 100,000 people in the UK are at imminent risk of being murdered or seriously injured as a result of domestic abuse. Women are much more likely than men to be the victims of severe domestic abuse. Nearly one in three women who suffer from domestic abuse report that the first incidence of violence happened while they were pregnant and at their most vulnerable. Victims of abuse have a higher rate of drug and/or alcohol misuse. At least 20% of high-risk victims of abuse report using drugs and/or alcohol, and 40% of victims at high risk of abuse report mental health difficulties. More than 90% of these victims are female; only 5% to 10% are male. There is of course a plethora of other issues still facing women, but I found those statistics most disturbing and worrying.

Of course, it is not all doom and gloom. We see women across the world breaking the glass ceiling each and every day. As we approach our centenary in Northern Ireland, we usher in a new era under our new First Minister, Arlene Foster. She has been in post for 10 weeks, and every day, like many women, I faced the reality of whether to bring Northern Ireland better than ever. Arlene is living proof that gender is irrelevant and that equality in the workplace should be based on merit. She has merit in abundance.

This is International Women’s Day, and there are many parts of the world in which women, ladies and girls do not have the necessary opportunities, whether in education or health, and in which they are often abused and raped, and end up being married at an early age. We need to be a voice for those people who are voiceless. We have two female First Ministers in the United Kingdom, as well as other female party leaders, and it is important to remember these advancements today and to resolve to build on them in the years ahead. We need to continue to harness such role models, whether in politics, business, academia or any other field, so that the glass ceiling can be firmly broken and we can live in a world that rewards solely on merit. It has been a pleasure to participate in this debate.

6.19 pm

Rebecca Pow (Taunton Deane) (Con): I congratulate my hon. Friend the Member for Eastleigh (Mims Davies) on securing this debate. It is a day not only to celebrate women and their achievements, but to highlight what still needs to be done. I praise the Government for bringing forward policies that are helping to bring about balance and fairness for women.

I will not reiterate everything that has been covered today and will cut to the chase and get to one of my main points, which is rather cosmetic, but it affects all women none the less. It is the thorny issue of ageing. I was tempted to don a grey wig to make this point today, but I believe that props are not allowed in this place.

Yesterday, out of interest, I googled many of my colleagues in the House to see what questions were most asked about them on the internet. For all the women I googled, many of whom are here, the most-asked questions by the public were, “What is their age? What is their marital status? Do they have children?” I tried the same for male colleagues and—guess what?—not one of those questions was asked about any male MP. Is that not shocking? It seems that we are not rated on experience, wisdom, knowledge or achievements, which brings me to rather a grey note to finish on. A fine head of hair of that particular hue seems to be revered among the male fraternity. I give you the names of the silver fox, Mr Clooney, and Paul Hollywood and even our own Speaker. While a few revered women, such as our Home Secretary, have adopted the style, they are few and far between.

To sum up, like it or not, admit it or not, there is huge pressure on women to conform to youthful ideals. I want to change that view and this House can help. That is what this day is all about. Let us speak up for the experience and wisdom that women bring to the table through work and, if they choose to do so, through bringing up children. Give them the reverence that they deserve. We should get away from the value judgments that are often made on the basis of our hair colour. Let us continue with the many policies that my party is putting in place to empower women and young girls, of which I have two, and let us continue to tackle all taboos.

6.22 pm

Matt Warman (Boston and Skegness) (Con): On around 22 June this year, I am due to become a father for the first time. While it is not yet clear whether this baby girl’s middle name would be Europa or Brexit, she will in due course become an international woman. Being born in Britain, she will over the course of her
school and working life encounter opportunities that remain almost unimaginable for many born elsewhere. She will have a mother whose science and medical background will inspire her, or put her off, careers where women have traditionally been desperately under-represented, but her father’s jobs as a journalist and a politician may make her wonder why men are drawn to jobs in which the public do not believe a word that we say.

However, girls born in Britain do not only face first-world problems. While it is sometimes unhelpful to talk about a sex war in which a strain of feminism aggressively alienates men, arguments about language and presentation should not obscure the facts: seven out of 10 women say that they have experienced harassment in the street; childcare still falls predominantly on women; and men who take advantage of the Government’s hugely positive changes to parental leave are likely to be a tiny percentage of the majority. Even in this place, while we talk about paternity leave, it is apparently beyond the wit of man or woman to sort out a system that works. I hope my naked self-interest does not invalidate the fact that as long as Parliament says that businesses must do as we say, not as we do, we will deserve to make little progress nationwide.

International Women’s Day must surely be about one thing above all else: equality. It is about equality of opportunity for girls to study any subject they like and not those whose culture persists in saying that boys or girls specialise in certain subjects. It is about equality of access to their parents because society does not pretend that men have to go to work and women look after children. And it is about equality of access to the workplace, because it is time that we all acknowledged that men and women, Britain and the world benefit if we jointly celebrate diversity and difference, while acknowledging that each of us has strengths and that some of those may derive from gender as much as they do from background.

I do not think that the pay gap will have closed by the time my daughter is born or even before she is working, nor do I pretend that we can have so much equality that men and women will ever be equal in bearing children, but I know that unless we all—men and women—have this inequality in mind, in this place and everywhere, we will not be able to lead by example or to ask those who take advantage of the Government’s hugely positive changes to parental leave are likely to be a tiny percentage of the majority. Even in this place, while we talk about paternity leave, it is apparently beyond the wit of man or woman to sort out a system that works. I hope my naked self-interest does not invalidate the fact that as long as Parliament says that businesses must do as we say, not as we do, we will deserve to make little progress nationwide.

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International Women’s Day must surely be about one thing above all else: equality. It is about equality of opportunity for girls to study any subject they like and not those whose culture persists in saying that boys or girls specialise in certain subjects. It is about equality of access to their parents because society does not pretend that men have to go to work and women look after children. And it is about equality of access to the workplace, because it is time that we all acknowledged that men and women, Britain and the world benefit if we jointly celebrate diversity and difference, while acknowledging that each of us has strengths and that some of those may derive from gender as much as they do from background.

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6.25 pm

Ben Howlett (Bath) (Con): As the token man in the Women and Equalities Committee until very recently, it has been very nice to be in a minority in some parts of this place, and I feel as though I have lit my own bra many a time in support of the hon. Member for Brent Central (Dawn Butler) and the hon. Member for Eastleigh (Mims Davies), who have had the pleasure of serving a superb mentor, my right hon. Friend the Member for Birmingham, Yardley (Jess Phillips).

It is an absolute privilege to be able to call to arms every single man in this country to say that standing up and championing equal rights is not just a job for women, but a job for every single one of us—it is a job for every man in our country, too. That is why I am absolutely privileged to end up speaking in today’s International Women’s Day debate.

6.28 pm

Maggie Throup (Erewash) (Con): I am delighted to be able to speak in this very important debate, partly because the issue is such an important one, but also because too many women do not have a voice. We have heard some moving speeches today, but I want to spend my time highlighting some great women in my constituency, who are all great role models.

First, I wish to highlight three businesswomen: Caroline Steed, who exports her sofas across the world, including to China and Russia; Sheila Mason at Chunky Lace, which made the lace for the Duchess of Cambridgeshire’s wedding dress; and Sandra Lee, who just last Friday quadrupled the size of her gift shop. When it comes to educators, Joan McCarthy exudes enthusiasm to all her students in her role as head at Saint John Houghton Catholic Voluntary Academy. There are many more women teachers I could name as being outstanding, but I wish to mention a lady who plays an important part at one of my local schools, Chaucer Junior School—dinner lady Kerry Wheatley. Kerry does far more than just be a dinner lady; she runs the school’s gardening club and even takes students to the Chelsea flower show. But Kerry’s enthusiasm stretches even further than the dinner table or the garden; just last Friday she was instrumental in getting the students to clean for the Queen—another great lady.

When we turn to charities and the voluntary sector, the list gets even longer. We have Holly Saunders who set up the Erewash Valley Gymnastics Club, which recently featured on the BBC’s “East Midlands Today” to raise awareness of the impact of obesity on young lives. Brenda Davies is chief executive of Community Concern Erewash. Stella Scott and Linda Brown play key roles at Erewash Voluntary Action and Joe and
Bren are dedicated to Home-Start Erewash. They all deserve recognition. However, we must never forget the women who dedicate many years to raising our future generations, so often sacrificing their careers in support of their children.

We do not know what challenges those women had to overcome to play their roles in Erewash, but I can guarantee that they will have had to overcome some. By recognising and celebrating International Women’s Day here in this place, I believe that, in a small way, we are playing our part.

6.30 pm

Suella Fernandes (Fareham) (Con): I congratulate my hon. Friend the Member for Eastleigh (Mims Davies) on securing the debate.

Raped, beaten and destitute, Sarah had nowhere to go. Aged 28, and with her young son, she faced no option other than to leave her own home. Tom, her partner, had become increasingly violent over the past year, stripping her of her self-esteem. On one occasion, he had tried to push her out of an upstairs window. On another, she awoke at night to find that he had poured methylated spirits all over her, trying to set her alight. It stopped only when their young son saw what was happening and called the police. She had tried to leave over the years, but on every occasion Tom had persuaded her that he was a changed man and that he could not cope without her. One night, though, everything changed and she realised that she could not take any more. This is not a storyline in a soap opera; this was one of my clients when I was a barrister. I was instructed late one evening to apply to the court for an emergency order to get a judge to provide her with accommodation. The move was designed to provide her with a safe place and support for her son and to keep her away from the very real threat posed by Tom.

Two women die at the hands of domestic abusers each week in England and Wales. On average, a woman will be assaulted 35 times before seeking help. In 2009, the cost to the UK economy was estimated to be £15.7 million a year. Although we need to celebrate the achievements of women, we also need to pause and reflect on the areas in which, as those statistics show, women and girls are still being failed. Although words are important, it is action that will make a real difference.

In March 2014, the Government introduced Clare’s law, which is named after Clare Wood, who was tragically murdered by her ex-boyfriend in 2009. The law allows people to ask the police whether their partner has a history of domestic abuse, and it has already helped more than 1,000 people. We have introduced new domestic violence protection orders that protect victims in the immediate aftermath of domestic violence, when they are at their most vulnerable. Domestic violence is not always physical. It can be psychological and emotional, which is why we have introduced a new offence of coercive and controlling behaviour. Of course, all those numbers mean nothing to women and girls who are still suffering abuse, and it is for them that I speak today. No one in this country should live with the threat of violence or in fear of harm.

6.33 pm

Lucy Frazer (South East Cambridgeshire) (Con): I look forward to the day when there is no longer any need for International Women’s Day; when “Woman tipped to become next M&S boss announces she is taking maternity leave” is no longer a newsworthy headline for the Daily Mail; when we have 50%, not 22%, of parliamentarians across the world being women, and we no longer feel any need to measure or report the statistic; and when we do not need to discuss how to encourage more young women into science and maths.

Yes, we have come a long way. Government after Government have brought in legislation to ensure that we have equal treatment, but we are still striving for parity. Why is that? I do not profess to have the answers, but I recently read an article about a transgender person who had therefore experienced life as both a woman and a man. Ben Barres is a biologist at Stanford who lived and worked as Barbara Barres until he was in his 40s. He said that, as a woman, he often experienced bias, but when he became Ben he noticed a difference in his everyday experiences. He said that as a man, people treated him with much more respect. He noticed that he was more carefully listened to and his authority less frequently questioned. He wrote:

“The reasons why women are not breaking into academic jobs at any appreciable rate is not childcare, not family responsibilities.”

He went on to say:

“I have had the thought a million times: I am now taken more seriously”.

So I welcome International Women’s Day, but I would welcome more a time when there is no need to celebrate it, when women are recognised and lauded for what we have done as individuals, not for our achievements as women.

6.35 pm

Angela Crawley (Lanark and Hamilton East) (SNP): Today we celebrate International Women’s Day, an opportunity to celebrate great women and also to reflect on what more we can do as parliamentarians. It is true that there are more women in Parliament today than ever before, which is primarily why it is incumbent on us to take this opportunity to ensure equality across the board.

Women’s rights are human rights, yet when it comes to employment, women repeatedly suffer discrimination. We have seen Women Against State Pension Inequality campaigning vigorously for transitional arrangements.

Ms Margaret Ritchie (South Down) (SDLP): Does the hon. Lady agree that there is a compelling need for the Government to resolve the WASPI issue through transitional protection, perhaps with an announcement in the Budget next week?

Angela Crawley: Absolutely. I would wholeheartedly welcome an announcement in the Budget next week that the Government will make transitional arrangements for those women.

We have heard about the issues of pensions, employment and domestic violence. I recognise the powerful contribution of the hon. Member for Birmingham, Yardley (Jess Phillips), which highlighted the fact that too many women lose their life to violence every day.
On welfare, more women than men are lone parents and carers, a fact that must be recognised. The Government must ensure support for those women. There are many gaps that need to be addressed before we have full gender parity. I have called on the Prime Minister to take five key actions for International Women’s Day. First, the rape clause in the Welfare Reform and Work Bill must be scrapped. A woman who has a third child as a result of rape will be required to justify her position to a Government official in order to claim tax credits. That proposal is abhorrent. I thank my hon. Friend the Member for Glasgow Central (Alison Thewliss), who has campaigned tirelessly against it, and I support her efforts unequivocally. I hope the Government will remove that barbaric proposal.

I have urged the Prime Minister to ratify the Istanbul convention and to take serious action to tackle violence against women. Every day in the UK, women lose their life to physical violence. Ratification of the treaty would not only co-ordinate the policies of Government, local authorities and charities, but would send a clear message that the UK is committed to tackling all forms of violence.

The tampon tax must be scrapped. Labelling women’s sanitary products a luxury item is ridiculous. Those items are a necessity, so an additional VAT charge is wrong. Instead of the Government forcing the European Commission’s hand to lift the unfair tax, women will continue to pay that charge, and as a result continue to pay for their own services. We must remove that unfair tax, and the UK Government must use the money to support services.

We must also take firm action on the gender pay gap. The Scottish Government have committed to 50:50 by 2020, to encourage public sector, third sector and private sector companies to ensure equality on boards. The Scottish Government plan to legislate to ensure that public authorities with more than 20 employees will publish information on that. I hope the UK Government will consider that, as the current threshold of 250 employees is not good enough to tackle the gender pay gap in the way that they hope it will.

Unlawful maternity and pregnancy discrimination is more common in Britain’s workplaces than ever before, with many women being forced out of their employment. The Government are trying to help people into work, yet they are introducing employment tribunal fees that may be a barrier to many women tackling rogue employers. The Government must look at those fees and challenge discrimination in all its forms.

I have presented those five points to the Prime Minister. We need deeds, not words, and I urge the Government to take those recommendations on board. As parliamentarians, let us be bold in delivering the kind of society we want to achieve—a more equal future for everyone. Let us deliver it—it is possible.

6.39 pm

Kate Green (Stretford and Urmston) (Lab): I start by congratulating the hon. Member for Eastleigh (Mims Davies), the right hon. Member for Basingstoke (Mrs Miller) and my hon. Friend the Member for Brent Central (Dawn Butler) on securing today’s debate. I also thank the Backbench Business Committee for making time available for it and all the Members who have participated, women and men, for their contributions.

The debate has been an important opportunity to celebrate women’s achievements and share in an ambition that exists around the world to achieve gender equality, not only as a matter of justice to women but as a prerequisite for a successful, prosperous and peaceful future for our world. Equality for women is not a zero-sum game that means men must lose out if women do well. Whenever women are poor, insecure and unsafe or disempowered, everyone suffers—families, children and communities. When women do well, by contrast, society thrives; health, educational attainment and economic performance all improve. That is why our ambition of gender equality in every country is so important.

Of course, we have made great strides forward, especially here in the UK. Women are achieving educationally, professionally and in public life in ways that our grandparents could not have dreamed of. More women occupy senior positions in business, in the professions and in sport, as we heard from my hon. Friend the Member for Neath (Christina Rees). We have choices that were denied to previous generations of women.

Mr Jim Cunningham (Coventry South) (Lab): Will my hon. Friend give way?

Kate Green: I will not, if my hon. Friend will forgive me, because I am very short of time.

As we have heard today, there is still a long way to go. There is a long way to go on economic equality, as we heard from my right hon. Friend the Member for Slough (Fiona Mactaggart), my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh), my hon. Friend the Member for Dewsbury (Paula Sherriff), who talked about gender pricing, my hon. Friend the Member for Brentford and Isleworth (Ruth Cadbury), who talked about the importance of our membership of the European Union in protecting women’s economic position, and many other hon. Members. We heard about the gender pay gap, which is nearly 20% higher in this country than the European average, and about the average apprenticeship wage for young women being more than £1 lower than it is for young men. We heard about women being trapped in low-paid sectors such as catering, caring and retail. We heard from many hon. Members about the disproportionate representation of men in STEM jobs, and we heard that the disadvantage that women experience in the labour market feeds into their poverty in retirement.

No one who was in the Chamber this afternoon can have failed to be moved and appalled by the names read out by my hon. Friend the Member for Birmingham, Yardley (Jess Phillips) of women who are among the two killed every week in this country by a partner or former partner. We heard from hon. Members throughout the House of many other appalling examples of gender-based violence. We heard from the hon. Member for Fareham (Suella Fernandes), my right hon. Friend the Member for Slough, who talked about the violence endemic in prostitution, and the hon. Member for Rossendale and Darwen (Jake Berry), who talked about breast ironing, a new and horrific form of abuse that has arrived in this country. We also heard about female genital mutilation. Although we did not hear much about this today, we should also remember the special circumstances of lesbian and transgender women who suffer appalling gender-based violence.

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The right hon. Member for Chesham and Amersham (Mrs Gillan) rightly talked about cyber-abuse. I join the right hon. Member for Wealden (Nusrat Ghani) in urging the Government once again to consider introducing compulsory sex and relationships education.

May I make a special mention of the contribution of the right hon. Member for Meriden (Mrs Spelman), who spoke up for detained refugee women? Their plight in a civilised country is something that shames all of us. I was proud to sit in this Chamber this afternoon and hear her speak out on behalf of those women. It is a cause that we must continue to champion together.

We also heard that this Parliament has, pleasingly, seen the highest level of representation of women that we have ever had. However, as many hon. Members, including the hon. Member for Eastleigh, my hon. Friend the Members for Walsall South (Valerie Vaz) and for Heywood and Middleton (Liz McInnes) and the hon. Member for Louth and Horncastle (Victoria Atkins), said, we still have some way to go. When just 29% of our MPs are women, it is clear that our Parliament continues to fall a long way short of reflecting the population of our country.

Given the contributions that we have heard this afternoon, I am pleased that the sustainable development goals, to which we, along with all other countries, are signatories, include a goal dedicated to gender equality and women's empowerment. The sustainable development goals are not just for developing economies but apply to every country, including the UK. As we celebrate International Women's Day, we recognise that the challenges women face here at home are the same as those faced by our sisters everywhere. For sure, there are differences of degree, but not differences of kind. We have heard some shocking examples—the plight of the Yazidi women, women in Saudi Arabia and the girls kidnapped by Boko Haram—but the pattern of poverty, inequality, inadequate representation and gender-based violence exists in every country. As the challenges are the same worldwide, we can learn from and support each other to achieve solutions. We can work together to ensure that we embed gender equality into every aspect of our policy and practice.

I know that the Minister shares my passion for gender equality, and I am sure she will take the opportunity today to reaffirm the Government's commitment to systematically addressing gender inequality, wherever and whenever it arises. As we sign up to the vital sustainable development goals, I hope she will say that they will shape and underpin policy right across Government—both domestic policy and the way we use our influence and share learning with others internationally.

I also hope that Members will today affirm our determination that this debate will take place every International Women's Day—in this Chamber and in Government. As the right hon. Member for Chesham and Amersham suggested, in solidarity with our sisters around the world and as a measure of our resolve to place gender equality at the heart of our politics.

In conclusion, Madam Deputy Speaker, may I take this opportunity to wish you, all right hon. and hon. Members, and our sisters and brothers around the world a happy International Women's Day?
women and broadband programme, which has been incredibly successful. In fact, many of our women and broadband projects across the country, from Durham to Devon, are themselves celebrating International Women’s Day.

We have also endeavoured to address the issues that are most pertinent to women in work. From the introduction of the right to request flexible working, to shared parental leave, we are helping women to achieve a better balance between work and motherhood. Realistically, however, women’s caring responsibilities rarely end when their own children fly the nest. The challenge of balancing care with a fulfilling career can often become most acute in the later stages of a woman’s working life, whether they are caring for an elderly relative or for grandchildren. Let us not forget the remarkable sandwich generation, either, who are somehow doing both. We need to find ways to support them all. That is why the Women’s Business Council has established a working group on older workers and will consider what business can do to support them. We have also invested money in nine pilots across England to explore ways to support carers to balance work and caring responsibilities. When we talk to women—and men—it is clear that, on work-life balance, childcare is the most important issue. That is why we are investing more than £1 billion more a year on free childcare places.

Turning to parity of representation in politics and public life, we come full circle. We know just how valuable female role models can be to young girls and women—raising aspiration is vital to the talent pipeline. We all take great pride in being part of the most gender diverse Parliament in British history. The Government are committed to improving the public appointments process and have set an aspiration that 50% of new appointments should go to women.

Equality, however, is about more than just economic parity—protecting women and girls from violence, and supporting victims, are also key priorities. The list of murdered women at the hands of domestic violence that the hon. Member for Birmingham, Yardley (Jess Phillips) read out earlier makes that argument more clear. It is just not fair and it is just not right.

We also working with partners such as the PSHE Association to ensure that schools have access to safe, effective and high-quality resources. We have launched the next phase of our teen relationship abuse campaign, Disrespect NoBody, which encourages young people to think about their views on violence. We have funded the revenge porn helpline and the Freedom charity, which educates schoolchildren and their teachers about forced marriage.

We have made significant progress since 2010, including by criminalising forced marriage and revenge porn, as well as strengthening the law on domestic violence. We have strengthened the law on female genital mutilation so that it includes mandatory reporting and introducing FGM protection orders.

Tom Brake: Will the hon. Lady give way?

Caroline Dinenage: I will not. I am desperate to give the hon. Member for Brent Central (Dawn Butler) an opportunity to conclude the debate, because she did so well to secure it in the first place.

Let us celebrate today how far we have come and the achievements of past years, but at the same time we need to redouble our efforts to do more to close the gender pay gap and to ensure that no woman is deterred from achieving her aspirations and realising her potential. No woman should feel that she has to live her life in fear because of her gender.

6.54 pm

Dawn Butler (Brent Central) (Lab): I thank all the participants in the debate and the Backbench Business Committee for the time that it allocated. The right hon. Member for Basingstoke (Mrs Miller) touched on the battle—it was a bit of battle, I must say—that we had to ensure that the debate was held in the Chamber. I took a deep breath when it was suggested that we hold the debate in Westminster Hall, although the hon. Member for Eastleigh (Mims Davies) was a little more generous than me—subtlety was never one of my strong points.

The number of Members from both sides of the House who have spoken today, on International Women’s Day 2016, in this passionate debate showed that we were right to hold the debate here in the Chamber.

My hon. Friend the Member for Birmingham, Yardley (Jess Phillips) highlighted the women who have been killed by men since International Women’s Day 2015, reading out 121 names. Internationally, five women are killed every hour, so during this debate 15 women have been murdered. That is a sobering thought. The hon. Member for Maidstone and The Weald (Mrs Grant) talked about Boko Haram and the “Bring Back Our Girls” campaign, and said that there would be a renewed emphasis on that issue. We must never forget the women and girls who have been murdered, killed or kidnapped, or who are still missing.

My hon. Friend the Member for Dewsbury (Paula Sherriff) highlighted the gender differentials. My hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty) mentioned the Yazidi women who have been captured and raped. My right hon. Friend the Member for Slough (Fiona Mactaggart) mentioned prostitution and trafficked women, and she talked about the motion. The motion took a while to write, because so many issues could have been included that it was difficult to know what to focus on. A common theme that has come out of the debate is that the abuse of women is always used as a weapon of war. Whether it be in gangs, wars or other violence, women and young girls are always used and raped. We must never, ever forget that.

I have a little bit of a confession to make. Last night, I was thinking about the Chancellor in bed—[Laughter.] It is true. I was thinking that he has a deleterious effect on women, and I am fearful about next week’s Budget.

Mr Jim Cunningham: On that subject, surely the Chancellor could take a step in the right direction on International Women’s Day by looking at transitional arrangements for women who were born after 1951.

Dawn Butler: Absolutely. We have to do more on the transitional arrangements for women. The situation is not fair and it is just not right.
As I say, I worry about the Budget next week. It sometimes seems as though revenge is being taken against women, because 81% of the cuts made in this Parliament will affect women. In UK households, 744,000 individuals are on zero-hours contracts, and the majority of those people are women. In 2007, 62,700 equal pay claims were made. We all know, as has been said in the debate, that women are not being treated better at work, but only 9,621 equal pay claims were made in 2014-15, because of the changes that have been made to the law.

Twenty per cent. of small and medium-sized enterprises are led by women. Women often start their own businesses to ensure that their work is acknowledged, and the number who do so increases every single year. Forty-nine per cent. of lone parents are on prepayment meters, which means that they pay more, and that contributes to household debt. Guess what? The majority of lone parents are women. As I have said, 744,000 people are on zero-hours contracts, and the majority of them are women. Would it not be great if we could outlaw zero-hours contracts in this Parliament?

We in this House have a duty to ensure that we make laws that are not harmful to women. We have to empower women in this place; that is our duty. As has been mentioned, PSHE is an important part of education. It sets the foundation in schools, from a very early age, for constructive relationships. In my opinion, it should be compulsory.

I thank the House for the way in which the debate has been conducted, and I thank the Backbench Business Committee again for granting it.

Question put and agreed to.

Resolved.

That this House expresses its solidarity with International Women’s Day; notes with concern that, despite women making up 51 per cent. of society as a whole, more progress needs to be made to ensure that their worth is acknowledged, and the number who do so increases every single year. Forty-nine per cent. of lone parents are on prepayment meters, which means that they pay more, and that contributes to household debt. Guess what? The majority of lone parents are women. As I have said, 744,000 people are on zero-hours contracts, and the majority of them are women. Would it not be great if we could outlaw zero-hours contracts in this Parliament?

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Question put and agreed to.

Resolved.

EU Measures to Combat Terrorism

That this House takes note of European Union Document No. 14926/15, a Proposal for a Directive on combating terrorism and replacing Council Framework Decision 2002/475/JHA; endorses the Government’s decision not to opt in under Protocol 21 on the Position of the United Kingdom and Ireland in respect of the Area of Freedom, Security and Justice annexed to the EU Treaties; and supports the Government’s approach of working with other Member States to support our international partners and strengthen the international response to the threat from terrorism, recognising that national security is a matter for individual nations through their sovereign Parliaments.—[Sarah Newton.]

The Deputy Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 9 March (Standing Order No. 41A).
country, costing society approximately £13.9 billion each year in England alone. The petitioners therefore request that the House of Commons urges HM Treasury to make the tobacco industry pay for the damage they cause by introducing a tobacco levy to help fund Stop Smoking Services and advertising campaigns to help people quit.

Following is the full text of the petition:

The petition of residents of the UK,

Declares that cuts to public health funding mean vital Stop Smoking Services are being closed down; and further that these closures are preventing smokers accessing the most effective way to make them quit.

The petitioners therefore request that the House of Commons urges HM Treasury to make the tobacco industry pay for the damage they cause by introducing a tobacco levy to help fund Stop Smoking Services and advertising campaigns to help people quit.

And the petitioners remain, etc.

Third Crossing ( Lowestoft)

7.3 pm

Peter Aldous (Waveney) (Con): I would like, on behalf of my Waveney constituents, to present a petition calling on the Government to fund the construction of the third crossing of Lake Lothing in Lowestoft. A strong, compelling and evidence-based business case has been prepared, and it is vital that work starts on this much-needed bridge as soon as possible.

The petition, which has 10,049 signatures, states:

The petition of residents of Waveney,

Declares that the decision to build a new crossing over Lake Lothing in Lowestoft is agreed with all possible speed; further that there is significant local support for a new crossing; and further that the new crossing would positively impact upon the local economy in Lowestoft and the surrounding area.

The petitioners therefore request that the House of Commons urges the Government to confirm funding for the project in order for construction to begin as soon as possible and be completed by 2020.

And the petitioners remain, etc.

Hinkley Point C Reactor

Motion made, and Question proposed, That this House do now adjourn.—(Sarah Newton.)

7.4 pm

George Kerevan (East Lothian) (SNP): We have just had a good debate on International Women’s Day and we are about to discuss nuclear power, so I would like in one sentence to remember Marie Curie, who did all the basic work on radioactivity, Lise Meitner, who discovered uranium fission, and a lady who hon. Members probably have not heard of, Leona Woods Marshall Libby, who was the first person in charge of building a large-scale nuclear reactor. Unfortunately she had to wear baggy clothes to hide her pregnancy in case she got fired.

I am interested in the Hinkley Point C reactor partly because I have an EDF nuclear plant at Torness in my constituency, and nothing that I say tonight should be taken as anything other than deep respect on my part for the management and staff at that plant. I am also interested in this subject because I am a sometime energy economist. This debate is not about arguments for and against nuclear power; it is about the fact that the Government have been keeping Parliament in the dark—I use that word advisedly—on the crisis in the EDF board. I heard the Minister of State speaking on the radio this morning. She gave the usual line that it will be all right on the night, but it will not.

Ms Margaret Ritchie (South Down) (SDLP): I congratulate the hon. Gentleman on securing this important debate. Is he aware—perhaps he will refer to this—that the project and finance directors for the Hinkley Point C project have stood down in the last month, and one stood down earlier this week? There is no working model in western Europe for the Hinkley Point nuclear reactor.

George Kerevan: I am aware that two senior members of EDF have quit their jobs. More to the point, I have been in touch with members of the EDF board in France—I trust the Government have too—and as we speak, at least one third of that board are in favour of a moratorium on a decision to go ahead with the Hinkley Point C reactor until at least 2019.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): As my hon. Friend will know, part of the EDF board is made up from trade unions. It was pointed out to me earlier today at a lunch for stakeholders in the energy industry, that it is ironic that a UK Tory Government are being lectured by French trade unions on financial responsibility at Hinkley.

George Kerevan: If my hon. Friend has been reading the French media over the past few days he will know that it is not just the French unions. Practically the entire French media are now referring to Hinkley Point and the EPR reactor as the “English threat” to EDF.

Hinkley is the biggest power project we have ever seen, at £25 billion and rising. Under our current energy plan we are dependent on it to deliver 7% of the UK’s generation capacity, at a moment when our capacity margins are close to zero. Having mortgaged the UK’s energy future to Hinkley C, the Government have failed...
consistently to keep Parliament informed about the crisis on the EDF board, up to and including last weekend when the person in charge of the company’s finances—the chief financial officer—was in effect forced to resign because of his resistance to going ahead with this project.

If a major UK engineering company had a contract with the Government, and its chief financial officer was opposed to that contract and was fired, imagine the scandal there would be. However, the Government are happy to stay quiet while the senior management of EDF are removed in order for the project to go ahead.

James Heappey (Wells) (Con): Will the hon. Gentleman concede that the chief executive of EDF, both in the UK and France, has been consistently committed to the project, as indeed have the UK and French Governments? I am not quite sure what else it is we might like to know in this House, given that that commitment has been unanimous and unstinting.

George Kerevan: I am aware of that—that is the problem. Why is there a revolt on the board? It is not just the trade union members. It is true that a third of the EDF board is allocated to union members, union representatives and staff representatives. They are in favour of nuclear power, but they are worried about the impact on the company’s future. Why is there a vote? Why was the chief financial officer against this? EDF has a negative cash flow. Its debts are twice its company valuation. Its share price has halved in the past 12 months. How is it paying its dividend? It is doing so by issuing more shares and giving them to the shareholders. Imagine how insane that is.

David Mowat (Warrington South) (Con): Every point the hon. Gentleman has made is right, but insofar as the company is underwritten by its main shareholder, the French Government, the issues he raises are peripheral.

George Kerevan: I think the hon. Gentleman has summed up the incredible state we have got ourselves into. Somewhere, it will all be right on the night. Somehow, the French Government are going to bail out the United Kingdom’s energy policy. I can assure Conservative Members that that is not going to happen. What is going to happen is the following: at some point, I suspect with pressure from the British Government, what is left of EDF’s board and senior management will override the resistance of the minority on the board and green light construction. They will green light construction at a point where EDF cannot guarantee it has the funds to complete building the reactor. At some point, there will be a crisis and who is going to pick up the pieces? I can assure the House that it will be the United Kingdom taxpayer, not the French taxpayer.

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): Having previously worked in the industry, like the hon. Member for Warrington South (David Mowat), in contracts management, I looked at Hinkley C online. While forms of agreement have been agreed as far back as October 2015, they are just a vehicle for project delivery. The design phase determines the project. As we appear to be about to enter the detailed design phase, this stage gate requires a more robust estimate to assure investor concerns. Clearly, that has not happened. Does my hon. Friend agree that, given the very public challenges the project faces if it ever starts, the forecast practical completion date of somewhere between 2023 and 2025 is highly unlikely?

George Kerevan: I could not agree more with my hon. Friend. Originally, the two Hinkley C reactors were designed to be off-the-shelf copies of the reactor being built by EDF in Normandy. That has not happened. There have been significant changes. In fact, the way the EPR reactor has to be built—on site, piece by piece; it will be unique—leaves massive margins of error for cost overrun. Who is underwriting any cost overruns? The Chancellor of the Exchequer has given a partial capital guarantee that if there is any problem in the construction phase, the British taxpayer will start to pick up the bill.

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Does my hon. Friend accept that of EDF’s two reactors underway in Europe, there have been huge cost overruns in Finland where the reactor is nine years late, while the one in Normandy is four years late?

George Kerevan: Yes, that is entirely true. That is the point. If we look at who is actually responsible for having got us into this financial hole, do I detect yet again that it is the Chancellor of the Exchequer? We are here not out of an energy policy issue, but because the Chancellor wanted to keep the construction costs of £25 billion and rising off the national book. He wanted to keep it off the debt. For the first time ever in the UK, we are trying to build a new reactor with a new reactor design by putting all the risk on to the private sector. This project is too large and the technology is too unproven for that to work. The Chancellor is digging himself a big hole to protect his rickety plan to keep down the deficit and pay down the national debt, but it will not work. At some point in the next 10 years, we will be back here discussing a bail-out.

That is what I am trying to get across. A significant number of EDF board members know that the project cannot be financed through private capital. Even if EDF could raise the £12 billion or £18 billion—its share for building the Hinkley C reactor—it would need four, five or six times that to complete its programme of reactor life extensions in France. The sum total is colossal for a company already dripping with debt. Unless the French taxpayer is prepared to underwrite all of that, which is highly unlikely, something will have to give, and let me assure the House that it will be not EDF’s reactors in France but this project. It will disappear into the wide blue yonder.

The problem is that by 2025, when the two reactors are not on-stream, we will have closed down the 10 coal-fired stations that the Government announced would be closed last November, just before the Paris climate change conference, and suddenly we will have a huge gap in the 2020s—even worse than now—in our capacity to generate electricity. That will all be because we have mortgaged ourselves to an outdated approach to energy, which is to build gargantuan nuclear reactors that cost the earth—literally and financially—and which cannot be underwritten by the private sector because of the risk. The Government have manifestly been trying to
pretend otherwise, and that is ultimately why they are refusing to come back regularly to the House to explain what is going on. They are hoping for the best.

I want the Minister to tell us what discussions have been going on with the board, when we might see the decision to go ahead with construction and what will happen if we do not get a timely agreement to go ahead. What happens if the board delays and delays until 2019? Is there a plan B?

Philip Boswell: Will my hon. Friend also ask the Minister whether, given the current constraints and pressures in the industry, she foresees the current negotiated strike price of £92.50 being renegotiated—the only way being up?

George Kerevan: Of course, the strike price is subject to certain qualifications. Were EDF to build the reactors and make a vast profit—the strike price is more than twice the current cost of electricity and there is an increment for inflation—there would be a clawback. If it makes a profit beyond what was originally envisaged, some of the money would come back to the British taxpayer. The clawback was insisted upon and enlarged by the European Commission, so it was interesting to listening to the Minister this morning on the radio, given her position on the UK leaving the EU. It was in fact the Commission that tried to stand up for the British consumer. That is one reason I will be voting to stay in the EU.

I have made the basic point, so I shall draw to a close.

David Mowat: The hon. Gentleman is making the case that the EDF board, which, with others, produces 70% of France’s electricity from nuclear power, is incompetent. Is it his position that the board of Hitachi is equally incompetent, given that it is also planning to build nuclear power stations in Britain, or has it not got as far as the SNP in its analysis of the practicality of the whole thing?

George Kerevan: I cavil at the word “incompetent”. The board’s decision has become politically charged. That is the point. The UK Government are desperate to continue with the project because everything is hitched to it and because it keeps the cost of building Hinkley C theoretically off the books—although it cannot remain so in the long run—and the French Government are committed to it because EDF is in a major financial crisis and they want to protect its reputation and give it a chance to grow out of its problems. If we make such decisions political, however, we make bad decisions—that is my point. It is strange that I have to lecture the Conservative Government on that.

Some of the senior management of EDF, knowing the difficulties, want to delay and want to get the funding in place. It was because the chief officer wanted the funding in place that they got rid of him. How can that be so? Aside from politics and differences on nuclear power, cannot the Government and the Department of Energy and Climate Change see the problems that they are getting themselves into? All they come back with is “It will be all right on the right”.

Ms Ritchie: What does the hon. Gentleman think of the French project in Flamanville and the Norwegian projects have hit construction problems?

George Kerevan: Both the Flamanville reactor and the reactor in Finland have run into trouble. The EPR reactor was designed to be super safe, but it involved loading technology on top of technology, with the result that it has to be built in situ. It cannot be built, as other reactor models can, in the factory with bits getting moved in. Building in situ means that each and every single EPR has been different and that the economies of scale that were meant to make the projects cost-effective have gone. That is why it is becoming very difficult for EDF to raise the money commercially to do the funding. The technology is questionable, the funding is questionable and there is Government interference.

All I am saying ultimately is that this Parliament needs regular updating in an honest and serious way so that we know where we are. We also need a plan B because this antediluvian and obsolete method of approaching how to fund large-scale and huge energy projects by putting all the eggs in one basket runs a risk. Perhaps because the Government are frightened to own up to that risk, they hide—and if they hide, it just means that the problem will be even greater in the future.

7.21 pm

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): In the same tone as the hon. Gentleman, I would like to draw attention on International Women’s Day to the fact that Dame Sue Ion was on “Desert Island Discs” as the first woman to be awarded the very prestigious president’s medal by the Royal Academy of Engineering and she is herself a nuclear expert. I am sure that all hon. Members will be delighted to hear that today of all days.

I thank the hon. Member for East Lothian (George Kerevan) for securing this debate, which gives me the opportunity to put forward the Government’s vision for Hinkley Point C. HPC is a matter of national importance for our energy system, and it is only right that it should be discussed in this House. However, let me point out that we do not put all our eggs in one basket. Far from being the only game in town, as the hon. Gentleman suggested, it is part of a balanced mix of energy sources that includes renewables and fossil fuels. It is absolutely vital that we stick to our plan for energy security and decarbonising at the lowest price to consumers.

Returning to HPC, there are numerous approvals processes for a project like it, many of which have already been completed. These include state aid; the approval of a funded decommissioning programme to cover the costs of managing waste from HPC, which is included in the contract for difference; planning approval; and grid connection. Some other processes will continue up to signature of the documents. Looking ahead, HPC will need to comply with the UK’s robust nuclear regulations—among the most stringent and safest in the world.

However, the key to this project is the funding package that has been negotiated with the developer. It is this, I think, that the hon. Gentleman had in mind when calling for this debate, and I intend to focus my remarks on it. The short answer to the question he raised is that the timing of Government’s final approval of the deal is dependent on EDF being in a position to make a final investment decision. As he is aware, this is ultimately a commercial matter for EDF. In the UK, it is for developers
to fund, build and operate new nuclear power stations. I would like to take this opportunity to explain what this Government are doing to expedite the successful conclusion of this landmark deal.

Callum McCaig (Aberdeen South) (SNP) rose—

Andrea Leadsom: I shall not give way for a while; I am slightly short of time and I have important points to make. I will give way later if there is time.

Let me first remind the House of the reasons why the Government have supported the development of Hinkley Point C, and how we have ensured that this is a good deal for Britain. New nuclear is needed, alongside renewables and fossil fuels, because nuclear is the only non-renewable low-carbon technology that is currently proven and can be deployed on a large scale to provide continuous supply. Most existing nuclear plants, which currently meet about 16% of our energy needs, are due to close by the late 2020s. Without new nuclear build, the share of nuclear generation could dip to 3% in 2030. Britain is a world leader in civil nuclear, through our skills base, our infrastructure and our regulatory regime. Hinkley Point C will keep Britain at the forefront of nuclear development.

Government policy has determined that the new plant should be financed and built by the private sector. The Government have worked closely with new-build vendors and industry to develop a number of initiatives to maximise both the capability and the economic benefits to the UK. That goes far wider than Hinkley Point C—industry has set out proposals to develop 18 GW of new nuclear power in the UK—but the first step in this long-term plan is Hinkley, which will be the first new nuclear power plant to be built in the UK for 20 years, and which will blaze a trail for further nuclear development.

Once it is up and running in 2025, Hinkley will provide 3.2 GW of secure, base-load and low-carbon electricity for at least 60 years, meeting 7% of the UK’s energy needs. That is enough to power 6 million homes, twice as many as there are in the whole of London. Hinkley will give an enormous boost to both the local and the national economy, providing 25,000 jobs during construction, as well as 1,000 apprenticeships. The plant will provide employment for 900 permanent staff once it is up and running, contributing £40 million a year to the local economy.

Having visited Bridgwater recently, I can tell the House that there is a real sense of excitement about the project. EDF has not been complacent; it is digging away. It has back runs, and the whole site has been levelled. There is big investment in the local community, and local people are very supportive of the project.

EDF believes that at least 60% of the £18 billion value of construction work on Hinkley will go to UK-based businesses. Through our negotiations, we have ensured that consumers will not pay anything for the electricity until the plant is generating, so the risks of construction will be transferred to the developer. At the same time, we have ensured that mechanisms are in place to enable any construction underspends or profits above a certain level to be shared with consumers. If the project comes in under budget, savings will be shared with consumers, but if there are overspends, the developer will bear all the additional costs.

As I have said, we need new nuclear, and Hinkley Point C will pave the way for a new generation of nuclear plants in the UK in a cost-competitive way, thanks to the unique deal that we have negotiated.

Callum McCaig: In the context of that “unique deal”, may I ask the Minister, as the final decision approaches, for a cast-iron guarantee from the Government that the strike price of £92.50 will not be increased?

Andrea Leadsom: As I have explained, the strike price has been agreed, and we expect a final investment decision in the very near future.

The deal has already been through a number of rigorous approvals processes, both within the Government and within the European Union. In October 2013, the Department of Energy and Climate Change and EDF agreed the strike price for the electricity to be produced by Hinkley Point C. In October 2014, the European Commission approved the Hinkley Point C state aid case, following a lengthy and rigorous investigation by the Commission. Notwithstanding the ongoing opposition of a small minority of member states, we are confident that the decision is legally robust and will stand up to challenges.

In October 2015, EDF and its partner of 30 years, China General Nuclear, signed a strategic investment agreement in London. That commercial agreement set out the terms of EDF’s partnership in the UK with CGN, starting with Hinkley Point C. EDF and CGN agreed to take a 66.5% stake and a 33.5% stake in Hinkley respectively. At that point, the final form of the contracts was agreed in substance. My right hon. Friend the Secretary of State made it clear at the time that she would make her final decision on Hinkley once EDF had reached its final investment decision.

The Government’s position has remained unchanged while the final details of the contracts have been ironed out. In November, we set out that we expected to conclude the deal in the coming months, and the Secretary of State made it clear that she was minded to proceed with the contract for difference support package for the deal, subject to any change in circumstances. We remain confident that all parties are firmly behind Hinkley Point C and are working hard towards a final investment decision. We have received assurances from EDF and the French Government—EDF’s largest shareholder—on this point. Hinkley is a large investment for EDF and CGN, so it is only right and proper that they take the necessary time now to ensure that everything is in order so that they can proceed smoothly once they have taken a positive final investment decision.

James Heappey: Does the Minister share our impatience, however, at the delay in the decision? Will she perhaps use this opportunity to encourage EDF to make all haste in arriving at that final investment decision?

Andrea Leadsom: I hear my hon. Friend, and I can tell him that we are ready and keen to proceed as soon as EDF announces its final investment decision. However, this is a commercial matter, and it is for EDF to finance Hinkley Point C and to deliver that final investment decision. We are aware of the financial issues it is dealing with, and we remain in regular contact with the corporate leadership of EDF and with the French
Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): I just want to correct something that was said earlier. The finance director has always been opposed to this. This is not new or strange. I have spent nine years dealing with this as the MP for the area, and I can tell the House that this has come as no surprise at all. I just wanted to clarify that point for the Minister of State.

Andrea Leadsom: I am grateful to my hon. Friend for that clarification.

Last Thursday, 3 March, my right hon. Friend the Prime Minister met President Hollande at the UK-French summit in Amiens, France. The French Government gave a public commitment that EDF is currently working to take a final investment decision in the near future, with the full support of the French Government. We expect that a final investment decision can be achieved within a few weeks. Once EDF announces that it has taken a final investment decision, all parties will be in a position to sign the contracts and detailed investment documents within a matter of weeks. EDF’s chief executive officer, Jean-Bernard Lévy, has also reassured us that EDF is still on track to pour the first concrete at the Hinkley site in 2019 and to start generating electricity in 2025.

Andrea Leadsom: The hon. Gentleman knows that that is a completely different matter. I see him nodding his head—he knows he is being mischievous. He also knows that the full cost of decommissioning Hinkley Point C is included in the contract for difference—[Interruption.] It is included. It is a requirement of new nuclear to have a fully costed decommissioning programme included in that way.

The Government remain committed to conducting this deal in an open and transparent manner. We intend to honour the commitment made in this House by the previous Secretary of State to place the contracts—with only the most commercially sensitive data redacted—and the value for money assessment for Hinkley in the House of Commons Library once the documents have been entered into. This is a good deal for the British public, and it is one that the UK Government remain committed to. I thoroughly commend the project to all Members of this House.

Question put and agreed to.

7.33 pm

House adjourned.
Oral Answers to Questions

CABINET OFFICE

The Minister for the Cabinet Office was asked—

Civil Service: Progression

1. Oliver Colvile (Plymouth, Sutton and Devonport) (Con): What steps the Government are taking to ensure that people from all social backgrounds can progress in the civil service. [903980]

2. Rehman Chishti (Gillingham and Rainham) (Con): What steps the Government are taking to ensure that people from all social backgrounds can progress in the civil service. [903981]

The Minister for Civil Society (Mr Rob Wilson): We want to ensure that the civil service is fully representative of the nation it serves and benefits from the widest pool of talent in our communities and from every part of Britain. We have made considerable strides to increase diversity already, and we will shortly publish our strategy for social mobility, in which we will set out how we will further increase social diversity in the civil service.

Oliver Colvile: As my hon. Friend knows, Plymouth is a low wage, low skills economy, but it is also the home of the seventh-largest university in the UK. What opportunities are there in the civil service in Plymouth for people who do not have university degrees?

Mr Wilson: My hon. Friend reminds us that there is big talent in Plymouth, and we want to make the most of it. Over this Parliament, as part of our broader commitment to 200,000 apprentices across the public sector, we will invest in more than 30,000 new civil service apprenticeships, which will offer a range of rewarding opportunities for people without university degrees, including opportunities already available in Devon and Cornwall. I am delighted to say that I have an apprentice in my private office. I hope that one of our apprentices will one day be Cabinet Secretary—and if that person is from Plymouth, so much the better.

Rehman Chishti: I welcome the news that the Government have recently introduced name-blind recruitment across the civil service. What are they doing to prevent unconscious bias at later stages of the process?

Mr Wilson: Name-blind recruitment has been implemented in 75% of the civil service. We are working with other major workforces across the public sector further to embed name-blind recruitment. In addition, all civil service recruiters are required to undertake mandatory training to avoid unconscious bias before they embark on any recruitment exercise, and this includes panel members involved in sift and interview for fast stream apprenticeship schemes and executive recruitment.

Kelvin Hopkins (Luton North) (Lab): I welcome what the Minister says, but does he agree it is important to recruit civil servants who will be lifelong servants of the state and the public and whose sole commitment is to public service?

Mr Wilson: Of course, and obviously we want to attract the best talent possible into the civil service. That is why we commissioned the Bridge Group report, which found that the fast stream, in particular, was deeply unrepresentative. We are taking considerable action to change that, however, including, as I just said, with name-blind recruitment, by publishing the pay ratio between the median and highest-paid employees and by creating over 200,000 apprenticeship opportunities in the public sector for young people.

Ms Margaret Ritchie (South Down) (SDLP): What efforts is the Cabinet Office making to deal with the requirements of women who, unlike their male counterparts, might face difficulties because of the pressures of family life?

Mr Wilson: I thank the hon. Lady for her question, which follows International Women’s Day yesterday. More than half of civil servants are women and more than a third of top civil servants in positions of leadership are now women, which compares favourably with, for example, FTSE 100 companies. However, there is much more to do to increase female representation in senior leadership roles, and we have introduced a number of initiatives, such as measures to increase gender diversity; a better system of entitlement for shared parental leave; more tailored support before and after maternity leave; and greater encouragement for job sharing.

Mr Peter Bone (Wellingborough) (Con): I am pleased that the excellent Minister says there is no bias in the civil service—except, in terms of social background, if someone happens to want to leave the EU. How does he square that with neutrality?

Mr Wilson: My hon. Friend is ingenious in getting the EU into the question. Everybody in the civil service will, in the future, have an equal opportunity to get on in life.

Derek Twigg (Halton) (Lab): One way of helping people from all social backgrounds to progress in the civil service is to move many more jobs, especially senior civil service jobs, out of London and into the regions, particularly areas such as the north-west. At the moment, someone has to come to London to progress in the civil service.

Mr Wilson: The hon. Gentleman is right; there has been a London bias to some extent within the civil service. We are therefore opening regional hubs. We will open one additional assessment centre in the north this year, with more regional assessment sites to follow. We will ensure that the fast stream is as attractive to people in all regions as it is to those in London.
Mr Wilson: If the hon. Lady is saying that we have a lot more work to do, I absolutely agree with her. Almost one in three people in Britain today are in working-class occupations, compared with a mere 4.4% of those who receive offers to fast stream, making the civil service significantly less socio-economically diverse than the University of Oxford. We know there is a lot more to do, but we are taking the necessary action.

Matthew Hancock: I am an enormous supporter of the Welsh language, and we are working hard to make sure that Government documents are always, where needed, translated into Welsh. I shall certainly look at the location of the button on the page, but we do a lot of user-friendly research to work out where the buttons ought to be.

4. Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): What assessment he has made of the applicability of the provisions of the Trade Union Bill to officials of the devolved Administrations.

The Parliamentary Secretary, Cabinet Office (John Penrose): Our assessment is that since employment and industrial relations are reserved matters under the devolution settlement with Scotland, and are not conferred on Wales, the laws that govern them are decided collectively here in Westminster for the whole of the UK. This means that they will apply to all employers in the UK, including those in the devolved Administrations, as part of our country’s single market in goods and services, which has successfully enriched our intellectual, cultural and economic life for centuries.

Drew Hendry: Restricting facility time is likely to limit the Scottish Government’s ability to work effectively with trade unions on a range of issues, because they will not have the capacity to engage. The Scottish Government have already voiced concerns about the Bill. Will the Minister now listen and restrict its applicability so that it does not apply to public sector employees in Scotland?

John Penrose: The Trade Union Bill includes primarily an approach to try to make the facility time settlement transparent. It aims to publish data on facility time costs and expenses to allow politicians and voters to understand what the costs are and to see whether they are being spent efficiently. I think that that should be applied and welcomed right across the UK.

Drew Hendry: Given the Minister’s last reply, what sanctions does he intend to take to compel the Governments in the devolved Administrations to implement the draconian measures in the Trade Union Bill?

John Penrose: I hope the hon. Gentleman did not mean that the law makers in the various devolved Administrations are considering becoming law breakers. I am sure he did not. All of us here are involved in creating, and amending, laws for the United Kingdom as a whole, and I think it would set a very dangerous precedent for all of us to start saying that we will disregard those who do not please us.

Gloria De Piero (Ashfield) (Lab): In 2014, 718 people from working-class backgrounds applied for the civil service fast stream: eight succeeded. Is the Minister outraged by that, or is he wondering “How on earth did eight working-class kids sneak in”?

Mr Wilson: If the hon. Lady is saying that we have a lot more work to do, I absolutely agree with her. Almost one in three people in Britain today are in working-class occupations, compared with a mere 4.4% of those who receive offers to fast stream, making the civil service significantly less socio-economically diverse than the University of Oxford. We know there is a lot more to do, but we are taking the necessary action.

Digital Government

3. Ben Howlett (Bath) (Con): What progress the Government has made on its plans for digital government.

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): Good morning, Mr Speaker. Our plan is to make people’s lives easier by reforming digital technology across government. We have now published over 24,000 open datasets, and are transforming more and more public services.

Ben Howlett: I thank the Minister for that response. Effective and secure data sharing is critical for 21st century government. Charities and research bodies have struggled for decades to access and evaluate data effectively, which has often slowed down world leading research. Does the Minister agree that the consultation on better use of data in government could lead to long-term complications around information governance in government being resolved?

Matthew Hancock: I do. The better use of data consultation is about maximising opportunities for proportionate, secure and well-governed data sharing, including allowing world-leading research and statistics greater access to datasets as part of a wider programme to modernise and simplify the UK’s data landscape.

Nick Smith (Blasenau Gwent) (Lab): While our population is rising, voter registration is going down. As part of the digital government programme, what further databases will the Minister use in support to boost voter registrations?

Matthew Hancock: The hon. Gentleman makes an important point. We are using links to local government databases actively to work, through digital and other means, to ensure that everybody who has the right to vote gets the opportunity to do so.

Matt Warman (Boston and Skegness) (Con): Whether it be patient data or voter registration, it is vital that the Government have a coherent overarching digital strategy. Will the Minister update us on the digital strategy?

Matthew Hancock: My hon. Friend has enormous experience in this area, and I look forward to publishing the update of the digital strategy very soon. In the meantime, we are getting on with implementing it.

Hywel Williams (Arfon) (PC): Under the requirements of .gov, the language choice button on each government page has to appear at the bottom right—and in very small letters. That means that many Welsh speakers do not realise that the language choice is open to them, as it is in so many Government documents now. Will the Minister look at moving the language button to the top of the page and making it rather more prominent?
Civil Service: Policy Making

5. Jessica Morden (Newport East) (Lab): What plans he has to move policy-making civil servants out of London and into the regions. [903984]

The Minister without Portfolio (Robert Halfon): Departments determine their workforce needs, and the civil service has a significant United Kingdom-wide presence. We are considering new Government hubs and strategic locations outside London as a way of further consolidating our office estates. I know from my own area that parts of Public Health England, for example, are moving from London to the east of England, which means £500 million of investment and thousands of jobs.

Jessica Morden: The Government have decided to close the office of the Department for Business, Innovation and Skills in Sheffield and move it to London, and we have now learnt that the vast majority of policy makers for the northern powerhouse are based in London as well. We in Newport have benefited hugely from the location of civil service jobs in, for instance, the Intellectual Property Office and the Office for National Statistics. Given the Government’s recent woeful track record, will the Minister make it clear today that those jobs are valued, will be protected, and will remain in Newport?

Robert Halfon: The northern powerhouse is about devolution, not about jobs in London. The Government have a passion for Newport, and for Wales in general. Not only did the NATO summit encourage investment, but, as the hon. Lady knows, the Friars Walk regeneration project means more jobs and finance. When my right hon. Friend the Paymaster General visited the ONS office recently, he expressed huge admiration for the work of its staff, and committed himself to its long-term future. Only this week, it was announced that the ONS was recruiting 30 economic researchers to graduate posts. It is developing a skills base that will enable it to become a centre of expertise for data handling, and the hon. Lady should be celebrating that in her constituency.

Mr James Gray (North Wiltshire) (Con): When Labour lost power in 2010, there were 181 Government-owned buildings in central London. The equivalent number today is 54, because the present Government have got rid of 130. How much further will this go, given that it indicates a wish to move jobs out to the regions?

Robert Halfon: My hon. Friend makes an important point, and the figure should be about 20 by the end of the decade. It is worth noting that the number of civil servants based in London has fallen by more than 7,500. As my hon. Friend says, the number of buildings in London has fallen from 181 to 54, which has meant savings of more than £2.8 billion for the taxpayer.

Mr Gregory Campbell (East Londonderry) (DUP): The Minister suggested it was Government policy to try to ensure that civil service employment opportunities were spread throughout the United Kingdom. Does he agree that it is a good idea—on the grounds of value for money, and on other grounds—for everyone to get out of the London and Westminster bubble and out into the real world on a more regular basis?

Robert Halfon: I could not have put it better myself. As I have said, there are 800 civil service buildings outside London. We have important targets for developing important strategic hubs for the civil service all over the country, and more people who get out of the Westminster bubble, the better.

Louise Haigh (Sheffield, Heeley) (Lab): We know that the Minister’s friend the Paymaster General is very close to the Chancellor, and that he therefore likes to insert the words “northern” and “powerhouse” into every speech he makes. However, as we heard from my hon. Friend the Member for Newport East (Jessica Morden), 98% of senior jobs in the northern powerhouse department are now based in London, and—with no sense of irony—Sheffield policy-making jobs in the Department for Business, Innovation and Skills have been moved to Whitehall. The test for the Minister, when he finally gets the promotion that he has been seeking and that he so richly deserves, will be whether he has more senior and policy-making civil servants in London or fewer. Does he have it within him to live up to our expectations?

Robert Halfon: I genuinely cannot understand the premise of the hon. Lady’s question. She should be proud, as are councils in the north of England, that the northern powerhouse is devolving powers right across the region. We are one of the most radical Governments when it comes to devolution. Her councils in the north support it, and I am sad that she does not.

Infrastructure and Projects Authority

6. Sir Oliver Heald (North East Hertfordshire) (Con): What assessment he has made of the effectiveness of the Infrastructure and Projects Authority since its establishment as a merged entity. [903985]

The Chancellor of the Duchy of Lancaster (Mr Oliver Letwin): As the Infrastructure and Projects Authority has been in existence only for the past two months, it is a little early to give the House an evaluation of its effectiveness. However, I am completely confident that by combining Infrastructure UK and the Major Projects Authority, we will be better able to monitor from beginning to end the projects that the Government are engaged in.

Sir Oliver Heald: Following Infrastructure UK’s success with Crossrail, does my right hon. Friend think that the pooling of expertise in the new merged body bodes well for Crossrail 2, which will have a positive effect for people in Hertfordshire?

Mr Letwin: Broadly, yes. Of course, the final decision on Crossrail 2 will be made only following the recommendations of the National Infrastructure Commission chaired by Lord Adonis, but I am confident that when we get there, and if Crossrail 2 does occur, the fact that the IPA will be in there from the beginning right until the last moment will improve the project’s prospects of being delivered to schedule and on budget.

Freedom of Information Act 2000

7. Margaret Ferrier (Rutherglen and Hamilton West) (SNP): What plans the Government have to extend the coverage of the Freedom of Information Act 2000. [903986]
The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): We announced our response to the independent commission on the freedom of information last week. The commission did not make a formal recommendation about extending the coverage of the Act, but we will take action to extend pay transparency across the public sector.

Margaret Ferrier: I am pleased to note that the Government appear to have retreated from their plan to introduce fees for freedom of information requests. Does the Minister agree with me and many of my constituents that it is in the public interest for the Freedom of Information Act to be extended to cover private companies when they are contracted to provide public services?

Matthew Hancock: As I have said before at the Dispatch Box, I am a strong supporter of freedom of information, and I want to record my thanks to the commission, which did hard work and made sensible suggestions for improvements. The issue that the hon. Lady has raised is a complex one. For instance, we do not want to deter small businesses from supplying into government. We will consider what was written by the commission, even though no formal recommendation was made.

Mike Wood (Dudley South) (Con): Will my right hon. Friend join me in welcoming the commission’s plans to do so?

Matthew Hancock: I can absolutely give my hon. Friend that assurance. As we said last week, we will not introduce fees because we think that it is important for people to use freedom of information to find out what is going on inside public bodies, including local authorities and more broadly, to ensure, rightly, that taxpayers’ money is spent better because the people who are spending it are held to account.

12. [903991] Jo Stevens (Cardiff Central) (Lab): The Minister has just talked about extending the Act to cover private providers doing public service contracts, and he mentioned small businesses. Clearsprings runs a Home Office contract in my constituency relating to asylum seekers’ accommodation, but it is failing the taxpayer and the thousands of vulnerable asylum seekers living in its accommodation, safe from the scrutiny of the Act. Will he confirm that the Act will be extended to cover large companies such as Clearsprings?

Matthew Hancock: I cannot give the hon. Lady that assurance, not least because, having considered this question and listened to representations from both sides of the argument, the commission did not make a formal recommendation on this matter. I can tell her, however, that FOI can be used to scrutinise those who set up the contracts that businesses, large and small, supply into.

Topical Questions

T1. [903995] Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): If he will make a statement on his departmental responsibilities.

The Chancellor of the Duchy of Lancaster (Mr Oliver Letwin): The responsibilities of the Cabinet Office remain much as they were last month. We continue to ensure that the Government fully and effectively implement their programme across Whitehall and the wider public sector.

Mrs Trevelyan: Will the Minister update the House on the progress that has been made to ensure that every serving member of our armed forces, wherever they are in the world, will be entitled to vote in the forthcoming EU referendum? Will he guarantee that they will receive their ballots in good time, and will he please confirm how we will ensure that every vote is counted?

Mr Letwin: My hon. Friend has been completely tireless in her attempts to ensure that armed forces personnel can vote in the referendum, and rightly so. I can confirm the Prime Minister’s commitment given to her that we will enable all the armed forces to vote. I am happy to tell her that the chief counting officer for the referendum has now directed that postal ballots will be sent to the armed forces between 23 and 27 May to ensure plenty of time for their votes to be counted.

Anna Turley (Redcar) (Lab/Co-op): When the Government introduced new gagging clauses on charities in receipt of Government grants last month, they credited a report published by the think-tank the Institute of Economic Affairs, in which the policy was a key recommendation. Just four months prior to that, the Minister for the Cabinet Office received a £4,000 donation from the chairman of the IEA, Neil Record. That is surely just a coincidence, but in order to avoid any misunderstanding will the Minister, who has said that he is committed to freedom of information, publish all communications between the IEA and his Department as well as all the submissions and advice that he received from the civil service?

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): I did not have any discussions with the IEA on this. It is about ensuring that taxpayers’ money is spent on good causes and the right things, not on lobbying Government. It is right that taxpayers’ money should be spent on the things for which it was intended, not on ensuring that lobbyists can take politicians out for lunch.

T5. [903999] Karl McCartney (Lincoln) (Con): Does my right hon. Friend agree that recording laws on vellum is a millennium-long tradition and an important part of our unwritten constitution? The House should look to preserve it.

Matthew Hancock: I certainly do. Keeping a record of our laws on vellum is a long-held tradition, and we should safeguard our great traditions. I am looking forward to the debate on this tomorrow. In 1,000 years, I want people to be able to look at the laws that we pass in this House, so I hope to see a strong turnout in support.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Government are currently reviewing Atos contracts after several National Audit Office and Select Committee reports going back four years have highlighted poor performance and a lack of value for money for taxpayers. In addition, there have
been devastating impacts on disabled people. Why have the Government taken so long to do that? Will the Minister also confirm that the anticipated savings have not been made?

Mr Letwin: The hon. Lady simply ignores the fact that the Government have taken the action, which should have been taken long ago and which the previous Labour Government completely failed to do, to deal with contractors who are not up to scratch. We are dealing with contracts that are necessary to improve matters and are improving them so that people get the services they deserve, which is why all our welfare programmes are now back on track.

Mr Speaker: Order. There is far too much noise in the Chamber. Colleagues should be able to hear.

Matthew Hancock: My hon. Friend’s constituent should follow the rules set out in section 4.4 of the civil service management code, which shows in what circumstances civil servants can engage in political activity. The Government of course have a clear position on the referendum: we want to stay in a reformed European Union. I am sure that my hon. Friend will be the first to refer to the European Union.

Matthew Hancock: Given that Government Ministers are free to campaign in the personal capacity to leave the EU, why are the Government not extending the same courtesy to civil servants?

Mr Letwin: I am sorry that the hon. Lady obviously has not read the items on the website; a multitude of specific dates for specific programmes are given, and we will continuously update this as we go through the Parliament. It is true that we are the most transparent Government ever in this country and one of the three most transparent Governments in the world. Maintaining that is quite a good goal, and I would have expected the hon. Lady to welcome it.

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Mr Letwin: Yes, we will indeed. We are also taking steps to make sure that we release the greatest possible amount of public sector brownfield land, so that in places such as my hon. Friend’s constituency and mine we see building in places where people welcome and accept it, to provide homes for our people, to the benefit of the taxpayer.

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for apprenticeships; we want small companies to do more; we want the public sector to join in with larger apprenticeship plans; and we regularly review progress towards the target.

Q7. [903971] James Berry (Kingston and Surbiton) (Con): Many of my constituents get the train into central London every morning for work and they are concerned about the terrorist threats posed by Daesh here in the capital. Will my right hon. Friend update the House on the progress being made in tackling the source of that threat in Iraq and in Syria?

The Prime Minister: I totally understand what my hon. Friend has said, and it was very striking what assistant commissioner Mark Rowley said last week about the dangers we face. What I would say is that domestically we are protecting counter-terrorism policing, and investing in our intelligence and security services, as we did in the last Parliament. On Iraq and Syria, we are making good progress at pushing Daesh back. So this is something we need to do both domestically and overseas. I have to say that I was completely appalled to see the comments of the hon. Member for West Ham (Ms Abbott) about the risks that we face. What I would say is that I am very concerned about the way the Opposition are handling these issues. What I would say is that we need to make sure that we are protecting our country and making sure that we are dealing with the threat that we face.

Jeremy Corbyn (Islington North) (Lab): I hope the Prime Minister will join me in mourning the death today of the fifth Beatle, George Martin, who gave us wonderful music that will last for all time.

The Prime Minister: I was very sorry to hear that news. George Martin was a huge inspiration for me as a music lover, and he was a huge inspiration for people all over the world. I hope that we will all remember his contribution to music.

Jeremy Corbyn: I ask the question: if there is more money available to be spent on children’s services, why are there another half a million children living in poverty in Britain because of the policies of the right hon. Gentleman’s Government? If we really do have the strong economy that he claims, why did the Chancellor warn last week that “we may need to make further reductions”?

Who will those reductions fall on—the disabled, pensioners, young people or women? Will he rule out attacking those groups?

The Prime Minister: The right hon. Gentleman will hear the Budget next week, when my right hon. Friend the Chancellor, who has an excellent record in steering this nation’s economy, stands up to give it. The right hon. Gentleman just made some remarks about child poverty. Let me tell him what has actually happened since 2010. There are 680,000 fewer workless households. Let us think about what that means. It means 680,000 fewer families struggling to put food on the table, and, under us, paying less taxes. There are 40,000 fewer households where no member has ever worked, and there are 480,000 fewer children living in workless households. That is real change for those children. That is about tackling child poverty by having a growing economy, growing real wages, falling taxes, and increased childcare—all things never delivered by Labour.

Jeremy Corbyn: The problem is the number of households that are suffering from in-work poverty because of insecure jobs, because of zero-hours contracts and because of low wages. As the Prime Minister well knows the poorest have paid the most for the cuts, and women have paid for 81% of those cuts.

On 99 previous attempts to ask questions of the Prime Minister, I have been unclear or dissatisfied with the answers, as indeed many other people have. On this auspicious 100th occasion, may I ask the Prime Minister to help out a young man called Callum? Last week, the Prime Minister told the Engineering Employers Federation that he has a skills shortage—a good admission. Callum,
Jeremy Corbyn: The Prime Minister seems to be answering the last question but one, so could I kindly bring him back to the question I asked from Callum, and point out to him that there has been a 10% cut in real terms in sixth form and further education, and adult education has been cut by 35% during his time as Prime Minister?

Construction output in Britain has shrunk for two consecutive quarters now. Surely that is a matter for concern. Is this not really a bit of a sign that this economic recovery is being constructed on sand?

The Prime Minister: First of all, let me congratulate the right hon. Gentleman on getting to 100 not out—I am sure that will be welcomed across the House.

What I would say to Callum is that we are introducing in our country a situation where we uncap university places so as many people who want to go can go, and that we will be introducing, in this Parliament, 3 million apprentices. That, combined with better funded sixth forms and better funded further education colleges, means that we have actually got a proper education system that can really drive opportunity in our country.

Let me just come back once more on child poverty. Let me give the right hon. Gentleman the figures: 800,000 fewer people in relative poverty than in 2010—300,000 fewer children in relative poverty than in 2010. That is the Labour measurement used, so when he gets to the Dispatch Box, he can tell us he was wrong about child poverty.

Jeremy Corbyn: We have a construction industry in recession at a time that there is an acute need for new housing. Construction apprenticeships have fallen by 11% since 2010. We have the lowest rate of house building since the 1920s—almost 100 years ago. Will the Prime Minister look again at this issue, stop the cuts to skills training and cuts to investment that are holding back our country—holding back the skill ambitions of so many young people—and invest in them and in our future?

The Prime Minister: I do have to pick up the right hon. Gentleman on his statistics, because we have seen a massive boost to apprentices and apprenticeship funding under this Government—2 million in the last Parliament, 3 million in this Parliament.

On housing, let me just give him the figures: house building under Labour fell by 45%. Since then, it has increased by two-thirds. Over 700,000 new homes have been delivered since 2010. If you look at what is happening now, completions are up, housing starts are at their highest level since 2007—last year housing starts were nearly double the low point of 2009. They wrecked the economy, they created that instability; we have been building a strong economy—that is what we have got to stick with.

Q8. [903972] Mark Spencer (Sherwood) (Con): Unemployment in Sherwood has halved since 2010. Given that the Chancellor of the Exchequer will make his Budget statement next week, can the Prime Minister assure the House that he will continue to support quality education, employment generation and infrastructure to get to jobs, so maintaining a Conservative ladder of aspiration?

The Prime Minister: My hon. Friend is absolutely right. The school improvement programme that we are driving forward, combined with uncapping university places and investing in apprenticeships, is giving people a ladder of opportunity to make the most of their lives and the most of the employment opportunities that are clearly being created in our country, where there are 2 million more people in work. I also know he has a particular interest, in his constituency, in extending the Robin Hood line, and he is meeting rail Ministers to try and deliver this. That is exactly the sort of infrastructure project that this Government want to get behind.

Angus Robertson (Moray) (SNP): The refugee crisis is the biggest issue facing Governments across Europe. We now know that, under a UK Government programme, in Folkestone, trafficking victims were locked up without food, asylum-seeking children were forced to sleep on concrete floors, patients with diarrhoea were denied access to showers, and a naked woman was allegedly beaten at a detention centre. Is the Prime Minister ashamed of that?

The Prime Minister: I will look carefully at the points the right hon. Gentleman makes. I would say that our asylum system is fair, and Britain down the ages has given asylum to people who are fleeing torture and persecution. When it comes to resettling Syrian refugees, it was instructive at this week’s European Council to see a chart that showed how many countries have actually resettled Syrian refugees. Britain has done far better than any other country, bar Germany.

Angus Robertson: This week the Scottish Refugee Council called for an investigation into allegations about the way that asylum seekers are treated and housed in Glasgow. It wants the Home Office to commission an independent inquiry into claims of substandard housing
and dehumanising treatment of refugees by the private company contracted to provide accommodation services by the Prime Minister's Government. Will he commission that investigation?

**The Prime Minister:** We are happy for those issues to be properly investigated, and the Home Affairs Committee in this House of Commons has just done a report into the way that asylum housing is commissioned. If the Scottish Parliament wants to carry out those investigations, of course the United Kingdom Government will co-operate with that. We must ensure when we take people in that they are properly housed and looked after, and that their children are schooled, because that is the sort of generous country we are.

**Q9.** [903973] **Andrew Stephenson** (Pendle) (Con): I welcome the Government's excellent See Potential initiative to encourage employers to hire ex-offenders. I speak as someone who employs a female ex-offender via the excellent Working Chance charity, so will the Prime Minister assure the House of his commitment to ensuring that employers in the public, private and charity sectors play their part in providing greater opportunities for ex-offenders?

**The Prime Minister:** I absolutely agree with my hon. Friend, and I salute what he has done to help ex-offenders. If people are applying for a job, they have at some stage to declare the criminal record they have and the offences they may have committed. The question is: do they have to do it absolutely at the CV stage? We think that they should not. We believe in the idea of banning the box, and the civil service will introduce that so that people do not have to include that information on their initial CV, and they might at least get the chance of an interview and not be ruled out. That is what we are talking about. When we talk about life chances for people in our country, and giving people a second chance to make a go of their life, we are putting our money where our mouth is.

**Q2.** [903966] **Richard Burgon** (Leeds East) (Lab): If the British people vote to leave the European Union, will the Prime Minister resign—yes or no?

**The Prime Minister:** No.

**Q10.** [903974] **Anne Marie Morris** (Newton Abbot) (Con): It is much to the Government's credit that more than 2 million jobs have been created since 2010, but nearly 1 million of those have gone to non-UK EU nationals. Does the Prime Minister agree that the EU's free movement of people is damaging the employment prospects of UK nationals and has contributed to the 1.6 million British people who remain unemployed? That has not been compensated for by an equivalent level of jobs for UK nationals in other European countries.

**The Prime Minister:** If my hon. Friend looks at the figures for the last five years, she will see that two thirds of the rise in employment has been from jobs going to British people. Where I agree with her is that, with the welfare reform that we have introduced for EU citizens and the tougher control of migration from outside the EU, we should see welfare reform in the UK as the flipside of migration control. We want to ensure that it always pays for British people to train up and do the jobs that are being made available, and we should see immigration control and welfare reform, together with a growing economy, as a way of getting more of our people into work.

**Q3.** [903967] **Julie Elliott** (Sunderland Central) (Lab): Does the Prime Minister agree with me that it is very important to make the positive case for Britain remaining in the EU: each of us get £1,200 back for every £120 we put in; we have lower prices; we have more choice in shops; and we have easier travel for holidays and businesses? Will the Prime Minister explain how our membership of the EU benefits so many aspects of our lives?

**The Prime Minister:** The hon. Lady makes an important point, which is that, in all the arguments about single markets, sovereignty and all the rest of it, we can sometimes lose sight of some of the simple consumer benefits of being a member of the European Union. She mentions cheaper air travel, ease of travel and not having any tariffs. These are things we take for granted now, but they were simply not the case 40 years ago. I agree that that is a strong part of the very positive case we should make for remaining in the EU.

With the hon. Lady's own constituency in mind, we should also point to the enormous success of the British car industry, which now employs and is responsible for more than 140,000 jobs. That is a great European success story. A lot of those cars go to the European market and we want to make sure that that continues tariff-free.

**Q12.** [903976] **Mr Ranil Jayawardena** (North East Hampshire) (Con): Our security is guaranteed under NATO, and the Government's action to meet our 2% commitment is most welcome. I recently visited RAF Odiham in my constituency, where the Chinooks, which do so much for the United Kingdom and our friends overseas, are based. Will my right hon. Friend look at plans to improve the quality of accommodation for airmen and airwomen in RAF Odiham, which I am sure he agrees they deserve?

**The Prime Minister:** I thank my hon. Friend for that question. Let me, through him, pay tribute to the Chinook pilots and the crews who service those helicopters. I have visited Afghanistan something like 13 times in the past few years. Their bravery, professionalism and brilliance in flying, often at very low levels, is absolutely remarkable. They have rightly been decorated and commended for the work they do. We have an upgrade programme for the Chinooks, which will mean new helicopters replacing part of the existing fleet that is becoming worn out. I think I am right in saying that some £2 million has been spent on RAF Odiham, but if more is needed we will make sure that that happens.

**Q4.** [903968] **Catherine McKinnell** (Newcastle upon Tyne North) (Lab): In 1949, aged 11 months, my constituent William Bradney was diagnosed with polio. He has worked from the age of 15 and he continues to work at 67. However, following a clearly flawed personal independence payment assessment, he is set to lose his independence payment assessment, he is set to lose his independence payment of £83 a week. He will be unable to leave the house and unable to work. Will the Prime Minister urgently review my constituent's case and the cases of the 14,000 disabled people who have lost this essential lifeline?
The Prime Minister: I will certainly have a look at the case, because what we have found so far with PIP payments is that we are actually spending more money on disability, rather than less money on disability. I will look very carefully at the case. The whole point about PIP, as compared to disability living allowance, is that there is more of a proper medical assessment process to find out what is required. Through the hon. Lady, may I say to her constituent that I am sure he, like others, will welcome that we are so close to eradicating polio entirely from our world? The Government are committed to going the extra mile and making that happen.

Q15. [903979] James Cartlidge (South Suffolk) (Con): Schools in South Suffolk were delighted this week to see the publication of the Government’s consultation on fairer funding. Given that the first part of the consultation will focus on the core principles, does my right hon. Friend agree that one of those principles must be that rural schools face unique and unavoidable costs that are not well funded under the current formula?

The Prime Minister: I certainly agree with my hon. Friend. It is right that we are examining the formula and trying to achieve better fairness. I think everyone can now see that the gap between the best-funded schools and the worst-funded schools has become too great. I also agree that it is vital that the specific needs of schools in rural areas are properly considered. That is why our consultation proposes that we should direct additional funding to small schools in sparsely populated areas.

Q5. [903669] Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): To follow up a question from my right hon. Friend the Leader of the Opposition, official figures show—[Interruption.] It’s not funny. Official figures show 12,000 vacancies in construction that are hard to fill due to a lack of skilled applicants. Can the Prime Minister explain why, under his Government, the number of construction apprenticeships has fallen?

The Prime Minister: The point is we are building more houses, investing more in construction and training more apprentices. The money is there from the Government, and the apprenticeship levy on larger businesses will make sure that we can fund apprentices long through this Parliament.

Sir Henry Bellingham (North West Norfolk) (Con): The Prime Minister will be aware of a recent tragic fatality on the A17 in Terrington St Clement in my constituency. While we await the result of a full inquest and the police inquiry, does he agree that it is vital that the local parish council is fully consulted on new safety measures?

The Prime Minister: I have heard about that tragic accident and, on behalf of everyone, I send our sympathies and condolences to those involved. My hon. Friend is absolutely right to say that, in so many of these cases, the parish council has a lot of expertise about areas of roads that are not safe and things that could be done. Of course, it should be listened to in this and other cases.

Q6. [903970] Dr Roberta Blackman-Woods (City of Durham) (Lab): We celebrated mother’s day on Sunday and International Women’s Day just yesterday, and Conservative Members were, rightly, keen to celebrate women on both occasions. Why, then, have this Government introduced cuts to public services, a freeze to child benefit and reductions in work-related benefits, which have left mothers £13 billion worse off?

The Prime Minister: The one thing I share with the hon. Lady is that it was right to celebrate mother’s day. I shared it with my mother, but I think I have probably said enough about her for the time being. It was also a privilege yesterday to welcome to No. 10 some inspirational women from all walks of life, to mark International Women’s Day.

I am not saying that this Government have solved all these problems, but we have more women in work and they are getting higher pay, paying lower taxes, getting more childcare and retiring with better pensions. When it comes to the things that Government need to do, we are appointing more women to senior positions and public appointments, and the honours system is now properly reflecting women. [Interruption.] Someone shouted out, “What about the pay gap?” The pay gap is now at its lowest published level. We have abolished the pay gap for under-40s. When it comes to protecting women, this is the Government who criminalised forced marriage, introduced the duty to report female genital mutilation, set out a specific domestic violence measure, and introduced Clare’s law so that people can find out about violent partners.

I accept that there is more to be done, but let me say this to the Labour party: one thing you can help with is no more segregated political meetings. Let us end the process of having people with bigoted religious views treating women as second-class citizens. I think you should all take the pledge—no more segregated meetings!

Dr Andrew Murrison (South West Wiltshire) (Con): The UK still has relatively poor superfast broadband and far too many mobile “not spots”. Great work has been done, but what discussions will my right hon. Friend have with the Chancellor, in advance of next week’s Budget statement, about how we can improve coverage further, particularly for rural small businesses in areas such as mine?

The Prime Minister: My hon. Friend is absolutely right to raise this issue. Since 2010, we have nearly doubled the number of homes and businesses with superfast broadband. We are on track on the 90% and 95% targets, but clearly more needs to be done. This is an issue for Members across the House. Ten years ago, we were all rather guilty of leading campaigns against masts and all the rest of it. Our constituents now want internet and mobile phone coverage. We need to make sure that we change the law in all the ways necessary, that the wayleaves are granted, that the masts are built, that we increase coverage and that everyone is connected to the information superhighway.

Q11. [903975] Martyn Day (Linlithgow and East Falkirk) (SNP): Seventy-six per cent of the cost of a bottle of whisky is tax. Last year the Government’s 2% cut on duty increased revenue to the Treasury by £102 million. Does the Prime Minister accept that one of our greatest export products is taxed too much, and will he join me and the Scotch Whisky Association in calling for a further 2% reduction in duty in this year’s Budget?
The Prime Minister: My right hon. Friend the Chancellor and I have consistently backed Scotland, Scottish whisky and this vital industry, but let me say this to the hon. Gentleman: on the day that the profit and loss account for Scotland has come out, we can see that Scotland would face a £15 billion gap if it were outside the United Kingdom. I dread to think what taxation would have to be levied not just on whisky, but on petrol, work, incomes and homes. That is the prospect of life outside the United Kingdom, and that is why I am so glad we voted to stay together.

Sir William Cash (Stone) (Con): The Government have just presented three White Papers to Parliament under their self-imposed legal duty to provide information under the European Union Referendum Act 2015. The Minister for Europe, during proceedings between the two Houses, gave me an undertaking that the Government information under that Act would certainly, as he put it, be accurate and impartial. The three recent White Papers are not. My right hon. Friend the Prime Minister is the enforcer of the ministerial code, which demands that Ministers give accurate information to Parliament. Will he issue instructions to Foreign Office Ministers to review and correct those White Papers?

The Prime Minister: First, let me say to my hon. Friend that we believe in the sovereignty of Parliament. Parliament dictated that those documents would be published, and that is why they are being published. On the question of their content, their content has been prepared by civil servants under all the appropriate codes. If he does not agree with some of the content, I would say to him and to other colleagues: challenge the content. Have an argument about the content. Stop arguing about the process.

Q14. [903978] Jim Dowd (Lewisham West and Penge) (Lab): The Prime Minister’s notes will indicate that I raised with him the question of the national wildlife crime unit earlier this year. I am delighted to report that its funding has been secured for the next four years, and I take full responsibility for that. I read it on my website, so it must be true. As my mother used to say, it never hurts to say thank you, and I do so. On a similar matter, may I ask the Prime Minister how his manifesto commitment to outlawing the use of wild animals in circuses is progressing?

The Prime Minister: I thank the hon. Gentleman for raising such effective questions with such good effect. On circuses and wild animals, we have a manifesto commitment. We did not manage to meet it in the last time allows.

David Mackintosh (Northampton South) (Con): Later today, colleagues from across the House and I will launch the all-party group on ending homelessness. Will my right hon. Friend join me in welcoming the work of organisations around the country, including the Northampton Association for the Accommodation of the Single Homeless and the Hope Centre in my constituency? Will he pledge that, as a Government, we will do all we can to help homeless people and to address the causes of homelessness so that we can end the problem once and for all?

The Prime Minister: I certainly welcome my hon. Friend’s launch of that all-party group. We need to work both on rough sleeping, where we face particular challenges at the moment—there are some good operations under way to try to deal with that—and on homelessness, at the heart of which is the need to build more houses. That is why we have an £8 billion housing programme to build 400,000 houses and we hope to build, by the end of this Parliament, 1 million new homes. That is the key. All the arguments about homelessness, in the end, come down to providing effective homes.

Siobhain McDonagh (Mitcham and Morden) (Lab): A friend of mine works a 39-hour week, including Sundays and bank holidays, on the shop floor at B&Q. Can the Prime Minister imagine my friend’s shock when he discovered that he would lose money as a result of the introduction of the living wage? That is because to introduce it, B&Q is cutting allowances. As a result, my friend will take home £50 a week, or £2,600 a year, less after the hourly rate goes up. Will the Prime Minister and his Chancellor ensure in their Budget next week that nobody who works on a shop floor will take home less money?

The Prime Minister: We want to see people taking home more money, and that is why we have introduced the national living wage, which will reach £9 an hour by 2020, and we are cutting the taxes of people like the friend to whom the hon. Lady refers, who will be able to earn £11,000 from 1 April before paying any taxes at all.

Andrew Percy (Brigg and Goole) (Con): A recent study led by Imperial College has shown that biomass, if progressed through contracts for difference, could save bill payers and the Treasury billions of pounds. This industry supports thousands of jobs in the Humber, and in the constituencies of my hon. Friends for Selby and Ainsty (Nigel Adams) and for Cleethorpes (Martin Vickers). There is a sustainable business model. The biomass comes from the US and Canada. Will the Prime Minister look at this, so that we can try to get it into the CFD programme?

The Prime Minister: I will look at that, but what we all have to realise is that the levy control framework—the extra amount of money that we are prepared to put into renewable energy—is a finite amount. In the end, we have to make sure that we get cost-effective electricity and that we go green at the lowest cost. That is the aim, but I will look carefully at what my hon. Friend says.

Mr Speaker: Finally, I call Mr Barry Gardiner.

Barry Gardiner (Brent North) (Lab): It used to be said that an English family’s home was their castle, but following the Government’s Housing and Planning Bill, new tenants in social housing will be on fixed three to five-year contracts. Does the Prime Minister think it is right that a student beginning their secondary education may face eviction at the very time they are coming up to their GCSEs or A-levels?
The Prime Minister: For more people, we want their home genuinely to be their own, which is why we are extending the right to buy from council tenants to housing association tenants—so that millions of people will be able to own their own home. As for future tenancies, we want to make sure that social housing is there for the people who need it most. No current tenant is going to be affected. That is why we think this housing Bill will see more homes built, more homes owned, more homes rented and will be good for housing in our country.

Several hon. Members rose—

Mr Speaker: Order. We will come to points of order. I think hon. Members raising points of order should have an attentive audience, which seems more likely once those leaving have done so quickly and quietly.

What is more, I am sorry to disappoint hon. Members, whose eagerness is evident for all to see, but points of order of course come after the urgent question and the statement. As I am sure these are very genuine points of order, hon. Members will come scurrying back to the Chamber in order to air their concerns at the appropriate moment.

Meanwhile, we have quite a considerably important and rich parliamentary offering—[Laughter.] I am grateful to the hon. Member for North Dorset (Simon Hoare)—in the form of an urgent question from a very senior denizen of the House.
John Redwood: One of the reasons why I asked for this urgent question was that the statement from the EU Heads of State or Government issued yesterday makes it very clear that the visa liberalisation applies to all member states of the European Union, not just the Schengen area. I quote from the official document, which says that the EU Heads of State or Government agreed:

“to accelerate the implementation of the visa liberalization roadmap with all Member States with a view to lifting the visa requirements for Turkish citizens at the latest by the end of June 2016”.

Will the Minister therefore be seeking clarification and amendment to this statement, given that he told us that these visa requirement waivers will not apply to all member states, or will he negotiate some kind of opt-out to make it very clear that those waivers will not do so? It will obviously be a matter of concern if the text issued from the Heads of State or Government meeting is at variance with the clear statements that we have been getting from Ministers here and through the media in the past few hours.

Secondly, I am surprised that the Minister has not mentioned that there was an agreement to an accelerated process to get Turkey to join the European Union as a full member, so will he comment on the United Kingdom’s position on the pace of the proceedings to get Turkey into the European Union, on what arrangements, if any, he thinks will need to be made when Turkey joins over freedom of movement, on whether there would need to be transitional arrangements, and on whether Britain would wish to be part of the freedom of movement area without proper transitional arrangements and protections?

Thirdly, I find it curious that we still do not know what we might be paying. If our share of the €3 billion is £250 million, plus the contribution that we have made through the EU budget, presumably we are looking at more than £250 million on top of that if the sum is doubled from €3 billion to €6 billion, because I presume that that will also be a levy on the member states. This should be properly reported to the House of Commons because it is an additional contribution to the EU, on top of the normal budget.

Mr Lidington: Let me respond to my right hon. Friend’s three questions. We already have an opt-out from Schengen; that is written into the treaties. Similar arrangements apply to Ireland and Denmark in slightly different respects. The legal measure that would be used for any liberalisation of visa arrangements for Turkey would be a Schengen measure that would be brought forward under the appropriate treaty base, so it would not apply to the United Kingdom, Denmark or Ireland. I made it clear in my initial response to my right hon. Friend that the Government do not intend to liberalise our visa arrangements with Turkey.

On my right hon. Friend’s second point, it has of course been the policy of successive British Governments, including the one in which he served with such distinction, to support the eventual accession of Turkey to EU membership. That is not going to happen in the near future. The statement of the Heads of State or Government said on Monday that they would prepare for the decision on the opening of new chapters in the accession negotiations as soon as possible. To open a chapter such as chapter 23, which deals with the rule of law, might well be very helpful to strengthen the dialogue that we shall be having with Turkey about the rule of law, human rights and the standards that are expected of candidate members of the European Union but, again, no agreement has yet been reached on any aspect of opening new chapters, and many member states will have their views about that.

On my right hon. Friend’s point about Turkish accession—or any new member’s accession—and freedom of movement, the Government have said repeatedly that we will not agree to any further EU enlargement
unless we first have in place new arrangements for transitional controls on freedom of movement so that we do not take on the risk, as we did in 2004, of very large movements of people in the aftermath of a new accession. Every decision to do with EU membership requires unanimity, so every country has a veto on every such step.

Thirdly, my right hon. Friend asked about finance. As I said, there are no formal proposals on the table. There is an ongoing negotiation at EU level in which there are many different moving parts. My right hon. Friend the Prime Minister will make a statement after the European Council next week, but the refugee facility agreed last year is budgeted for and is causing the Commission to reprioritise its various spending programmes, which seems a sensible thing for it to do.

Pat Glass (North West Durham) (Lab): The countries of the middle east and the European Union are now confronted by the biggest refugee crisis since the end of the second world war. In the past 12 months alone, more than 1 million people have entered the EU by sea, mostly from Turkey to Greece. Does the Minister agree that the only way to deal with the crisis is to work with our European neighbours and other countries affected in the region, including Turkey? We welcome the fact that European nations are working together to try to find a solution, rather than having a situation of individual countries trying to find individual solutions to what is clearly a collective challenge.

We must recognise that we all have a responsibility to ensure that the language that we use reflects the fact that we are talking about fellow human beings in the most difficult of circumstances. Does the Minister therefore agree that it was deeply irresponsible of the Prime Minister to refer to people who are frightened, tired and fearful—families, vulnerable women, children and old people—as a “bunch of migrants”?

Does the Minister agree that the only way to reduce the overall flow of refugees is to tackle its root cause: the slaughter of the Syrian civil war? It would therefore be helpful if he could give us his latest assessment of how many of the promised 20,000 Syrian refugees have we settled? What additional financial resources will be spent on what it was intended to be spent on? Can he set out how that money will break the business model of the people traffickers who are exploiting it, on its own.

The hon. Lady asked about the ceasefire in Syria. The latest information indicates that it is holding, but it is not holding perfectly—that will be no surprise to any Member. The Prime Minister, along with other European leaders, had a conference call with President Putin a few days ago to take stock of how things now look, and to urge him to work towards a political settlement and a political transition in Syria, which we continue to believe represents the long-term answer to try to rebuild that country and to give people hope that they can have a safe and secure life there.

The hon. Lady asked how the business model of the people traffickers would be harmed by the agreement reached last week. One key element of the deal—I emphasise again that it is yet to be finalised—would be that somebody who went in a boat and was intercepted or processed having reached one of the Greek islands would face being sent back to Turkey. They would then be put to the back of the queue for legal resettlement, so the incentive for people to entrust their safety to the people carriers would be removed.

Dr Liam Fox (North Somerset) (Con): My right hon. Friend correctly says that there is no obligation on the United Kingdom to take in extra migrants under the deal, but will he confirm that, once any of the 1 million migrants who have come to Europe in the past year and the 1 million who are expected are given EU citizenship, they will all technically have a right to come to the United Kingdom, as long as we remain in the European Union?

Mr Lidington: The fact that we are outside Schengen means that we impose border checks on everybody, including EU citizens. We stop and turn back EU citizens when we have good reason for thinking that their presence in the United Kingdom would be a threat to public safety.

Dr Fox: I am sorry; I was not suggesting that the Prime Minister was suggesting that we would be unable to keep Schengen, but it is an open question whether the United Kingdom will be a member of the EU, rather than walking away from our shared interests and responsibilities?

Mr Lidington: I agree with the hon. Lady. That it is in this country’s interests, and in the interests of every European country, that we put together a determined and coherent response to the crisis. I also agree that no single European country—not Greece, Germany, the UK, or anyone else—can solve this human tragedy, or stop the wicked work of the people traffickers who are exploiting it, on its own.
international law. Vincent Cochetel, the United Nations High Commissioner for Refugees Europe regional director, said yesterday that an agreement on this basis would not be consistent with either European or international law. With that in mind, what legal advice has the Minister received on the proposals from his officials? Will he set out how the Government will promote accountability and transparency around the €3 billion that is due to be given to Turkey by the end of March? Finally, what action have the Government taken within the process to promote human rights in Turkey and to hold Erdogan to account for his recent actions against his own citizens?

Mr Lidington: On the hon. Lady’s final point, we speak all the time to Turkish colleagues about human rights and rule of law matters. As I have said, we believe that the EU accession process—partially chapters 23 and 24, if they can be opened—provides the best means for seeking those reforms in Turkey, which I think would command support on both sides of the House.

The statement of the Heads of State or Government says in terms that all those arrangements must comply with international law, so every Government have taken that on board. We should not forget that Turkey has provided refuge to about 2.6 million people who have fled from Syria. A large number of those people have been living in safety in UN-administered camps inside Turkey for many months, and sometimes for years. Please let us not forget to acknowledge the hospitality that not just the Turkish Government, but the ordinary people of Turkey, have shown.

Mr David Jones (Clwyd West) (Con): The opening of chapter 23 negotiations simply serves to confirm that the EU has indeed agreed to accelerate the process of considering Turkey’s application for accession to the EU. Does my right hon. Friend consider it right even to consider Turkey’s application for accession to the EU? Does my right hon. Friend consider it right even to consider Turkey’s application for accession to the EU?

Mr Lidington: The EU and the United Kingdom Government made it very clear last week that we continue to see freedom of the press and freedom of expression in the media as a cornerstone of the values that we champion at an international level. Adherence to those principles is written into the European treaties, and no country that fails to subscribe to them can expect to receive EU membership.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The principle of closing off the dangerous smuggler routes and instead providing safe legal routes to sanctuary is clearly sensible, but the Minister will know of the legal, practical and political problems with the plans put forward. He rightly makes it clear that there will be no changes to Turkish visa arrangements for Britain, but I suspect that in many others areas of the proposals there will be significant changes in the week ahead. In particular, have the British Government raised the plight of Afghan and Iraqi refugees? We know that about half the lone children who claimed asylum in Europe in January were from Afghanistan. What provision will be made for them?

Mr Lidington: The right hon. Lady makes a reasonable point, and the position of people who have come from other war-torn countries needs to be seriously considered, but we need always to bear in mind the basic principles of the 1951 UN convention on refugees: first, that to get refugee status one must demonstrate a well-founded fear of persecution; and secondly, that when somebody flees they are expected to apply for refugee status in the first safe country they reach, and not try to pick and choose, perhaps at the behest of people traffickers, between various safe countries.

Sir Edward Garnier (Harborough) (Con): May I press my right hon. Friend further on the human rights and rule of law abuses in Turkey? Last year Lord Woolf, the former Lord Chief Justice; Sir Jeffrey Jowell, the
international jurist; Sarah Palin, the human rights barrister, and I wrote a report—I provided a copy to him, the Foreign Secretary, the Prime Minister and the shadow Foreign Secretary—outlining the serial and appalling human rights and rule of law abuses by the current Turkish Government. Will the Minister alter or firm up the Government’s attitude towards Turkish accession to the EU? While these abuses continue, there should be no question of opening any chapters at all, even though we need Turkey as a member of NATO and its agreement to help with the migration problem.

**Mr Lidington:** We certainly continue to regard adherence to the principles of human rights, freedom of expression and belief and so on as things that should be at the heart of the reform work of any country seeking to join the EU. I put it to my right hon. and learned Friend, however, that the evidence from other accession negotiations is that we can secure much swifter and more significant progress towards the reforms we all want to see when we sit down and start working on the detailed benchmarks and progress measurements in those chapters of an EU accession that deal specifically with rule of law matters.

**Mr David Winnick** (Walsall North) (Lab): The amount of money the EU gives to Turkey is fully justified—I hope that more will come—for the reasons the Minister has explained, but will he accept, following on from previous questions, that the President of Turkey has done his best to undermine democratic rights in that country? We have seen the outright intimidation of critics; last week, a newspaper was taken over by his henchmen and turned into a mouthpiece for the regime; and more recently, the same thing happened to a news agency. Does he realise that there can be no question of Turkey becoming in any way associated with the EU while this intimidation of critics continues and so long as the President does a good impression of trying to follow Putin?

**Mr Lidington:** As I have said before, we continue to talk frequently to Turkish officials and Ministers at all levels about the importance we ascribe to human rights, the rule of law and freedom of expression, and that will remain a core element of our dialogue with Turkey.

**Sir Gerald Howarth** (Aldershot) (Con): Further to the question from the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh), I am not clear on the Government’s position on the legality of the mass transfer of intercepted migrants back to Turkey. What instructions are being given to the captain of Royal Fleet Auxiliary Mounts Bay for when it intercepts a boatload of migrants? Has the captain been authorised to take those people back to Turkey? Will they be accepted back into Turkey? How does that fit with the comments from the UNHCR last night?

**Mr Lidington:** I am not sure whether my hon. Friend was in the House for the statement that my right hon. Friend the Secretary of State for Defence made on Monday about the naval operation. The NATO operation is engaged in initial reconnaissance and surveillance of illegal crossings. It then passes that information on to the Turkish authorities so that the Turkish coastguard can respond and carry out interceptions. At the moment, that work is not being done by NATO vessels.

**Mr Pat McFadden** (Wolverhampton South East) (Lab): Anyone watching the refugee scenes across Europe over the past year knew that we could not carry on as we were and that we needed to act in concert with others, in terms of both the consequences and the causes, which are rooted in war and conflict. I agree with the Minister, therefore, that no individual country can deal with the consequences alone. May I urge him to reject any approach that says Britain’s answer should be to pay nothing, do nothing and pull up the drawbridge?

**Mr Lidington:** This country has a long and proud tradition of seeking to help people in dire need, wherever they are in the world, and build political stability in areas within what I might describe as our own neighbourhood. There have been plenty of examples in our history and European history where the failure to grip problems decisively led to worse conflict, human suffering and political problems for European Government than would have been the case had action been taken earlier.

**Mrs Cheryl Gillan** (Chesham and Amersham) (Con): May I press my right hon. Friend further on the legality of the deal? As I understand it, the UN’s top official on refugees, Filippo Grandi, has expressed real concern about an arrangement that involves a blanket return of anyone from one country to another. I am particularly concerned because it looks as if the EU is trading one set of refugees in Greece for another in Turkey. I cannot see any guarantee in the arrangement that there will be any drop-off in numbers. In fact, I am beginning to find the arrangement very worrying.

**Mr Lidington:** As I said earlier, under this agreement, if it can be finalised next week, we will for the first time break the link between people getting into a boat or being rescued from a boat in the Aegean and their gaining the right to enter a resettlement or relocation process inside the EU. Instead, there will be an agreed legal route for people to go from the camps to European countries. That will provide a serious disincentive for people to place themselves in the ruthless and exploitative hands of the people traffickers.

On the matter of legality, the statement of the Heads of State or Government says in terms that whatever arrangement they might reach next week should be in accordance with both European and international law.

**Greg Mulholland** (Leeds North West) (LD): I wish to associate the Liberal Democrats with the comments on free speech and also with those we have just heard about the very troubling one-for-one refugee agreement, which raises both practical and moral concerns. The Minister is a very honourable man; surely he cannot be comfortable with an agreement that requires refugees to risk their lives travelling to the EU in return for another refugee, but only one from Syria, to get safe passage. That is entirely unacceptable.

**Mr Lidington:** The purpose is to put in place a set of arrangements that remove the incentives for people to entrust their safety to the people traffickers. Unless we are able to do that, the risk is exactly that the flow of people and the appalling casualties that result from that flow of people across the Aegean will continue.
Mr Liddington: The reason why, as my hon. Friend put it, I am “caveating” some of what I am saying is that although there was a negotiation at the summit on Monday, there has not yet been a final agreement. An effort is going to be made to reach a final agreement next week, and then my hon. Friend will be able to question the Prime Minister about the detail. I simply say to my hon. Friend—she and I differ on the question of EU membership—that the habit of working together within Europe to solve foreign policy challenges that cannot be met by any one European country on its own, not even the biggest and most influential, is a sign of health and a good reason for us to remain members of that organisation.

Mr Liddington: Talks are going on between our enforcement agencies, Frontex and Europol at European level and their Turkish counterparts. The hon. Gentleman will, I know, understand why I would not want to go into detail about those talks. The possibility of creating safe havens was discussed at the EU-Turkish summit, but there are many political, legal and military complications to taking that particular step. We have not ruled it out, but there is no agreement on it as yet.

Mr Liddington: Those discussions did take place in the margins of the summit, although its purpose was to try to hammer out a way forward in dealing with the refugee crisis that is causing such difficulties both to Turkey and the European Union. I can assure my hon. Friend that the British Government and other European Governments are in constant contact with our Turkish counterparts about how best to bring an end to the appalling conflict inside Syria.

Mrs Anne Main (St Albans) (Con): Those of us who are in favour of leaving the European Union are being pressed regularly on the need to provide certainty about what the world will look like outside, yet today the Minister’s speech has been full of caveats, maybe and what may or may not happen. Does he now accept that this is what “in” looks like for those of us who are concerned about human rights issues, freedom of speech issues and other things that would come with Turkish accession, that there can be no certainty about the fear factor of staying in, and that it certainly is not safer to stay in rather than to leave?

Mr Liddington: That is precisely so it can go to help those in need and that we would like to see more of him at the Dispatch Box.
mass expulsion under almost a barter scheme between different classes of refugees. Will next week’s European Council meeting properly address the concerns about whether this scheme violates international law and human rights?

Mr Lidington: Yes. That is why the statement issued after Monday’s summit said explicitly that the agreement we were seeking had to comply with international law.

Mr John Baron (Basildon and Billericay) (Con): This agreement relates to a wider issue of underfunding of refugee camps across the middle east by the international community. What are the Government going to do to reinforce the message from the United Nations that many of our international partners—not the UK; we have done our fair share—are not stepping up to the plate when it comes to the funding of these refugee camps, and that includes many countries within the EU?

Mr Lidington: My hon. Friend makes a very fair point. I think we can trace the surge from Turkey into Europe last summer in large part to the decision that the United Nations had to make to cut food rations and restrict educational opportunities inside the camps, which led more people to feel that they had no option but to place themselves in hands of people traffickers. As I think my hon. Friend will know, the United Kingdom co-hosted a Syria donors conference in London a few weeks ago, which produced pledges from the international community of more than $10 billion. That is a welcome step forward, but I would be the first to say that we must now ensure that those pledges are turned into real money to help the people who are in desperate need.

Joan Ryan (Enfield North) (Lab): I absolutely agree that Turkey is a crucial partner in the efforts to resolve the situation in Syria, and that we should be doing more to support what it is doing to deal with the migrant crisis. I must tell the Minister, however, that the largest number of UK citizens of Turkish origin live in north London and in Enfield in particular, the vast majority being Kurdish and/or Alevi, and that they are very concerned about President Erdogan’s refusal to acknowledge the decisions of the constitutional court, about the closing of newspapers, about the imprisonment of more than 30 journalists, about the curfews, about the restrictions on freedom of speech, and about the deaths of many innocent people who are their friends and relatives.

The EU and the accession process may well be the context in which those issues can be resolved—and I support the accession process in relation to Turkey—but can the Minister assure me that they will be raised with President Erdogan, and will not be brushed aside?

Mr Lidington: The UK raises concerns such as those in its dialogue with the Turkish Government at every level. We recognise that Turkey is in a better place today than it was under military rule, but we want to see our Turkish ally move with greater energy towards the full recognition of the rule of law and human rights to which its Government say they remain committed.

Several hon. Members rose—

Mr Speaker: Ah! It is very good for me to be able to call the hon. Member for Harwich and North Essex (Mr Jenkin) today.

Mr Bernard Jenkin (Harwich and North Essex) (Con): You are very generous, Mr Speaker, and I am very grateful.

May I put it to my right hon. Friend that this is actually a rather grubby deal? We all know that our Government in particular, but the rest of the European Union as well, are desperate to be seen to be trying to resolve the migration crisis. We also know that it is, to some extent, a self-inflicted crisis. The free movement in the Schengen area is a temptation and an attraction to refugees who want to get into the European Union so that they can travel everywhere. The EU’s refusal to close down the Schengen agreement means that it wants to keep that invitation open, so it is doing a very grubby deal with a country that has a very indifferent human rights record to subcontract the deportation of the refugees back to their country of origin.

May I draw my right hon. Friend’s attention again to what we have given up in this agreement? Let me return to the point made by my right hon. Friend the Member for Wokingham (John Redwood). The statement of the EU Heads of State of Government says that we are going “to accelerate the implementation of the visa liberalization roadmap with all Member States”.

I do not doubt my right hon. Friend’s sincerity, and I do not doubt that he intends that to apply only to the Schengen area, but will he take care to ensure that it does apply only to the Schengen area in any future drafting of the text of the agreement next week?

Mr Speaker: It seems to me that the hon. Gentleman has enjoyed a double helping. That is a very satisfactory state of affairs.

Mr Lidington: First, let me reiterate again that, as yet, there has been no deal. That is a matter for the discussions between now and next week’s European Council meeting. I am sure that my hon. Friend has studied the European Union treaties intensely, in which case he will know that a measure affecting visas or migration must be introduced on a treaty base on which the United Kingdom is not bound, but can choose whether or not to opt in. As the Prime Minister has made very clear, we are not going to participate in visa liberalisation with Turkey. That is a sovereign decision for us to make, and one that is recognised in the European treaties.

Andrew Gwynne (Denton and Reddish) (Lab): I think most reasonable people would support a mechanism that cuts off the people-trafficking routes and the dangerous routes across the Mediterranean, but what assessment will the Government make when this mechanism is in place to ensure that it is operating as the Minister envisages and that the money reaches the people whom we want it to reach—the refugees?

Mr Lidington: The hon. Gentleman makes a very fair point. Monitoring and review mechanisms must be part of any eventual agreement, and that is the sort of issue on which officials will be working in the coming week.
Mr David Burrows (Enfield, Southgate) (Con): I share the concern expressed by the right hon. Member for Enfield North (Joan Ryan) about the increasingly illiberal and authoritarian approach of Erdogan to, in particular, minorities such as Alevi Kurds, but we must also pay credit where it is due. The refugees are imposing a great burden on Turkey, and its camps are of a much better standard than those in any part of Europe, not least France.

May I ask the Minister a question about the European Union’s move on the liberalisation of visas and the opening of chapters? Will he confirm that, in the negotiations, the European Union will not renege on its commitment to ensure that no progress is made on those two matters before the republic of Cyprus has been recognised, and progress has been made towards a solution to the Cyprus problem?

Mr Lidington: My hon. Friend hints at one of the issues that have caused a stalling of the accession negotiations in recent years. That, too, will need to be thought about, and talked about, during the days before next week’s European Council meeting. There has been no agreement, as yet, on the opening of any accession chapter.

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): Is not the logic of the proposals that if Turkey succeeds in stopping sea crossings, no refugees will be resettled from Turkey? Is that not a greater incentive than ever for Turkey to wave people on to the boats, and is it not clearer than ever that a better solution is to provide more safe, legal routes?

Mr Lidington: That is not the nature of the discussion that we are having with Turkey. I do not want to be unkind to the hon. Gentleman, but I think it is slightly simplistic to imagine that Turkey can just switch the taps on or off when it comes to flows of people and the activities of people traffickers. That applies particularly to the sea crossing to the island of Samos. Only 1,600 metres separate the Turkish and Greek coasts at that point, so once a dinghy has travelled 800 metres it is in Greek territorial waters. However, I think on Monday there was a clear commitment by both the Prime Minister of Turkey and EU leaders to finding a way forward, and a recognition that it was in the interests of both EU countries and Turkey for the issue to be settled through a coherent, well-planned strategy such as the one that is outlined in the statement issued by the Heads of Government.

Alec Shelbrooke (Elmet and Rothwell) (Con): Is not the Syrian issue one of the biggest problems that we face today? Has not the Russian action in Syria produced a large new wave of refugees who are leaving that war zone and being pushed into Turkey, and does that not mean that we must do all that we can to work with Turkey?

On 7 March, my right hon. Friend sent a letter to the European Scrutiny Committee, of which I am a member, emphasising that a great deal of the money that we are putting in is counting towards our international aid target of 0.7% of GDP. Everything that has been said today about Turkey’s human rights record and about the question of its entering the EU is absolutely right, but does my right hon. Friend not agree that, in the context of both those issues, we have more power and more influence in the EU than we would have if we were outside the EU and carping about it?

Mr Lidington: I completely agree with my hon. Friend. If we are not at the table, we will not be able to influence or shape those discussions in any way.

Mr Peter Bone (Wellingborough) (Con): We really do have an excellent Minister for Europe. He has been in post for a record number of years and he has always implemented Government policy on Europe, however much it has changed. I hope that he will be there after 23 June when we negotiate our exit from the EU. I want to ask him a question about certainty. Does he agree that the only way in which the British people can be certain that 77 million Turkish citizens will not have the right to come to this country is if we vote to come out of the European Union?

Mr Lidington: No, no. I am afraid I must urge my hon. Friend to intensify his study of the European treaties and, particularly, the European directives. The treaties make it quite clear that each and every aspect of an accession negotiation, including arrangements for controls on migration, must be agreed unanimously.

David T. C. Davies (Monmouth) (Con): If the Minister confirm that the majority of those coming into Europe from Turkey are men, and that the majority of them are coming from countries other than Syria that have a very poor human rights record in regard to women? How can we be certain that the mass migration into Europe will not have an impact on women’s rights, which have been hard fought for on this continent?

Mr Lidington: We have a genuine humanitarian crisis in Syria that has displaced about 11 million people, either within Syria or to neighbouring countries. That is now being exploited by people traffickers—on that point, my hon. Friend is correct. They are trying to encourage people of other nationalities to come in and claim refugee status on the back of genuine refugee claims and genuine refugee need. That reinforces the importance of having a robust system of processing individual claims, so that we can distinguish between people who have a well-founded fear of persecution and those who are trying to move for economic reasons. The reason that the United Kingdom is giving help to Frontex and the European Asylum Support Office is precisely to strengthen the capacity of the Greek system in particular to carry out those processes and to distinguish between genuine refugees and those who are trying to move for other reasons.

David Rutley (Macclesfield) (Con): During the negotiations on the EU-Turkey agreement, did any discussions take place on the concerns raised by NATO’s General Breedlove about Russia and Syria weaponising migration, a truly disgusting strategy?

Mr Lidington: It is on everyone’s mind that the bombing of civilians by the Assad regime with Russian support in areas such as Aleppo is leading to the movement of
even greater numbers of people, initially into Turkey and Lebanon and then across the Aegean towards Europe. That reinforces the need for us to turn this fragile cessation of violence into a genuine peace process inside Syria and a political transition that might offer the hope of rebuilding the country.

Nadhim Zahawi (Stratford-on-Avon) (Con): I have been reading the statement, and the Turks clearly have some good negotiators. The Minister has already stated that our financial contribution to the first £3 billion will be £250 million. The statement says that there will be a further decision on additional funding. Will he confirm that, whatever that additional funding might be, we will still be making a further contribution to it?

Mr Lidington: No formal proposal has been tabled as yet. The United Kingdom contributes to EU measures agreed collectively by the EU, but we have also paid out significantly more through our bilateral contributions to meet the needs of refugees in Syria and other countries in the neighbourhood. I do not think we should be in the least ashamed of this country’s role in helping those people in desperate need. One of the reasons I have been so proud to support this Government’s commitment to the 0.7% UN target is that it gives us the resources and the flexibility to respond to humanitarian crises speedily, wherever in the world they happen to be.

Bob Stewart (Beckenham) (Con): Am I right in assuming that the captain of Royal Fleet Auxiliary Mounts Bay has rules of interdiction that allow him to report people-smugglers’ vessels going across the straits between Turkey and Greece and to pick up people in distress, but not to stop any such vessels that do not wish to be picked up? If so, will the Minister tell us why that is the case? More to the point, if those rules pertain, what action are the Turkish security forces taking on the eastern seaboard of Turkey, which we are subsidising, to stop people-smugglers’ vessels setting out towards Greece?

Mr Lidington: Turkey already assigns a large proportion of its coastguard resource to the Aegean. For the reasons that I gave in answer to an earlier question, intercepting every small boat making the relatively short crossing to one of the Greek islands is not as straightforward as is sometimes suggested. For greater detail, I refer my hon. Friend to the statement that the Secretary of State for Defence made in the House on Monday, in which he said:

“The primary purpose of the mission is to provide monitoring, surveillance and reconnaissance of the migration route across the Aegean, which will better enable the Turkish and Greek coastguards”—and the EU Frontex mission—“to intercept the boats and disrupt the business model of the criminal traffickers.”—[Official Report, 7 March 2016; Vol. 607, c. 27.]

Kevin Foster (Torbay) (Con): I was interested to hear the Minister confirm that Britain would not be required to be part of the visa waiver arrangements, given that we are not part of Schengen. However, we are part of another common travel area, with the Republic of Ireland. What discussions will the Government be having with the Republic of Ireland’s Government about their approach to these issues?

Mr Lidington: My hon. Friend makes a reasonable and important point. Like the United Kingdom, Ireland is not in Schengen and therefore not obliged to participate in any visa liberalisation. We keep in close contact with the authorities in Dublin, because the existence of the common travel area means that we need to ensure that we take account of each other’s decisions on this matter. I do not anticipate any difficulties in this regard—we normally think pretty much alike—but my hon. Friend is right to register that this is an issue that we need to keep in mind.

Madam Deputy Speaker (Mrs Eleanor Laing): And the prize for perseverance and patience goes to Mr Marcus Fysh.

Marcus Fysh (Yeovil) (Con): Thank you, Madam Deputy Speaker. Does my right hon. Friend appreciate that access to visa-free travel across Schengen for Turkish citizens might well lead to a large new influx of illegal immigration into Europe that could cause misery across the continent?

Mr Lidington: No, I do not think that there is necessarily a connection between illegal migration and the movement of people legally under some kind of visa waiver system. The reassurance that I can give my hon. Friend is that, because the United Kingdom is outside Schengen, we can, do, and will continue to impose whatever visa requirements and whatever checks on migration at our ports we consider to be right for the safety, security and wellbeing of the people of the United Kingdom.
NHS: Learning from Mistakes

1.39 pm

The Secretary of State for Health (Mr Jeremy Hunt):

With permission, Madam Deputy Speaker, I would like to update the House on the steps that the Government are taking to build a safer, seven-day NHS. We are proud of the NHS and what it stands for and proud of the record numbers of doctors and nurses working for the NHS under this Government, but with that pride comes a simple ambition: our NHS should offer the safest, highest-quality care anywhere in the world. Today, we are taking some important steps to make that possible.

In December, following the problems at Southern Health NHS Foundation Trust, I updated the House about the improvements that we need to make in reporting and learning from mistakes. NHS professionals deliver excellent care to 650,000 patients every day, but we are determined to support them to improve still further the quality of that care, so this Government have introduced a tough and transparent new inspection regime for hospitals, a new legal duty of candour to patients and families who suffer harm, and a major initiative to prevent lives from being lost through sepsis. According to the Health Foundation, the proportion of people suffering from the major causes of preventable harm has dropped by a third in the last three years, so we are making progress, but we still make too many mistakes. Twice a week in the NHS we operate on the wrong part of someone's body and twice a week we wrongly leave a foreign object in someone's body. The pioneering work of Helen Hogan, Nick Black and Ara Darzi has estimated that 3.6% of hospital deaths have a 50% or more chance of being avoidable, equating to over 150 deaths every week.

Despite that, we should remember that our standards of safety still compare well with those in many other countries. However, I want England to lead the world in offering the highest possible standards of safety in healthcare. Therefore, today I am welcoming Health Ministers and healthcare safety experts from around the world to London for the first ever ministerial-level summit on patient safety. I am co-hosting the summit with the German Health Minister, Hermann Gröhe, who will host a follow-up summit in Berlin next year. Other guests will include Dr Margaret Chan, director general of the World Health Organisation, Dr Gary Kaplan, chief executive of the renowned Virginia Mason hospital in Seattle, Professor Don Berwick, and Sir Robert Francis QC.

We will discuss many things, but in the end all the experts agree that no change is permanent without culture change. That change needs to be about two things: openness and transparency about where problems exist; and a proper learning culture to put them right. With the new inspection regime for hospitals, GP surgeries and care homes, as well as a raft of new information now published on My NHS, we have made much progress on transparency, but as Sir Robert Francis's “Freedom to speak up” report told us, it is still too hard for doctors, nurses and other front-line staff to raise concerns in a supportive environment.

Other industries, in particular the airline and nuclear industries, have learned the importance of developing a learning culture, not a blame culture, if safety is to be improved. Too often, the fear of litigation or professional consequences inhibits the openness and transparency we need if we are to learn from mistakes.

Following the commitment I made to Parliament at the time of the Morecambe Bay investigation, we will from 1 April set up our first ever independent healthcare safety investigation branch. Modelled on the air accidents investigation branch that has been so successful in reducing fatalities in the airline industry, it will undertake timely, no-blame investigations. As with the air accidents investigation branch, I can today announce that we will bring forward measures to give legal protection to those who speak honestly to investigators. The results of such investigations will be shared with patients and families, who will therefore get to the truth of what happened much more quickly. Unlike at present, however, those investigations will not normally be able to be used in litigation or disciplinary proceedings, for which the normal rules and processes will apply. The safe space that they will therefore create will reduce the defensive culture too often experienced by patients and families, meaning that the NHS can learn and disseminate lessons more quickly, so that we avoid repeating mistakes.

My intention is to use the reform to encourage much more openness in how the NHS responds to tragic mistakes: families will get the full truth faster; doctors will get support and protection to speak out; and the NHS as a whole will become much better at learning when things go wrong. What patients and families who suffer want more than anything else is a guarantee that no one else will have to re-live their agony. The new legal protection will help us to promise them, “Never again.” Fundamental to the change is getting a strong reporting culture in hospitals under which mistakes are acknowledged, not swept under the carpet.

Today, NHS Improvement has also published a “learning from mistakes” ranking of NHS trusts, drawing on data from the staff survey and safety incident reporting to show which trusts have the best reporting culture and which need to be better at supporting staff who want to raise concerns. It will be updated every year in a new Care Quality Commission state of hospital quality report, which will also contain trusts’ own annual estimates of their avoidable mortality rates and have a strong focus on learning and improvement. Furthermore, the General Medical Council and the Nursing & Midwifery Council guidance is now clear: where doctors, nurses or midwives admit what has gone wrong and apologise, the professional tribunal should give them credit for that, just as failing to do so is likely to incur a serious sanction.

The Government remain committed to further reform to allow professional regulators more flexibility to resolve cases without stressful tribunals. The culture change must also extend to trust disciplinary procedures, so NHS Improvement will ask for a commitment to openness and learning to be reflected in all trust disciplinary procedures and ask all trusts to publish a charter for openness and transparency, so that staff can have clear expectations of how they will be treated if they report clinical errors.

Finally, from April 2018, the Government will introduce the system of medical examiners that was recommended in the Francis report, which will make a profound change to our ability to learn from unexpected or avoidable deaths, with every death either investigated by a coroner or scrutinised by a second independent doctor.
Grieving relatives will be at the heart of the process and will have the chance to flag any concerns about the quality of care and cause of death with an independent clinician, meaning that we get to the bottom of any systemic failings much more quickly. The NHS is one of the largest organisations in the world and learning from mistakes and becoming the world’s largest learning organisation is how we will offer the safest, highest-quality standards of care. I commend the statement to the House.

1.47 pm

Heidi Alexander (Lewisham East) (Lab): I thank the Secretary of State for his statement. The Opposition support any measures that will improve safety in our NHS and make it more open to learning from mistakes. However, we will also provide robust opposition and scrutiny when we think that the Secretary of State’s actions are having the reverse effect.

Let me start by setting out where we support the Government. On the independent medical examiners, the Secretary of State will know that that is a reform that the Opposition have long pushed for. The previous Labour Government legislated in 2009 for the introduction of medical examiners, following the inquiry into the crimes of Harold Shipman. The call to introduce medical examiners was then repeated in the Francis report and in the report of the Morecambe Bay investigation, chaired by Dr Bill Kirkup. Indeed, last year’s Kirkup report said:

“We cannot understand why this has not already been implemented in full”.

We welcome the implementation of the medical examiners system, but it is concerning that it appears to have been delayed until April 2018. Will the Secretary of State say why progress in that area is so slow? Will he reconsider the timetable for their introduction given that April 2018 is more than two years away? Will he say more about how the reform will be funded? Local government faces further cuts over the coming years and while I understand that local authorities will be reimbursed for set-up costs, they will have to collect fees to fund the service. How will that work in practice? Is the Secretary of State confident that local government, which is already facing the NHS adequately, staff it properly and you might say this to him: measures to investigate and identify harm are all well and good but there needs to be action to prevent harm from happening in the first place—fund the NHS adequately, staff it properly and you might just give it a fighting chance.

Does the Secretary of State accept that he needs to do much more to develop a positive learning culture in our NHS? How in practical terms will he support clinicians and managers to improve services? Go to any health trust and we will find a director of finance and non-executive directors with financial expertise, but rarely will we see the same attention being paid to quality. Does the Health Secretary not agree that every trust board needs someone whose focus is not short-term firefighting, but co-ordinating and bringing together staff to drive improvements in quality?

I will always support sensible steps to improve safety and transparency in the delivery of health services, but what I cannot do is stand here today and pretend that other actions taken by this Government will not have a detrimental effect on patient care. The Health Secretary’s kamikaze approach to the junior doctor contract means that no matter how the dispute ends, he will have lost the good will of staff, on which the NHS survives. How can he stand here and talk about patient safety when it is him and him alone who is to blame for the current industrial action, for the destruction of staff morale and for the potential exodus of junior doctors to the southern hemisphere? [Interruption.]

Madam Deputy Speaker (Mrs Eleanor Laing): Order.

Heidi Alexander: Thank you, Madam Deputy Speaker. I ask the Health Secretary: how can he stand here and say that he wants the NHS to deliver the highest-quality care in the world when the people he depends upon to deliver that care for patients have said: “Enough is enough”? How can he talk about patient safety when he knows that his £22 billion-worth of so-called “efficiency savings” in the next four years will lead to job cuts and will heap more pressure upon a service that is about to break?

I know the Health Secretary has been shy about visiting the NHS front line in the past few months, but if we speak to anyone who has any contact with the NHS, the message we will hear is clear: the financial crisis facing the NHS is putting patient care at risk. The independent King’s Fund recently said:

“Three years on from Robert Francis’s report into Mid Staffs, which emphasises that safe staffing was the key to maintaining quality of care, the financial meltdown in the NHS now means that the policy is being abandoned”.

That is simply not good enough. For those people who have experienced failures of care and for those staff working in environments so pressurised that they fear for the quality of care they are able to deliver, the Health Secretary needs to get his head out of the sand. I say this to him: measures to investigate and identify harm are all well and good but there needs to be action to prevent harm from happening in the first place—fund the NHS adequately, staff it properly and you might just give it a fighting chance.

Mr Hunt: The hon. Lady had the chance to be constructive. I do welcome her commitment to a safer NHS, but we need actions and not just words from the Labour party if its conversion to improving patient care is to be believed. She mentioned the junior doctors’ strike. Patients and their families will have noticed that, when it came to the big test for Labour—whether to back vulnerable patients, who need a seven-day NHS,
or the British Medical Association, which opposes it—Labour has chosen the union. She brought up the topic, so let me just remind the House of what Nye Bevan, the founder of the NHS, said about the BMA: “this small body of politically poisoned people have decided to...stir up as much emotion as they can in the profession...they have mustered their forces on the field by misrepresenting the nature of the call and when the facts are known their forces will disperse.”—[Official Report, 9 February 1948; Vol. 447, c. 36-39.]

Bevan would have wanted high standards of care for vulnerable people across the whole week and so should she.

The hon. Lady also challenged the Government on safety, so let us look at the facts. Under this Government: MRSA down 55%; clostridium difficile down 42%; record numbers of the public saying that their care is safe; the proportion suffering from the major causes of preventable harm down by a third during my period as Health Secretary; and 11 hospitals with unsafe care put into special measures and then taken out of special measures, with up to 450 lives saved according to that programme.

Before she gets on her high horse, she should compare that with Labour's record: avoidable deaths at Mid Staffs, Morecambe Bay, Basilidion and many other hospitals; care so bad we had to put 27 hospitals into special measures; the Department of Health under Labour a “denial machine”, according to Professor Sir Brian Jarman; and contracts that reduced weekend cover in our hospitals passed by the last Government. They made a seven-day NHS harder—we are trying to put that right. The hon. Lady mentioned money, but she stood on a platform to put £5.5 billion less into the NHS every year than this Government. On the back of a strong economy, we are putting more resources into the NHS. A strong NHS needs a strong economy, and Labour had better remember that.

Let me look at some of the other points the hon. Lady raised. What I said in my statement about the GMC and NMC guidance was that, having said it would change, that guidance has changed and it is now clear that people are going to be given credit in tribunals for being open and honest about things that have gone wrong. She challenged me about the timing for the introduction of medical examiners, so let me remind her of the facts: the Shipman inquiry third report recommended medical examiners in 2003, Labour failed to implement that over seven years, and in six years we are implementing it, which is what I announced today. I am confident that there will not be additional burdens on local government.

The hon. Lady talked about the issue of supporting trusts that do not have the right reporting culture, and that is exactly what we are doing today, because we have published the names of not only the trusts that do not have a good reporting culture, but the names of those that do have a good reporting culture—trusts such as Northumbria Healthcare NHS Foundation Trust, Oxleas NHS Foundation Trust and many others. The trusts that are struggling with this can learn from them.

The hon. Lady says that I need to do more, but, with respect, let me say that the measures we have taken on openness, transparency and putting quality at the heart of what the NHS does and needs to stand for go a lot further than anything we saw under the last Labour Government. I say to her that it says rather a lot that, on a day when this Government have organised a summit, with experts from all over the world, on how to make our hospitals safer, the Labour party is lining up with unions against safer seven-day services. I urge her to think again and to choose the more difficult path of backing reform that will help to make our NHS the safest healthcare system in the world.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): What a shame that the hon. Member for Lewisham East (Heidi Alexander) did not take the opportunity today to condemn the strikes. Supporting unions and not patients will not impress anyone.

May I welcome my right hon. Friend's excellent statement, join him in paying tribute to the people who work in our NHS, and particularly welcome the setting up of the healthcare safety investigation branch and the system of medical examiners, which will contribute to better results and better outcomes in the health service?

The Secretary of State has taken a personal interest in sepsis, particularly by responding to the UK Sepsis Trust and Dr Ron Daniels, the Mead family, who tragically lost their son, William, and other relatives of patients who have died of sepsis. He knows that the ombudsman report of September 2013 contained many recommendations, including a request for a public awareness campaign, which could save lives. Will the Secretary of State tell us what progress he has made with that, because the relatives who are campaigning seem to have been waiting a long time for this public awareness campaign that they believe will help greatly?

Mr Hunt: I thank my right hon. Friend for her campaigning work on sepsis. Indeed, I have met the Mead family with her. She does a fantastic job with the all-party parliamentary group on sepsis. We announced a plan in January last year as this is a major area where we need to increase knowledge both inside the NHS and among the general public. As I mentioned a couple of weeks ago at a meeting organised by the all-party group, we are now looking at putting in place a public information campaign. We need to establish whether that should be about just sepsis, or whether it should be a more general public information campaign to help parents to understand when they need to worry about a fever, which is very common among small children and might be due to reasons other than sepsis, with meningitis being an obvious one. We are doing that detailed work now and we want to get this absolutely right, but I commend her persistence in ensuring that we deliver our commitments in this area.

Dr Philippa Whitford (Central Ayrshire) (SNP): I welcome the statement from the Secretary of State, particularly with regard to the establishment of medical examiners, which we have had in Scotland since last year. I, too, ask why there is a delay of another two years before that comes on stream. As a doctor, the thing that always seemed obvious to me was that something might have made a difference with Shipman. Of all the things that have been enacted, someone reviewing deaths might have made that difference. I do not underestimate the importance of audit, and learning from routine audit, rather than depending on just whistleblowing.
In Scotland, we had an audit of surgical mortality in the 1990s. The first thing that that showed was the people dying who had not had a sufficiently senior surgeon involved in their case. That was discussed with the profession, and practice changed. Future years identified a situation with a consultant surgeon at the front line and a junior anaesthetist, but that, too, changed. The audit identified the lack of high-dependency nursing units for the sickest patients. I suggest that working with such an audit and the profession, as we have done for coming up to 20 years, would have allowed the evolution of a stronger, safer seven-day emergency service. I again call on the Secretary of State to commit to looking at a surgical approach, the things that are missing—access to scans and radiology—and perhaps more senior review and senior involvement. This is not about junior doctors and it is not blanket.

We also need to look at the ratio of staff. Francis and other research have shown the importance of nursing staff. Staff who do not have a minute to stop and think will make mistakes, and will not have time to report them. We need to make this easy. There must be a culture in which people have the time to minimise mistakes.

I have a final plea. The Secretary of State is offering more support to whistleblowers, but a review and reconciliation for those who have been badly treated in the past might give people more confidence that, if they step up and report something significant, they will not be hung out to dry, as has been the case previously.

Mr Hunt: I contrast the tone of the hon. Lady’s response with that of the shadow Health Secretary. Although I by no means agree with everything she said, she does make some important points.

It is not the case that we have delayed the medical examiners scheme. In the previous Parliament, we had pilots so that we could understand exactly how the examiners would work. That is relevant to the hon. Lady’s other point about audit, with which I completely agree. One thing that medical examiners will be able to do is to look for unexpected or unexplained patterns in deaths. Obviously, the vast majority of deaths are routine, predictable and expected, but those examiners will be able, looking at audit tools, to identify where there are things to worry about, which is why this is an important next step.

With respect to whistleblowers, I will reflect on what the hon. Lady says. We are trying to eliminate the need for things ever to get to the point where someone has to become a whistleblower. We want to ensure that people are supported to speak out about mistakes they have seen or made and concerns that they have, and that they are confident that they will be listened to. We are publishing a table today about the quality of the reporting culture. Much of the raw data that allow us to rank trusts on the quality of reporting data come from the NHS staff survey, which asks staff how valued they think they are, and how safe and easy it is to raise concerns. That is why this is a big step forward.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I thank my right hon. Friend for his statement and for taking forward so many of the recommendations that were made a year ago in the Public Administration Committee’s report on investigating clinical incidents in the NHS. I particularly thank him for implementing the creation of a safe space, which has been a controversial and difficult subject because some people think that this is about hiding stuff, when in fact it is about getting people to speak much more openly and freely. Will he say something about how that will be implemented without primary legislation?

Mr Hunt: I thank my hon. Friend for his question. He and I have talked many times and thought very hard about how we can learn lessons from the air industry. He is one of the people who came to me first to say that if we want to set up an equivalent to the air accidents investigation branch, we need to give people in the healthcare world the same legal protections that others have when they are speaking to that branch, and that is at heart of the statement that I have made to the House today.

The point about safe space is very, very important. This is not about people getting off scot free if they make a terrible mistake. There is no extra protection here for anyone who breaks the law, commits gross negligence or does something utterly irresponsible. Patients still have those protections. What they gain is the comfort that we will get to the truth and learn from mistakes much more quickly. Every single patient and bereaved family says that the most important thing is not money, but making sure that the system learns from what went wrong. We will ensure that we construct the safe space concept, and I do not rule out extending that beyond the investigations of the healthcare safety investigation branch.

Kevin Barron (Rother Valley) (Lab): In welcoming the statement, may I say that, in my experience on the General Medical Council and on the Health Committee, the biggest cloud that hangs over the culture of non-reporting in the national health service is litigation? Last year it cost the British taxpayer £1.1 billion, £395 million of which went on legal costs alone. Should we not be looking at a no-fault liability scheme inside the national health service so that we can really encourage cultural change?

Mr Hunt: The right hon. Gentleman is absolutely right that the fear of litigation has a very pernicious effect, which we see across the NHS. Litigation is a huge drag on costs and we are reforming how it works. We have looked at what happens in other countries. In Sweden, for example, the creation of a no-blame culture has had the dramatic impact of reducing maternity and neo-natal injury. I hope that today’s statement is a step towards that, but we will consider other reforms to the litigation process as well.

Sir Edward Garnier (Harborough) (Con): The Under-Secretary of State for Health, my hon. Friend the Member for Ipswich (Ben Gummer), and I had a useful debate this morning in Westminster Hall about clinical negligence cases, and what the Secretary of State has said this afternoon clearly touches on that. I might be being obtuse, but the statement seems to relate to the internal investigation of the poor or mistaken conduct of doctors by the disciplinary system, and not to the resistance to, or the conduct of, clinical negligence cases. I hope I am wrong about that, because we do not want, despite the best of intentions of the Secretary of
State, as identified in the statement, to make the settlement of just clinical negligence cases more difficult, more expensive and more sclerotic. I read in the papers this morning that there would be a need for a court to give consent to the use of particular information. It might well be that this morning’s trails were inaccurate and do not reflect what the Secretary of State intends, but I wonder whether he could disentangle internal and external reactions to poor conduct.

Mr Hunt: I shall do my best for my right hon. and learned—and eminent—Friend. We do not want to affect the legal rights of anyone who wishes to litigate against the NHS because they feel they have been treated badly. Those rights must remain, and we will protect them, but we want to make it easier to get to the truth of what happened so that we can learn from mistakes. The information uncovered by a healthcare safety investigation branch investigation could not be used in litigation proceedings without a court order. However, my belief is that having those investigations carried out by the branch is quite likely to speed up court processes, because I think it will establish on all sides, in greater likelihood, agreement about what actually happened in any particular situation. I hope that that will be beneficial, but if anyone wants to use the evidence in litigation, they will have to re-gather it, because we are concerned that, if doctors are worried that anything that they say could be used in litigation, they may be hesitant about speaking openly, and that represents the defensive culture that we are trying to change.

Norman Lamb (North Norfolk) (LD): I welcome the measures set out in the statement. The Secretary of State will not be surprised to hear that I want to focus on safety in mental health. The statement seems to be quite focused on acute hospitals. At the summit taking place today, will there be a specialist focus on safety in mental health? The Secretary of State will remember that the Government announced last February an ambition to achieve zero suicide, but he will be aware that there has been a significant increase in serious incidents and in the reporting of unexpected deaths and suicides. I do not know where that project has got to, but would he be prepared to meet me to discuss how we can develop the zero-suicide ambition, which has achieved such a reduction in deaths in the city of Detroit in the United States? The same can happen here if we have the same focus and ambition.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Before the Secretary of State answers that important question, I remind the House that we have a lot of business to get through today. Shorter questions and correspondingly shorter answers would be welcomed by those who are waiting to take part in other debates.

Mr Hunt: As ever, I commend the right hon Gentleman’s interest in mental health. May I reassure him that this is very much about what happens in mental health and also the area of learning disabilities? In fact, some of the thoughts were prompted by what happened at Southern Health. It is absolutely vital that we investigate unexpected deaths in mental health as much as we do in physical health. The measures we take will go across those areas, and I am more than happy to meet him to discuss the very laudable aim of zero suicides.

Dr Tania Mathias (Twickenham) (Con): May I applaud the Secretary of State for this culture of safety and learning? Will he consider increasing the use of exit interviews in the NHS? I have worked in the NHS, aid organisations and charities, and the NHS is the only one where I have not had an exit interview. May I suggest that decreasing the use of agency and locum staff, as we hope to do, provides an opportunity to learn from good staff about sharing good practice and avoiding bad practice? I absolutely applaud the world summit on patient safety, and I very much hope the Secretary of State has invited St John of Jerusalem eye hospital, from East Jerusalem. If that was somehow forgotten, please will he ensure that it is invited to the Berlin summit next year?

Mr Hunt: I feel prompted by my hon. Friend’s question to investigate what I am sure is excellent practice at St John of Jerusalem eye hospital. If I may, I will take away her very good point about exit interviews. We also heard a good point about agency staff. Part of the thing that inhibits a learning culture is if a large percentage of staff are in an organisation only on a provisional or temporary basis, rather than being part of regular teams and therefore not being able to transmit lessons learned. That is why we have to deal with the virus of an over-reliance on agency staff in some parts of the NHS.

John Woodcock (Barrow and Furness) (Lab/Co-op): May I gently ask that the Secretary of State, if he is going to list Morecambe Bay in a litany of things to bash the previous Government over the head with, to do so while also acknowledging that the situation continued for some time under his Government and is still taking some time to turn around?

I wholeheartedly welcome the Secretary of State’s focus on patient safety and his overall approach, and I pay tribute again to the Morecambe Bay campaigners, who have done so much to trigger this improvement. However, does he share my concerns about trusts such as Morecambe Bay being forced, for a number of reasons, including for safety, to use a large number of agency staff, and about the difficulty in changing culture when that staffing situation persists?

Mr Hunt: Let me commend the staff at Morecambe Bay, who have been through a very difficult patch. The trust has now exited special measures, which is a very exciting step for the trust, and there has been a huge amount of work to make that possible. It feels to me that they really have turned a corner at Morecambe Bay, and we should support the staff, who have done a great job in that respect.

The hon. Gentleman raises an important point about agency staff. In particular, it is challenging to get permanent recruitment to more geographically isolated places—we find that that is a problem not just at Morecambe Bay, but across the country. However, sometimes, it can be false comfort to get in large numbers of agency staff, as not only are they extremely expensive, but they cannot offer the continuity of care that is at the heart of a safer culture, so we have to find better ways to support places such as Morecambe Bay further to improve safety.
David Tredinnick (Bosworth) (Con): I congratulate my right hon. Friend on a range of initiatives, including the independent healthcare safety investigation branch, but I remind him that some of the problems that we face are staring him in the face, not least the difficulties in Leicestershire with the ambulance service. I thank the Under-Secretary of State for Health, the hon. Member for Ipswich (Ben Gummer), for seeing the right hon. Member for Leicester East (Keith Vaz) and me to discuss the problems that occur when 15 out of 25 ambulances in the county are queuing to discharge patients. The Under-Secretary talked about bringing in troubleshooters to resolve problems. Will the Secretary of State enlighten the House on what he proposes to do about these very evident problems? They require little investigation; they require action.

Mr Hunt: We do have a system-wide problem in Leicestershire and we are looking into it urgently. I thank my hon. Friend for raising the issue. He is absolutely right that when we talk about safety being open about mistakes, that has to apply to the ambulance service as much as to every other part of the NHS.

Jim Shannon (Strangford) (DUP): May I also welcome the Secretary of State’s statement to the House? In particular, I welcome the commitment to building a safer, seven-day NHS. In Northern Ireland, we have just announced 1,200 new nurses, 300 new professionals, extra money for autism and mental health care and, just this week, extra money to address waiting lists to build a safer, seven-day NHS—that is what we want.

The Secretary of State referred to learning from mistakes, the need for an extension of trusts’ disciplinary procedures, openness to learning and a charter for openness and transparency. What discussions has he had with the Northern Ireland Assembly Minister, Simon Hamilton, about ensuring that that system can be replicated in Northern Ireland and by regional Assemblies and Administrations across the whole of the United Kingdom of Great Britain and Northern Ireland?

Mr Hunt: My colleague, the hospitals Minister, will have those discussions with the Northern Ireland Health Minister. However, the hon. Gentleman is right that if we are going to have a learning culture, it needs to be across the UK, not just in England. That is why I welcome the discussions we have with the Scottish NHS and the Welsh NHS. There are things that we can learn from each other, and we should be very open-minded in doing so.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): We must all strive to improve safety and quality in the NHS, but the Health Foundation report that the Secretary of State referred to stated that 40% of patients said there were too few nurses to care for them—this is three years after the Francis report. The Government say that the NHS must learn more, but what are they doing to learn from the inquiries that have been held?

Mr Hunt: Well, quite a lot. For example, we have increased the number of nurses by more than 10,000 since the Francis report was published, to ensure that we do not have a problem with safety on our wards. We recognise that it is incredibly important not to have short-staffed wards, and we are making more reforms in this Parliament to ensure that we recruit even more nurses. It would be good to have some support from Labour on that.

Dr Andrew Murrison (South West Wiltshire) (Con): I congratulate my right hon. Friend on his statement, although I hope that it draws on experience from other healthcare economies, as well as on the aerospace sector. When things go wrong, it is right that the NHS is frank about it and, where necessary, compensates people for what may be long-term management issues. Currently, negligence settlements are based on provision in the private sector and do not necessarily anticipate that people will be treated and managed in the NHS, which means that the service effectively pays twice for mistakes. As the Secretary of State seeks to close the Simon Stevens spending gap, perhaps he will reflect on that. I would be grateful if he could say to what extent he thinks that excessive negligence claims are influenced by the rather perverse way in which they are currently calculated.

Mr Hunt: Someone looking at our current system independently might say that some things are difficult to understand, including the point raised by my hon. Friend and the fact that we tend to give bigger awards to wealthier families because we sometimes take into account family incomes when we make them. We are considering that area, but we are cautious about reducing the legal rights of patients to secure a fair settlement when something has gone wrong. In the end, this is about doing the right thing for patients, and the most effective way of reducing large litigation bills—I know my hon. Friend will agree with this—is to stop harm happening in the first place, and that is what today is about.

Mr Dennis Skinner (Bolsover) (Lab): If anybody should be learning from mistakes in the health service, it is the Secretary of State for Health. I have been down to the picket line today, as I have on every occasion, and I can tell him that it is hardening. There are more people on that picket line down at St Thomas’ today than I have seen in all the months since the strike began. I am a bit of an expert on picket lines; I know what it is like. Quite frankly, the biggest mistake that the Secretary of State has made is to think that he can get away with imposing a seven-day week on hospital doctors and everybody else who works in the health service, because he wants to avoid proper premium payments. When I worked in the coal mines, miners got double pay on Sundays, and they got time and a half all day Saturday. It is time he recognised that not just hospital doctors but nurses, radiologists and all the others who will have to work a seven-day week should be paid the proper money. Otherwise, pack the job in, and then he’ll be doing a service to the whole national health service.

Mr Hunt: Under our proposals, doctors will receive higher premium rates than lower paid nurses, paramedics and healthcare assistants. I thought the hon. Gentleman campaigned for the lower paid! The day that I stop this job will be the day that I stop doing the right thing for patients. He has constituents who need a seven-day NHS, as do I, and this Government will be there for them and will do the right thing.
Mr Hunt: I am afraid, is the problem with some elements in the BMA, who are putting politics ahead of patients. As we have heard today, that is the problem in the Labour party as well.

Mr Hunt: I hope that the hon. Lady is not quoting selectively from my reply to the person concerned, because when people raise issues of patient safety with me, I usually refer them to the CQC, which is able to give a proper reply. I would be very surprised if I had not done that in this case. Retrospective cases are particularly difficult, and much as we want to help, it is difficult constitutionally to unpick decisions made by courts. We are trying to separate employment grievances from safety grievances and make that the way that we solve these difficult situations.

Mr Hunt: My hon. Friend speaks very wisely. Let me say that one thing that has been a mistake of successive Governments is a short-termist approach to NHS managers. We ourselves have looked for a scapegoat when something has gone wrong—an A&E target missed or whatever—and not backed people making long-term transformations. That is something we need to think hard about.

Mr Hunt: My hon. Friend speaks very wisely. Let me say that one thing that has been a mistake of successive Governments is a short-termist approach to NHS managers. We ourselves have looked for a scapegoat when something has gone wrong—an A&E target missed or whatever—and not backed people making long-term transformations. That is something we need to think hard about.

Jeremy Lefroy (Stafford) (Con): I thank the Secretary of State for his statement and for all the work he has done on this. I pay tribute to all those who have campaigned to bring patient safety to the fore. Many from tragic experiences that they have had. What work is being done to ensure that medical schools and nursing schools have patient safety right there on the curriculum?
Mr Hunt: We have looked at the curriculum very carefully. In particular, we want to make sure that people understand their responsibilities to speak out if they see mistakes or things going wrong, and to help people to understand that this may not be the prevailing culture in the hospital they go to. We are looking to a new generation of doctors and nurses to help us in changing the culture for the better.

Amanda Milling (Cannock Chase) (Con): I, too, welcome my right hon. Friend’s statement. Having met the parents, he will be aware of the tragic death of three-year-old Jonnie Meek at Stafford hospital. They have been looking for answers to their questions for some time. Will he confirm that the new healthcare safety investigation branch he has announced today will give families like Jonnie’s the opportunity to find the answers they have been looking for much more quickly?

Mr Hunt: I thank my hon. Friend for her support for Jonnie’s parents. This is a very sad case. The independent investigator in the case talked about the closed culture he encountered at two different trusts. Indeed, that is a very good example of the change in culture we need. I have worked with them. I hope we can secure a second inquest into Jonnie’s death, so we can get to the truth. I am afraid it will be too late, but we want to get there eventually.

Jason McCartney (Colne Valley) (Con): As the Secretary of State is aware, my local clinical commissioning group starts a 14-week consultation next Wednesday on proposals to downgrade A&E at Huddersfield Royal Infirmary. Does he agree that patient safety must be the priority in those decisions, not the ruinous PFI deal signed by Halifax hospital in 1998, which is the backdrop to these appalling plans?

Mr Hunt: No one fights harder for his constituents on healthcare matters than my hon. Friend, and I commend him for that. The process he talks about will be led by clinicians. He is absolutely right that patient safety must be of paramount importance.

Will Quince (Colchester) (Con): My right hon. Friend is aware that we have one of the worst stillbirth rates in the developed world. Every stillbirth is a tragedy, and with more than 3,600 a year we must do all we can to avoid them, especially when half are preventable. I am co-chair of the new all-party group on baby loss. Does my right hon. Friend agree that it is only by looking at every single stillbirth and learning the lessons from them that we can get that number down by 20% by the end of this Parliament and by half by 2030?

Mr Hunt: My hon. Friend is absolutely right. I thank him for his work in this area. Maternity—stillbirths, neonatal deaths, neonatal injuries and maternal deaths—is the area where I hope we make the most rapid early progress in developing this new learning culture. There is so much to be gained. We can be the best in the world, but the truth is that we are a long way down international league tables in this area. None of us want that for the NHS. There is a real commitment to turn that around and I thank him for his support.

Madam Deputy Speaker (Mrs Eleanor Laing): The prize for perseverance and patience goes to Mr Mark Spencer.

Mark Spencer (Sherwood) (Con): I am grateful, Madam Deputy Speaker, even if my knees are not. I congratulate the Secretary of State on providing a protected space for doctors, so they will be able to be honest and upfront when things go wrong, and on striking the right balance so that relatives and people who suffer wrongs in the NHS get to the bottom of what went wrong, why it went wrong and why it will not happen again.

Mr Hunt: I thank my hon. Friend. That is the heart of what we want to do. He of course has been very closely involved in the improvements we are trying to make at his local trust. If his knees are in pain, I can recommend a very good GP surgery in his constituency, one he very kindly showed me during the election campaign.
Point of Order

2.35 pm

Dr Liam Fox (North Somerset) (Con): On a point of order, Madam Deputy Speaker. I wonder if you can help to clarify an outstanding issue from today’s urgent question. In the Heads of Government statement, which of course was issued in the name of our Prime Minister, it says very clearly:

“to accelerate the implementation of the visa liberalisation roadmap with all member states with a view to lifting visa requirements for Turkish citizens at the latest by the end of June 2016”.

In the House earlier today, the Minister for Europe said that this did not apply to the United Kingdom. It cannot apply to all states and not the United Kingdom. One of the versions must be incorrect. Through your good offices, Madam Deputy Speaker, I wonder whether we might get a written clarification from the Government as to which of these events in question is the truth.

Madam Deputy Speaker (Mrs Eleanor Laing): The House knows and the right hon. Gentleman knows that I am not responsible for the content of the statement made earlier today by the Minister. The Chair is, however, responsible for making sure that Members on the Back Benches have full and satisfactory answers from Ministers. I am quite certain that those on the Treasury Bench will have taken note of what the right hon. Gentleman has said and will act accordingly.

BILL PRESENTED

Laser Pens (Regulation of Sale, Ownership and Usage) Bill

Presentation and First Reading (Standing Order No. 57)

Rehman Chishti, supported by Maggie Throup, David Mackintosh, Mr Nigel Dodds, Gordon Henderson, Kelly Tolhurst, Paul Flynn, Dr Julian Lewis, Sir Gerald Howarth, Martin Vickers and Dr Tania Mathias, presented a Bill to make the sale, ownership and use of portable laser emitting devices with output power of more than 1 milliwatt unlawful in certain circumstances; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 22 April 2016, and to be printed (Bill 150).

Criminal Offences (Misuse of Digital Technologies and Services) (Consolidation) Bill

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

2.36 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I beg to move,

That leave be given to bring in a Bill to consolidate offences relating to the misuse of digital devices, technologies, systems and services for the purposes of committing or preparing to commit or aiding, abetting, facilitating or concealing the commission of a crime or disposal of the proceeds of a crime; to make provision reflecting technological advancements, including the training of criminal justice personnel; to establish a duty for the Secretary of State to provide advice and guidance to the digital and telecommunications services industry aimed at reducing the misuse of digital technologies for criminal purposes; and for connected purposes.

There has been an unprecedented rise in crime assisted by digital technology over the past decade. Just as so many of us now spend so many of our waking hours in cyberspace, so too has organised crime found new territory in which to operate. Abusers have found new means to torment their victims, often under the veil of anonymity. Charities, agencies and police involved in tackling stalking and harassment, hate crimes and abuse are only too aware that criminals and abusers are using technology to target victims. The challenge here is to identify what is criminal behaviour and to respond appropriately.

Victims of cyber-abuse often do not turn to the police, either because they are unaware that an offence has been committed or because they do not believe that the police will react. The College of Policing estimates that half of all crimes reported to front-line officers has a cyber element. Police experts state that there are as many as 7 million online frauds a year and 3 million other online crimes. Very many of these go unreported.

The police lead on the fight against digital crime. The chief constable of Essex, Stephen Kavanagh, warns that the levels of abuse on the internet are now at unexpected levels, and that the police are at risk of being “swamped”. Sometimes police response to victims’ complaints is ambiguous, yet if these are crimes—and they are—an ambiguous response to them is not a satisfactory solution. Where are the dividing lines between hissy teenagers letting off steam and abusive hate mail? What are the indicators that flag up the likelihood of aggressive words in digital format leading to violent action in the physical world? What as a society do we believe should be treated as criminal behaviour, and what is merely the unfortunate reflection of individuals’ private thoughts laid out for the world to reweet at leisure? And how on earth do the police deal with all that?

The police, many of whom, particularly senior officers, were trained to deal with 20th-century crimes, now find themselves in the 21st century amid a maelstrom of mass information and breakneck technological change—the bobby on his bicycle, out on the internet highway, policing the dark web with a flashlight and an Alsatian.

The purpose of this Bill is to call on the Attorney General and the Solicitor General to undertake a review of all relevant legislation and to consolidate powers contained in a list of statutes into a single Bill. At
present, prosecution can be initiated by using a confusing array of criminal legislation. I thank Harry Fletcher of Digital-Trust for his considerable and thorough work on this Bill, which involved seeking out the relevant sections of more than 30 Acts, including one dating from the 19th century. It is evident that the existing provision is fragmentary and inadequate, and that that in itself acts as a hindrance, allowing abuse to continue unchecked.

It is important to understand that the threshold set for the prosecution of hate crimes over the internet is extremely high. That is understandable, yet the way in which that threshold is interpreted varies from police force to police force across the country, and many incidents are not prosecuted. Consolidating that and other statutes will bring much-needed clarity.

The requirement for additional police training will address the situation where only 7,500 police officers out of a total of 100,000 in England and Wales are trained to investigate digital crime. The Bill also updates laws on surveillance, monitoring and abusive content. It becomes a clear offence repeatedly to locate, listen to or watch an individual by means of digital technology without legitimate reason. It will be illegal to install spyware or webcams without good reason. It becomes an offence to make multiple images of a person unless it is in the public interest to do so. It becomes an offence repeatedly to order goods or services for a person if it causes distress or anxiety. Posting images without the subject’s permission and the posting of messages that are discriminatory or threatening, or that cause distress or anxiety, would become offences.

The Bill also places additional responsibilities on social media platform providers and the industry as a whole to respect and abide by a code of professional standards; to conduct impact assessments in respect of customers; to block offensive social media postings and postings inciting violence; and to co-operate with and inform the police in the event of wrongdoing.

I am aware that this is something of a cliché, but it is difficult to avoid stating the obvious fact that this is a Bill whose time has come. It is evident from the Bill’s cross-party support, for which I am very grateful, that parliamentarians from across the House feel that legislation in relation to cybercrime and cyber-abuse must be fit for purpose, and that the recourse available at present to police and prosecutors does not facilitate their work.

That ready response springs from our common experiences. MPs have been the subject of violent online threats. People come to our surgeries reporting abuse and bullying. We read about people in the public eye, including footballers and celebrities, and the unacceptable abuse some of them receive on Twitter and Facebook. Teaching unions, too, are concerned at the abuse their members face.

The campaigning organisation Kick It Out works with football clubs and fans to tackle all forms of discrimination. It deals with abuse relating to race, sexual orientation, gender, faith and disability, and 42% of incidents reported to Kick It Out occurred on social media.

I have had a mother at a constituency surgery describing one of her children being targeted by means of a gaming console online chatroom. She was aware that that was possible over the internet, but assumed that, in gaming, her son would be talking to other children and that gaming chatrooms were safe spaces. It was her son who realised that whoever was talking to his sister was not genuine.

We should not underestimate the scale of the issues at stake: digital crime can ruin lives. On 26 February, Women’s Aid hosted a conference entitled, ‘He’s watching you’, which focused on revenge pornography, as well as the many ways in which perpetrators of domestic violence can further their abuse by tormenting their victims over the internet. As Polly Neate, chief executive officer of Women’s Aid, said in that conference:

“There’s not a real world and a digital world. We exist online in a real way.”

It is often said that social media makes the world seem smaller. For victims of online abuse and harassment, it can make it feel like that world is closing in on them, like there is no escape. For victims of domestic violence, too, online abuse can be overwhelming. A Women’s Aid survey of more than 700 survivors of online abuse found that in 85% of cases the online abuse was part of a wider pattern of abuse that occurred on the internet and in real life. Perpetrators will use any means necessary to control and intimidate their victims.

And the danger is very real. A third of online threats of violence are then carried out. Abuse tends to escalate after a relationship ends, which means that victims are in even greater danger once their perpetrators embark on online abuse. Criminal justice professionals, and society more generally, have to take those threats seriously. If we do not, more people will have their lives destroyed.

I am glad to say that some change is already afoot. Indeed, it was welcome that last week the Crown Prosecution Service announced new guidelines for prosecutors of certain elements of social media abuse. A consultation has been launched about the guidelines, which advise lawyers to prosecute criminals who use fake online aliases to harass victims. The guidelines acknowledge that such abusers can pose as their victims online in order to damage reputations. They offer guidance on how to interpret existing laws, particularly in the light of newer offences such as coercive control and revenge pornography.

It is, of course, welcome to see change starting to take root, but those guidelines are not a panacea. Indeed, they underline the need for consolidating the sheer number of statutes that can be used by prosecutors. I believe that my Bill would go a long way towards tackling this problem, and that it will send a clear signal—to perpetrators and victims alike—that as a society we take these crimes seriously.

I commend the Bill to the House.

Question put and agreed to.

Ordered,

That Liz Saville Roberts, Mr Graham Allen, Sir David Amess, Sir Edward Garnier, Mrs Cheryl Gillan, Mr David Lammy, Tim Loughton, Ms Margaret Ritchie, Mr Barry Sheerman, Hywel Williams, Corri Wilson and Dr Sarah Wollaston present the Bill.

Liz Saville Roberts accordingly presented the Bill.

Bill read the First time; to be read a Second time on 11 March, and to be printed (Bill 151).
Sir Edward Leigh (Gainsborough) (Con): On a point of order, Mr Speaker. It is obvious that the next item of business is going to be enormously popular. Many Members will try to speak and, indeed, there is great public interest in it. I thought you would be interested to know that the Procedure Committee is conducting an inquiry into whether to give you more power to extend debates. It seems ridiculous that that is entirely in the control of the Government. For instance, on Monday we left early after a Second Reading debate, while today many hon. Members will either not be able to speak or have to give very short speeches. I thought you would like to know that, Mr Speaker.

Mr Speaker: Well, it is always useful to have a bit of information. I greatly look forward to the result of the deliberations of the Procedure Committee, of which I think the hon. Gentleman is himself a distinguished ornament. If there are no further points of order, we shall now proceed.
unite with me on the amendment, although I may continue to try to persuade him if he attends the debate. Nevertheless, there is significant cross-party support for the amendment.

In many ways, I would prefer not to be here; I am sorry that we have to deal with this issue. We are having to do so not least because the proper procedure has not been followed, but also because of the issue of substance around Sunday trading. Some hon. Members will remember debates on the matter in the ’90s and the ’80s, which took up a considerable amount of the House’s time and attention. The previous time the matter came before the House, it took some two years of debate to reach the compromise that we reached. We have some three hours today either to unpick that settlement or, as I seek to do in the amendment, to delete the Government’s provisions.

Let us remind ourselves of what the Bill is about, and how Sunday trading fits into it. As I understand it, when it first came to the House, the Bill’s aims were clear. They were to “make sure that Britain is the best place in Europe to start and grow a business and that people who work hard have the opportunity to succeed” and to “cut red tape for business, encourage investment in skills, and make it easier for small firms to resolve payment disputes by setting up a Small Business Commissioner”.

So say all of us, or certainly those of us on the Government Benches. The Bill is important, and I support it up to the point of its conclusion about Sunday trading.

Sir Greg Knight (East Yorkshire) (Con): Will my hon. Friend tell us why he is opposed to what the Government are seeking to do, which, as I understand it, is permissive, not mandatory?

Mr Burrowes: If my right hon. Friend will be patient, the purpose of my speech is to explain the reasons why I oppose the Government. We need to look at where the Government are taking us, even though they are trying to get there through a permissive, devolutionary approach. It is based on the premise that the deregulation of Sunday trading is good for small businesses, families and workers. We need to look at that premise. Deregulation is a one-way valve that local authorities would have the option of taking. I know that many Conservative Members are pure localists, who might want the decision about whether to restrict or deregulate Sunday trading to be a purely local one. The Government make the case that this is good for small businesses, but I object to that. I want to look at the way in which the Government have approached the question and carried out the consultation.

Mr Stewart Jackson (Peterborough) (Con): I thank my hon. Friend for his speech and his strong leadership on the matter. Does he agree that the Government’s case would be more compelling had they abided by the undertaking that the Minister has twice given to publish the impact assessment, which we are led to believe is positive and favourable? So far, the Government have not done so.

Mr Burrowes: The impact assessment has been published today. That is important. The Bill has already received some scrutiny in Committee. The Sunday trading proposals were introduced in Committee; they were not in the Bill on Second Reading. The Bill started not in this place but in the House of Lords. Therefore, the Sunday trading measure received no scrutiny in any of the stages in the House of Lords.

Following the consultation, we were promised that the impact assessment would be published, as we would expect with any measure, not least such an important and controversial one. The impact assessment was published today, and it includes several paragraphs about the family test, for which I and others have asked for some time. Back in October, I asked when the family impact test would be published, and I was told that it would be published before the Committee stage. In February, I asked again when it would be published, and I was told that it would be published alongside the Government’s consultation response. That did not happen. After that, I was told that it would be published shortly. It has been published today. I do not think that is acceptable.

Toby Perkins (Chesterfield) (Lab): I pay tribute to the hon. Gentleman for his consistency on this subject. He stood for election in May. He will have known that some Conservative Members would have liked to bring forward such a measure. He must have been reassured that it was not in the Conservative manifesto. As a democrat, how would he be able to face his constituents if he had chosen to vote for the measure, given that his views are so well known and that the Conservative party had not put it in its manifesto?

Mr Burrowes: I am a lawyer by profession, and I believe that the hon. Gentleman has asked me a leading question. Plainly, the measure was not in the manifesto. Not only that, but the Prime Minister confirmed on 20 April 2015, in the middle of the campaign, in a letter to the “Keep Sunday Special” campaign:

“I can assure you that we have no current plans to relax the Sunday trading laws. We believe that the current system provides a reasonable balance between those who wish to see more opportunity to shop in large stores on a Sunday, and those who would like to see further restrictions.”

That pretty much sums up my position, on which I have been consistent. The Prime Minister appeared to share my position back in April.

Robert Jenrick (Newark) (Con): I hope that my hon. Friend knows that I have enormous respect for him and for his campaigns on many issues, on which I have worked with him, but does he not agree that we should just trust our constituents to make up their own minds? In life, we all have to find our own balance, and we are all capable of deciding whether we work or shop on a Sunday. That is not the most complicated decision that our constituents will make in their lives. Will not my hon. Friend trust his constituents to make wise decisions for themselves and their families?

Mr Burrowes: I am grateful to my hon. Friend for his intervention. I saw that “but” coming. We have a job to do in Parliament. We do not simply devolve every decision out to our constituents. We should listen to our constituents. I am not sure whether he has looked at his mailbag, but I have looked at mine, and many shop workers, faith groups and others have asked me, “Why are we doing this? Why are we trying to unpick something that is fairly settled, even if it is not perfect?” I have listened to my constituents. We have important principles as well. The Sunday trading arrangement is complex,
and it is our duty to look at it carefully, to consult widely and to scrutinise it fairly. None of those things has happened to the extent that they did in the ’90s and ’80s. It should not surprise us that there is a lot of cross-party concern. I would agree with my hon. Friend if this were a wholly devolving measure, but it is not. It is based on a principle that we would have to sign up to.

Mr Jim Cunningham (Coventry South) (Lab): Will the hon. Gentleman give way?

Mr Burrowes: In a moment. When we make this decision here in Parliament, everyone who votes against amendment 1 will have to agree with the premise that deregulation is good for businesses, families and workers. Members have to make this decision; we cannot simply devolve it to local authorities.

That is the premise of the case that the Government are making today.

Several hon. Members rose—

Mr Burrowes: I will give way to my constituency neighbour.

Joan Ryan (Enfield North) (Lab): I am pleased to be a signatory to the amendment tabled by the hon. Gentleman, who is my neighbour, and to support him. As I am sure he knows, some 49% of retail workers surveyed are parents or carers, and their Sunday is special to them. In relation to what has been said about trusting our constituents to make their own decision to work, I am sure my neighbour knows that even in workplaces that have trade union reps to support members, many staff are pressured into not using the Sunday opt-out. In fact, something like a third of shop workers are pressured into working on Sundays, or they will have their working hours cut.

Mr Burrowes: I am grateful to the right hon. Lady, who is included in the unholy alliance that, as I have mentioned, has come together on my amendment. She makes a very good and important point. We may have a choice about whether to go to church, shop or spend time with our families. We need to be a voice for people who do not have such a choice, perhaps because of caring or work responsibilities. We need to be very careful about imposing further requirements or obligations on them. That is important, and it is why we suggested having a family impact test. The impact assessment has been published today. The Government twice in parliamentary answers promised me they would do that. We must take the impact on families seriously, as the right hon. Lady says.

3 pm

Mr Jim Cunningham: There is another facet to this issue. One the one hand, the Government say that they are trying to save high streets, but on the other hand, the Bill will only strengthen the supermarkets and will therefore have an effect on high streets. Worse still, employers have ways to force workers to work extra hours on a Sunday. All those who have ever worked in industry know the tricks.

Mr Burrowes: I will come on to that point. The Government have made the case that the Bill will support high streets and deal with the challenges of online shopping and the like. However, to go back to the campaign, when my hon. Friends and other Members were campaigning up and down their high streets—my constituency is full of high streets, like many other constituencies—was this mentioned to them? I do not remember that happening. In fact, only one large outlet, Asda, mentioned it. The rest did not once say that the way to rebuild and regenerate high streets was to deregulate Sunday trading. In fact, they wanted business rates, car parking and things such as that to be sorted out.

I do not need to rely only on what my constituents are saying. Let me look at the Government’s review, which was a proper review, into how we can regenerate and improve the high street. If we page through that substantial review, we will not see a big case being made that the one way to regenerate the high street is to deregulate shopping hours for large shops. That will threaten small businesses.

Andrew Gwynne (Denton and Reddish) (Lab): Will the hon. Gentleman give way?

Jim McMahon (Oldham West and Royton) (Lab): Will the hon. Gentleman give way?

Mr Burrowes: Let me take my pick. I give way to the hon. Member for Denton and Reddish (Andrew Gwynne).

Andrew Gwynne: Is it not misleading for the Government to describe this as a devolution measure? Is it not simply a fact that the moment one council adopts these powers, every neighbouring council will be forced to follow suit?

Jim McMahon rose—

Mr Burrowes: Was that the hon. Gentleman’s point as well? I give way to him.

Jim McMahon: I thank the hon. Gentleman for allowing me to intervene, because this follows on smoothly from the previous intervention. Before Christmas, I was a member of the Greater Manchester Combined Authority, which the Government consulted on the devolution of Sunday trading powers. I can categorically say that those powers were not asked for or requested; they were forced on that body.

Mr Burrowes: There will be the inevitable domino effect of a race to the bottom if local authorities get hold of the powers. We should not just see this as a matter that can be left to local authorities. The Government have said that this provision is good for high streets, businesses, shop workers and families.

Several hon. Members rose—

Mr Burrowes: I will carry on for a moment.

The Government are making the case for devolving such powers and they must be held to account for it—it is for them to make that case—but the reality is that the substance of their case does not meet the high threshold required to justify unpicking the complicated Sunday trading laws.
Several hon. Members rose—

Mr Burrowes: I will give way to a Member on the Conservative Benches.

Mark Field (Cities of London and Westminster) (Con): I am sure that those who know my hon. Friend would agree that it is very rare for him to be in any sort of unholy alliance. I am very much of the view that the compromise made 30 years ago has worked fairly well. Does he not recognise that there is no sense of imposition? As my right hon. Friend the Member for East Yorkshire (Sir Greg Knight) rightly pointed out, the approach is a permissive one. In my constituency, which I accept is a relatively exceptional one in the centre of a city, there would certainly be a demand, particularly during times when we have a high number of tourists, for local authorities to give such permission, but that would be up to local authorities to manage. This is quite a good compromise, given the great changes that have taken place in shopping patterns in the past 30 years, not least with the internet.

Mr Burrowes: I hear that point. Throughout this process, I have been open to such a debate, and I know that the large shops in the west end, such as Harrods in Knightsbridge, have made a strong case for opening for longer for tourists. That is part of the Government’s economic case, but I do not think it is substantial enough. It is based around the New West End Company model in particular. However, research by Oxford Economics and others shows that we must look at the economic impact more widely, not simply at the benefits for larger businesses. Hon. Friends and hon. Members know that we should not just listen to big business; we are concerned about shop workers and small businesses, and it is important to say that the impact on them should not be underestimated.

Several hon. Members rose—

Mr Burrowes: I give way to a new face and a new voice.

Richard Fuller (Bedford) (Con): I am not that new. Can my hon. Friend knock on the head the point that Conservative Members are making about imposition? The issue is not about the fact that permission is given; it is about who will exercise that permission. The permission will be exercised by local authorities, but do individual shop workers who wish to run their own store six or seven days a week have such a right of permission?

Mr Burrowes: That is an important point. This is not simply about providing local councils with such powers, because our duty goes much further. We need to look further than simply at whether councils want this or not—whether 100, 200 or more councils want it. We need to look at what businesses and shop workers want.

On the question of imposition, in September, a survey of 10,000 shop workers showed that 91% of them do not want to work more on a Sunday. The current six-hour restriction is important to them because, as they say, Sunday evening is often their only guaranteed “family time”, especially if they have children at school in the week or partners who work weekdays. Not so many staff are required under the current regime—usually, there is a single shift—so most staff are able to work a Sunday rota with some Sundays off. We must look at the imposition on shop workers and businesses.

Barbara Keeley (Worsley and Eccles South) (Lab): The hon. Gentleman’s arguments are making a very good introduction to this debate. I understand that some chief executives of larger stores, such as Sainsbury’s and John Lewis, are expressing their concerns to the Prime Minister about this issue. In relation to that survey, Sainsbury’s has quite rightly questioned whether there is an appetite among consumers or retail staff for Sunday working. As I hope the hon. Gentleman agrees, Conservative Members should not assume the opt-out means anything, because most retail staff say it is impossible to use it because employers find ways to make them suffer if they try to opt out of Sunday working.

Mr Burrowes: Yes, that is true. We should not tar all large retailers with the same brush. I think Tesco has also expressed concern. Some of them have no doubt got a commercial interest—they may have more convenience stores on high streets than other large retailers—but they share the concern that the Government’s devolutionary approach is not so practical for larger businesses, given that there are issues in relation to distribution centres and dealing with waste recycling. This will make things more complicated for them. In essence, the Bill is about cutting down on red tape and about deregulation, but this would mean a move in the opposite direction for such businesses.

Mr David Lammy (Tottenham) (Lab) rose—

Mr Burrowes: When I get into my speech, I will come on to the protections for shop workers, but before I do that, I give way to my near neighbour.

Mr Lammy: As my constituency neighbour, the hon. Gentleman will remember walking down high streets such as mine and through parts of Enfield town after the riots back in 2011. Not one local shopkeeper whose shop had been ransacked said that devolving power in such a way—allowing big retailers to open for even longer on Sundays—would help their business. Such businesses are struggling anyway, and this sort of action will only make that worse.

Is the hon. Gentleman concerned about the definition of “tourist”? Can he explain what a tourist is? Am I a tourist when I go to Enfield, Southgate to shop?

Mr Burrowes: The issue about tourists is not for me. I will leave my right hon. Friend the Member for Meriden (Mrs Spelman) to make such a case in relation to her amendment 19.

I want to turn to the substance of the issue, which is first of all about process. This is a controversial matter. No one who has been around for a while and who has listened to people’s concerns will deny that it is controversial. That is plainly the case given that it divides opinions so much in this House.

Mr Jackson: Will my hon. Friend give way?

Mr Burrowes: I want to make some progress.

Normally, as I understand it, the guidance for a Government consultation on a controversial matter is to allocate a full 12-week period for the consultation.
However, the consultation that has led to where we are now not only lasted just six weeks, but happened right in the middle of the summer holidays at the start of August. This particularly important consultation ran for two weeks in the central period of the holidays. Why did that happen? Was there a rush to get the measure on the statute book immediately? The Government took some five months to respond to that rushed consultation, which nevertheless managed to generate some 7,000 responses, which is extraordinary, given the time constraints. If such a controversial measure elicited that number of responses, all parliamentarians must ask why it did not get the full scrutiny that it deserved in both Houses. There was an attempt to tack it on to the Cities and Local Government Devolution Bill, and now it has been tacked on to the Enterprise Bill, after that has already been through the Lords. Someone who was cynical or suspicious might say that that limits the scrutiny of an important measure.

These are not just my concerns. When we last had the opportunity to discuss this matter, which was during the passage of the Sunday Trading (London Olympic Games and Paralympic Games) Bill in 2012, it did receive full scrutiny. The then Minister, Lord Sassoon, underlined the temporary nature of the proposed change. As many hon. Members have said, we had assurances from the Government that that was not a precursor to a further deregulatory move. Lord Sassoon also gave an assurance that there would be full parliamentary debate if there were ever another Sunday trading legislative proposal, but we have not had that. Unfortunately, that promise has not been kept. That is to the detriment of us all, as it would have allowed us to consider matters such as tourist zones and pilot areas, about which we will probably hear later. All those aspects need time for proper scrutiny.

Mr Jackson: Will my hon. Friend nail the myth that the measure is designed to assist town centre retail trade? Some 53% of local authority chief executives said that they would use the new liberalisation to boost out-of-town shopping centres, but that cannot be what many hon. Members want.

Mr Burrowes: Indeed. The knock-on effects of the measure need careful thought and attention.

The consultation showed that 76% of local authorities, large and medium-sized business respondents and business representative organisations were in favour of the proposals, but while the Government told us that those organisations and local authorities were in favour, they failed to tell us about the proportion for individual responses. We all have a right to respond individually to Government consultations. We all have a voice. It is not just the big corporate bodies whose response counts.

My hon. Friend the Member for Congleton (Fiona Bruce) and I duplicated a question to the Secretary of State for Business, Innovation and Skills to ask what number and what proportion of respondents to the Department’s consultation published on 5 August responded yes and no—it is a simple question. The first question in the consultation asked whether people were in favour of the proposal, so surely it is possible to publish the number of respondents. That question was, “Should local areas have the power to extend trading hours on Sunday?” and that is the question that we are debating today, so it would be useful to know how many individuals who responded to the consultation were in favour of the proposal.

The answer that my hon. Friend and I received from the Minister is one of the most extraordinary that I have seen in my 10 years here. It stated:

“The Department does not hold full data from this consultation broken down by specific question as a large portion of respondents chose to respond in their own words”—

I assume that they were English words and there was no problem of translation—

“rather than addressing the consultation questions directly, and/or did not indicate the type of organisation they represented.”

That is unacceptable. There should be a proper, accountable process that enables us to judge the response to the consultation on the measure.

Mr Burrowes: My hon. Friend will know that the Government’s review regarding high streets, about which he and I had concerns, made the case not for deregulation, but for dealing with issues such as parking and business rates, on which the Government are making good progress. On internet shopping, can a case be made that in the hours when large shops are not open—after 6 pm, say—everyone is clicking away on their computer because they cannot get to those shops? That makes no sense. There are other ways in which we can handle internet shopping. We need to look more broadly at how we can revitalise the high street, and this measure is not the way to do it.

Several hon. Members rose—

Mr Burrowes: I will give way a couple of times, but then I must make progress as others want to speak.

3.15 pm

Caroline Flint (Don Valley) (Lab): Surveys of internet shoppers show that there is no relationship between internet shopping on a Sunday and the desire for extended hours in local stores. Is the fact that people are on the internet between midnight and 3 am an argument for shops to be open at that time? Does the hon. Gentleman agree that that is not the case?

Mr Burrowes: I agree.

Alex Chalk (Cheltenham) (Con): Does this not boil down to a question of local democracy? How can it any longer be—[Interruption.]
Mr Speaker: Order. Mr Chalk is a most courteous Member of the House. Just as he is courteous to the House, the House must be courteous to the hon. Gentleman. Let us hear from Mr Chalk.

Alex Chalk: Thank you, Mr Speaker. How can it any longer be right for politicians in Westminster to block local people in Cheltenham, for example, from amending trading hours if that is what they choose to do?

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op) rose—

Mr Burrowes: I will try to explain, but first I give way to the hon. Member for Cardiff South and Penarth (Stephen Doughty), who has been very persistent.

Stephen Doughty: I thank the hon. Gentleman for giving way. I want to take him back to the point that he made about the consultation. We do have some data: the Union of Shop, Distributive and Allied Workers has told us that there were more than 7,000 responses to the consultation, and that it believes, as do I, that the vast majority were opposed to the proposal. Does the hon. Gentleman share that belief?

Mr Burrowes: Absolutely. It would be good if there were more transparency.

The Prime Minister has led the way, quite properly, in saying that the Government need to publish family impact statements whenever new policy is proposed. We need to look carefully at such statements, so the family impact of the proposed measure should receive serious consideration. I have put questions to the Business Secretary on a number of occasions—22 September, 15 October and 10 February—to ask for the publication of the family impact statement. The understanding was that it would be published alongside the Government’s response to the consultation, but that did not happen, and we have just received it, at the eleventh hour, before the debate.

The family impact statement makes several important points. It accepts that there could be a negative impact on the family and recognises that many individuals who responded to the consultation felt that families would be noticeably affected.

Michelle Donelan (Chippenham) (Con): I, too, respect the comments of my hon. Friend, but will he explain why we are so concerned about the family impact on those working in retail, yet we do not regulate for those who work shifts in sectors such as the NHS, transport, catering, hospitality—the list goes on?

Mr Burrowes: My hon. Friend makes a good point. It is often low-paid workers, in many cases women, who are affected by Sunday trading, and such trading has a knock-on effect on ancillary services in the supply chain to large stores. That, too, needs careful consideration.

On my substantive objections to the proposal, beyond the process—important though that is in determining how Members will vote later—an economic case has been made. It is important that we look at the evidence provided by not just the New West End Company, but Oxford Economics, which I mentioned earlier. It projects that under the Government’s proposals, 8,800 jobs would be lost in the convenience sector, with a net loss of 3,270 jobs in the wider grocery sector because of displaced trade from small to large businesses.

Several hon. Members rose—

Mr Burrowes: I am sorry, but I am going to make some progress so that other hon. Members have a chance to contribute to this important debate.

I am no great expert on businesses—I am taking the evidence that I have seen—but I do listen to the representatives of business organisations. When the Federation of Small Businesses, the Association of Convenience Stores, the National Federation of SubPostmasters, the Rural Shops Alliance, the Federation of Wholesale Distributors and the National Federation of Retail Newsagents—many of us will have been to their regular receptions here, and expressed solidarity with them and concern about the challenges they face—are all united in saying that this change is bad news for our economy, I take that very seriously, as should other Members.

Clive Efford (Eltham) (Lab) rose—

Mr Burrowes: I must make some progress.

My concern is that the proposal has not been properly thought through or evidenced. We are in danger of being seen to be responding to the voice of bigger business, rather than the small businesses on our high streets. Indeed, when the nearly unanimous opposition of small businesses is seen in tandem with the fact that nearly a quarter of the large businesses that responded to the Government’s consultation also oppose the proposal, we need to reflect very carefully on the lack of scrutiny in tacking these measures on to the Bill.

Like many other Members, I want to speak up for my high street. When I go back to my constituency, I do not think that the businesses on my high street would say, “Well done. Thank you very much for deregulating and giving more hours to the large shops.” I think that they would say, “Why aren’t you spending more time lowering our business rates, getting better car parking and reducing red tape?” I support the Government in their focus on that, so why are we getting distracted by the claim that the measure will in any way support our high streets?

Several points have been made about shop workers. We cannot ignore the fact that separated parents can face problems, such as if one parent has access rights at the weekend. One shop worker in that situation told me, “As I am separated, I have my children every other weekend. I work every Saturday and one in four Sundays. “As I am separated, I have my children every other weekend. I work every Saturday and one in four Sundays. I often struggle to arrange childcare and fear that this will have an effect on my relationship with my children.” We must listen to those voices.

In relation to the opt-outs, I welcome the fact that the Government are seeking to provide additional protections, but we have heard legal advice saying that that might not allay people’s concerns. In fact, despite the additional protections, there is already an issue regarding whether those who are unwilling to work on Sundays will be considered when they apply for a job. Indeed, as we have heard, people are already under an implied pressure to work longer hours.
Stephen Timms (East Ham) (Lab): I congratulate the hon. Gentleman on the holy alliance that he has assembled behind his amendment. A member of USDAW is quoted as saying: “I’d be under pressure to do more hours on Sunday, making it impossible for me to go to church.” Is that not an undesirable aspect of the proposal?

Mr Burrows: The Government have tried to deal with that concern by putting forward additional religious protections in the Bill, and my amendment would not delete those. Whether the pressures are explicit or implied, they are a factor.

The Government did have a pilot in one sense, because such a measure was road-tested during the 2012 Olympics. A specific opt-out was created so that staff could avoid working the longer Sundays if they did not wish to, and retailers claimed that they would cover only those hours when staff volunteered to work. However, I understand that 564 representatives in stores that opened for longer hours found that in over half those stores—56%—despite the right to opt out, staff came under pressure to work the extra hours. Those who asked not to work the extra hours were threatened, or punished by being refused overtime.

Sammy Wilson (East Antrim) (DUP): Does the hon. Gentleman accept that over half of those who work in shops in Northern Ireland, where opt-outs are already meant to be in place, have come under pressure, and that that is why 76% of those who work in the retail trade have said that they do not want hours to be extended, purely because they know that they would be under even greater pressure if local authorities accepted the longer hours?

Mr Burrows: The hon. Gentleman makes a good point. We should also consider the potential domino effect of the Government’s proposals. Another shop worker told me, “The idea that Sunday working is optional, and that this is enshrined in law, is laughable. They make you pay one way or another for objecting to working on a Sunday.”

When a policy is opposed by the small business community, by a good number of large businesses, by the majority of shop workers, and by Churches and other faith communities—the Chief Rabbi recently spoke passionately about properly respecting the special character of Sundays—we must ensure that we consider it carefully. There has already been deregulation in many forms, but there is still a special character that we can preserve. This does matter, because Sunday is still special for many people, and the Government should not chip away at that unfairly, unreasonably and without due process. We should ensure that there is a proper place for Sundays for families, businesses and workers.

This issue has come before the House on previous occasions. Mrs Thatcher’s Government were defeated by a large majority on an entire Bill in the House of Commons. I remember attending my first ever public meeting in 1986—it was my first foray into the world of politics—which was hosted by my local Member of Parliament, Michael Portillo. He appeared before a packed public meeting and completely misjudged the views of those present, many of whom had never been to a public meeting before. He saw for himself the huge concern in the community, having misjudged the strength of feeling about amending the hours of Sunday trading. Time has moved on, but there is still a strength of feeling out there—from shop workers, families, small businesses and others. That meeting was a formative political experience for me. We heard a statement from the Health Secretary earlier about learning from mistakes, and I urge the Government today not to make the same mistake again.

Mr Speaker: Order. Before we proceed with the debate, I have now to announce the result of the deferred Division on the question relating to EU measures to combat terrorism. The Ayes were 302 and the Noes were 217, so the Ayes have it.

(reports result of deferred Division)

Several hon. Members rose—

Mr Speaker: Order. Before I call the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) as the next speaker in the debate, I would point out that we have two hours and 20 minutes left. If the Minister wishes to do so, I will shortly call him to speak from the Front Bench. A simple nod of the head will suffice.

Brandon Lewis indicated assent.

Mr Speaker: I appeal to colleagues to have regard to each other’s interests. We do not keep a formal list on Report, but I suspect there will be intense interest in these exchanges, so colleagues should look after the interests of each other.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Thank you, Mr Speaker. I will certainly endeavour to do so.

I rise in support of the amendment in the name of the hon. Member for Enfield, Southgate (Mr Burrows), to which I have added my name, as have many other hon. Members on both sides of the House. I am completely opposed to any changes to Sunday trading regulations, whether it is their extension or their devolution to local councils. I am sceptical of what benefits, if any, it would bring to our economy but, more importantly, my concern lies with retail workers and my desire to keep Sunday special.

As a Greater Manchester MP, I am a huge supporter of devolution, particularly to a city as great as ours. However, to me the measure does not feel like beneficial devolution; rather, it feels like a dishonest manoeuvre from a Government who seem obsessed with introducing the policy even though there appears to be no public demand for it. I also have concerns about how the Government have gone about the process, in particular their flawed consultation, which I will address.

I am happy to declare an interest, in that I am an USDAW-sponsored MP, which I am particularly proud of. USDAW has led from the front in this campaign, representing the concerns of ordinary retail workers and ensuring that their voice is heard.

Lots of good, strong arguments were put forward in the excellent speech from the hon. Member for Enfield, Southgate. I, too, intend to focus my speech on the family and faith aspects of Sundays but, first, I want to express my serious concerns about how the Government have gone about attempting to introduce the change.
I believe it is at best mischievous and at worst a borderline fantasy when the Government say that the Bill in itself will not enact any changes to Sunday trading regulations, but leave that open to local councils to decide. They know as well as all hon. Members do that the measure will result in extended opening hours on Sundays. As soon as one council does it, neighbouring councils will soon fall, one after another, until extended hours are uniform.

Mr Alan Mak (Havant) (Con): Will the hon. Gentleman give way?

Jonathan Reynolds: I will not give way because of the time constraints.

The Government should stop insulting the intelligence of the House and treat the clause as what it is: an explicit attempt to extend Sunday trading hours. I believe that devolution should be used as a means to give councils the powers that they want and need. It should not be a way for the Government to abdicate responsibility for changes that they do not want to be blamed for, when they feel that the changes they intend to make will be unpopular and controversial. If the Government want to extend Sunday trading regulations, they should have the courage to introduce explicit legislation, so that Members of the House can have a proper debate and scrutinise the proposals. Instead, the Government have chosen to hide behind the veneer of devolution.

3.30 pm

Huw Merriman (Bexhill and Battle) (Con): I have been a district councillor for the past eight years. Facing a constant slew of demands on what district councillors must do is uninspiring. I would advocate the policy as a measure that will get more people into local government. They will have the opportunity to decide. [Laughter.] Hon. Members may laugh, but that would occur.

Jonathan Reynolds: I admire the attempt to get more people involved in local government by giving councillors more power—all hon. Members would celebrate that—but my point to the hon. Gentleman is this is not real power. It is an attempt to introduce a national liberalisation through the back-door veneer of devolution.

Another disappointment in the process was the Government’s consultation, which hon. Members have mentioned. It has been described to me on numerous occasions as a whitewash. The consultation concludes that the majority of responses were in favour of the proposal to devolve the power, yet in answer to a written parliamentary question to me on Monday, the Minister could not tell me how many of the 7,000-plus responses were against the proposal. How can the Government conclude that the majority of respondents were in favour of the proposal when they cannot even tell us how many respondents are for or against a Government proposal. I hope the Minister will be able to rectify that from the Dispatch Box and provide some much needed transparency.

My fundamental opposition to the clause comes from a passionate desire to keep Sunday special. When Sunday trading rules were relaxed during the Olympics, we were promised that it would be a temporary measure only, and yet here we are not even four years later with this proposal in front of us. The proposal ignores the wishes of retail staff. A staggering 91% of retail workers in larger stores do not want an extension of trading hours on a Sunday. To them, Sunday is a special day, much as it is in my household. I have four young children and two dogs, so I cannot claim that my Sundays are particularly restful or peaceful, but they are special—a time for the whole family to spend together. That should be the same for retail workers, more than half of whom already feel pressured to work Sundays.

Chris Philp (Croydon South) (Con): I share the hon. Gentleman’s desire to keep Sunday special, but is that not a matter of personal choice for him and for me individually, and not something for Parliament to impose by legislation?

Jonathan Reynolds: If the hon. Gentleman approaches this with good intentions, I advise him to talk to some of the retail workers in his constituency to see how they feel about the autonomy they have to decide whether they get to work longer Sundays or not. It is worth pointing out that none of us debating this in the House has to work Sundays if we do not want to.

The current regulations are a good compromise. Shops can trade on Sundays and staff can work if they want. At the same time, Sunday remains a special day, different from any other day of the week. Retail workers can spend some time with their families.

I do not believe the business case for changing Sunday trading regulations stacks up. Retailers already do very well on Sunday, with lots of footfall during a relatively short time window, which makes for more effective trading. The measure will also have a negative effect on smaller shops and retailers that are not subject to the regulations. Their businesses will suffer. In the most recent example of relaxation of Sunday trading—during the Olympics—retail sales actually declined.

As well as declaring my interest as an USDAW-sponsored MP, I am likewise very comfortable declaring my interest as a practising Christian. Understandably, that forms part of my opposition to any changes to Sunday trading, which I know I share with Members on both sides of the House. Of course, we live in a diverse country—I am extremely glad that we do so—but we should recognise that Christianity is the largest religion in this country. For Christians such as myself, Sunday is a special day. Sunday is when my family and I attend church, and the opportunity to do so should not be denied to people who have to work Sundays, whether in the morning or the evening.

Mr Gavin Shuker (Luton South) (Lab/Co-op): Like my hon. Friend, I will be part of the holy alliance trying to keep Sundays special. For people of a Christian ethos, this is not necessarily about the promotion of church; it is about a deep-rooted sense of who we believe people to be. We are created with the ability to rest as well as to work. Also, our choices have an impact on other people’s choices. The freedom we seek to exercise for ourselves is paid for by other people.

Jonathan Reynolds: I endorse those points entirely, although it is worth noting that church attendance in many UK cities, even here in metropolitan London, is steadily rising.
The Government have a responsibility to listen to faith groups on this issue, but they have failed to do so. The changes will place additional pressure on workers and families on what is still a traditional day of rest, a day of religious worship and a day to spend quality time with family members and close friends. For faith, for family and for the rights of many retail workers up and down this country, I will be voting for the amendment. I urge the House to show the courage required today to defeat the Government on this issue.

The Minister for Housing and Planning (Brandon Lewis): I appreciate being called early in the debate, and I hope I can help by outlining our thinking and the journey the Government want to take on this issue.

It is important that we recall why this measure on Sunday trading hours is before the House. The laws on trading in England and Wales were last updated in 1994—back when the only time we heard of Amazon was when we talked about the river, and back when our high streets faced no external pressures. The internet is liberating and changing the way we live and work, but the pressures on our high streets are rising, and the internet plays a part in that. Our measures will help them by giving local councils the right to expand Sunday trading.

Sir Gerald Howarth (Aldershot) (Con): All those conditions were apparent just 10 months ago when the Conservative party stood on a manifesto that it presented to the British people, but there was zero mention of any change to Sunday trading laws. This measure represents a fundamental change to the social practice in our country, as the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) pointed out. Why have the Government now found all these reasons to introduce a measure in this absurd fashion?

Brandon Lewis: I have huge respect for my hon. Friend, having worked with him on a range of issues, but we clearly said in our manifesto that we were determined to drive economic growth, and we believe that this is an important part of that. That is why we referred to this last summer.

It is clear that local authorities believe they are the right bodies to hold this power. They represent local people, are accountable locally, know their areas best and want this power, which is why almost 200 have written asking for it to be devolved to them, including councils such as Carlisle, Chorley and, despite what the hon. Member for Stalybridge and Hyde pointed out, Greater Manchester Combined Authority.

Sir Edward Leigh (Gainsborough) (Con): My hon. Friend is very able and has a wonderful job, but he wants to spend time on a Sunday with his family, I have heard so many Members say they want to keep Sunday special for their family. Why should shop workers be any different?

Brandon Lewis: I am sure my hon. Friend. Friend will appreciate that not only do people work in shops on Sundays already—in many areas, for longer than the opening hours, because of how shops work—but people working in retail, if they work six days a week, might like to visit retail outlets themselves on Sundays. The internet is growing: we saw a stark warning of that today as Amazon has announced it is opening another centre in Manchester, creating more jobs. That shows how it is growing and the pressure that the internet is applying, but of course we are not forcing anybody to shop on a Sunday.

Councils want this power. They want the ability to zone and to take a decision on trading in their area—for example, if they wish to promote the high street at the expense of out-of-town commercial sites. Our amendment allows that zoning to happen, and no one knows more about their local area than locally elected leaders. This also provides an opportunity for independent businesses to benefit. One of the big voices calling for this change is the Horticultural Trades Association, comprising mainly independent businesses, and it wants this growth.

Simon Hoare (North Dorset) (Con): I think the Minister has hit the nail absolutely on the head. Listening to the debate hitherto, one might have thought that we were proposing to introduce Sunday trading. The Minister is absolutely right, and I speak as a former district councillor of 11 years standing, that it is not for this House to decide what is best for local areas—it is for those local areas and their local representatives, and they are being given discretion.

Brandon Lewis: I agree with my hon. Friend. Friend is right. One of the things I have been most passionate about, as have the Secretary of State, the Chancellor and the Prime Minister, during the years of coalition as well as in this Parliament, is devolving power, and we just wish our friends in Scotland believed in devolving power, too. It is why organisations representing independent businesses like garden centres are so keen to benefit from this growth.

Mr Andrew Smith (Oxford East) (Lab): Let me take the Minister back to the important point made by my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) in a measured speech in which he reminded us of the Prime Minister's clear commitment just weeks before the general election:

“I can assure you that we have no plans to relax the Sunday trading laws. We believe the current system provides a reasonable balance”.

Does the Minister not think it matters if the Prime Minister says one thing just before a general election, if a policy is not in the Conservative manifesto, but the Government then do something completely different afterwards?

Brandon Lewis: I appreciate that the Labour party is not looking to drive economic growth, but our manifesto is clear that we want to see it, and the Prime Minister made it very clear at this very Dispatch Box last year that we thought it was time to review Sunday trading laws in the light of how things have moved on.

Several hon. Members rose—

Brandon Lewis: I shall take some more interventions in a few moments, but I am aware of the Speaker's correct point about the time available this afternoon.

If we look at our track record, it is clear that no party cares more about worker protection than this Conservative Government. We are the party of the national living wage—it is our Chancellor who has delivered it—and it
is our measure that will protect shop workers. No one will be forced to work on a Sunday; indeed, everyone has the right to say no. We will also reduce the opt-out period for large shops, so that shop workers need give employers only one month’s notice of an unwillingness to work. We have to be clear that this is a package of amendments. Should amendment 1 go through today, Members of Opposition parties will be voting against improving workers’ rights, because that provision will go as well. Anyone who already works on a Sunday will have a new right to turn down extra hours to which they do not wish to commit. Labour and the SNP oppose all of that. They oppose giving workers who wish it the right to work longer and different hours, and they deny everyone the right to spend Sunday as they choose in their time with their families wherever and however they choose.

Julian Sturdy (York Outer) (Con): There are a number of convenience stores in my constituency that are below the 3,000 sq feet threshold. Many are franchisees and small businesses, so will the Minister elaborate a little further on what conversations he has had with those businesses about the proposed changes?

Brandon Lewis: I am sure my hon. Friend will appreciate—he used to work closely with me—that I was once the Minister responsible for the high streets. My colleague who is currently the Minister responsible for the high streets and I work with the Future High Streets Forum, and I talk to small businesses all the time.

Clive Efford: As someone who has run his own independent retail business, may I tell the Minister that many independent traders have few extra resources? They will be forced to open to compete with the very large stores. What about the lifestyle of those people who would end up working seven days a week in order to try to keep their businesses running?

Brandon Lewis: I am slightly surprised by the hon. Gentleman’s comments. After all, his local authority is one that is saying that it wants this power, which he is trying to stop it taking. Labour-run Greenwich wants this power. Those small shops have the ability to open now, and they are in competition with 24-hour, seven-day-a-week internet shopping, including on Sundays. The hon. Gentleman might not realise it, but Amazon is open on a Sunday and it delivers on a Sunday. We want to give the high streets a chance to compete with that.

Mrs Anne Main (St Albans) (Con): Has my hon. Friend had any conversations with the leaders of the SNP about why they liberalised trading laws in Scotland, what advantages they sought from that, and why they are proposing to reverse it on the basis of their concerns about any of the issues other than pay that they wish to address?

Brandon Lewis: My hon. Friend has made a very good point. Research conducted by the Association of Convenience Stores has established that there are more small independent shops per head of population in Scotland than there are in England. So the liberalisation in Scotland has worked—unless the hon. Member for Livingston (Hannah Bardell) is going to tell us, when she makes her speech later, that the SNP is about to go backwards and change the law there.

Richard Fuller: It seems to me that, if Conservative Members are being asked to vote for something that was not in our manifesto so shortly after the election, it should be because the situation is urgent, because there is a compelling argument in favour of the move, or because the circumstances have changed. The situation does not appear to me to be urgent. The Minister will finish his remarks, and he may advance a compelling argument. However, he seems to be resting on the assumption that the circumstances have changed, and in that context he has laid emphasis on internet shopping. He may be aware that, only yesterday, the head of the British Retail Consortium appeared before the Business, Innovation and Skills Committee and talked about the evolution of business models. He said that, because high street retailers now have their own online retail outlets, they do not necessarily feel compelled to draw a distinction between the two kinds of retail for the purposes of achieving growth.

Brandon Lewis: My hon. Friend has, in fact, made it clear why it is important for local authorities to be able to decide locally what is right for them. He should also acknowledge that it is often the larger high-street stores that are the draw for footfall in local areas. As he knows, I think that free car parking also plays a part, and I should like to see more of that.

As we all know, politics is not an exact science, and all but the most saintly of humans can sometimes contradict themselves, or be open to the charge of inconsistency. However, the contradictions that are inherent in the Labour-SNP opposition to our liberalisation proposals are so immense that I must draw attention to them.

As others have pointed out, there are no restrictions on Sunday trading in Scotland. First, SNP Members said—as one would expect—that they would support our proposals, and now they say that will not. Will the SNP Administration in Edinburgh be introducing the restrictions that currently apply in England, in order to be consistent? I should be interested to hear the answer to that question.

Do Labour Members—along with USDAW—plan to send letters to their constituents urging them to give up using the internet on Sundays, lest someone, somewhere, be exploited in a warehouse owned by Amazon or a similar company? I am tempted to ask the Opposition why they did not vote against this proposal in Committee, or even, in some cases, speak against it—neither the SNP nor Labour voted against it—and why they have not tabled an amendment themselves. Perhaps the wording of the amendment could have been something like “It has come to the attention of Labour and SNP that some people shop on the internet on Sundays.” After all, Sunday is now the biggest internet shopping day of the week. It could have continued: “Labour and the SNP demand a law requiring people to switch off the internet on Sundays, in order to stamp out this disgraceful behaviour.”

Perhaps I should not give Opposition Members any ideas. How can anyone be opposed to the idea of walking into a shop on a Sunday to buy something—a
book, for example, whether it is a little red one or not—but not opposed to the idea of buying that very same book, so long as it is done on the internet? Labour and the SNP—parties that are, effectively, in coalition today—are supporting Amazon’s profits at the expense of shops on our high streets. I am afraid that I struggle to understand the logic of that.

Caroline Flint: The Minister mentioned protection for shop workers earlier. I would welcome the strengthening of such protection. May I ask the Minister whether, if he loses the vote on Sunday opening tonight, he will retain the protection for shop workers that is in the Bill?

Brandon Lewis: We have made it clear from the beginning that this is a package. If Members vote for amendment 1, they will be voting against the improvement in workers’ rights.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): I am deeply concerned about this issue, and my name is attached to amendment No. 1. I listened to what the Minister said this morning, when we spoke at some length about the proposed pilot. I would be willing to support that pilot if the Minister would give us a clear assurance that it will not just involve looking at economic drivers, but will take account of the overall impact, and apply the family test. A great many people who work shifts are put on the bottom of the list and end up applying the family test. A great many people who work shifts are put on the bottom of the list and end up working on Sundays because they cannot get to the top. We must make sure that that does not happen in this instance. [Interjection.]

Mr Speaker: Order. First, may I appeal for as orderly an atmosphere as possible? The Chair seeks to facilitate as many contributors as possible. Secondly, Members are of course free to say what they like, but I would gently point out that no amendment or new clause on the subject of pilots is to be taken today. There is material before the House, but that subject is not among it.

Ms Angela Eagle (Wallasey) (Lab): On a point of order, Mr Speaker. Will you confirm again that the manuscript amendment that the Government attempted to sneak on to the amendment paper at the last minute today, which would have covered the compromise on which the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan) seems to have done a deal, is in fact not on the amendment paper and not before the House?

Mr Speaker: It was not selected. For the benefit of people attending to our proceedings, I shall be explicit. It is for the Speaker to select or not to select, and I did not select that late-submitted manuscript proposal. I need add nothing.

Brandon Lewis: My hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan) makes a strong point, and she has been consistent on this matter. She makes a clear, passionate and strong point on the importance of family values and of our social fabric. If she will bear with me, I will touch on that matter in just a moment.

I would say to Opposition Members that we need to think about where we are with Sunday trading. Let us be very clear: none of us would put up with a Government banning cinemas from opening on Wednesday evenings, so why on earth would we put up with a Government telling us when we can and cannot open our businesses and running our shops, and telling us how we should be spending our time if we want to go shopping on a Sunday?

Mr Jackson: The Minister is fielding a difficult case very well. He is an excellent Minister with whom I have had the great honour to serve on the Housing and Planning Bill Committee. However, on the specific issue of employment rights, he will know that as a result of work commissioned by the Christian Institute, John Bowers QC said on 25 February that he considered the Government’s proposals for employment rights “inordinately complex”, and that they would offer “no protection from detriment or dismissal for people who object to working on Sundays during the opt-out notice period.” That is the issue, and that is what the best legal brains have told us about the Government’s proposal.

Brandon Lewis: I have a similar admiration for my hon. Friend. He is a fantastic colleague to work with at all times, but I disagree with him on this matter. We know what the Government lawyers have outlined, and the strengthening of rights as set out in our amendments goes beyond anything that Labour did while it was in government to increase workers’ protection. This is an important part of the package. Inconsistency from the parties on the Opposition Benches is one thing, but killing off jobs is entirely another. Given Labour’s unemployment record and its Maoist take on economics, however, I should perhaps not be surprised. The SNP and Labour did not even raise an amendment or a vote on this issue in Committee.

Mr Christopher Chope (Christchurch) (Con): Will the Minister give way?

Brandon Lewis: I will in a moment, but I want to make a bit of progress.

The estimates of the growth that liberalisation would deliver can be seen in the evidence. Growth, which would mean new jobs and more taxes to pay for public services, will come as a result of these changes. Estimates suggest an extra £300 million of sales in London alone. The letters that Labour and the SNP might be drafting, urging people to avoid the internet on Sundays, should include a postscript for anybody who is looking for a job right now. Maybe it could say, “Sorry, we’re opposing measures that could have helped you find a job.” And the SNP, the party that exists to promote local control over people’s own affairs, should perhaps add a PPS to explain why its members are voting to prevent devolution to English and Welsh councils when the control of shopping hours is already fully devolved to the Scottish Government.

Neil Gray (Airdrie and Shotts) (SNP): Given that the Government have known the SNP’s position on this matter since November, why have they not come back with proposals to put the protection of premium pay into statute, for example, or indeed to devolve employment law so that we could sort this out for ourselves?

Brandon Lewis: I am struggling to treat that comment with any seriousness. I would simply remind the hon. Gentleman of the SNP’s comments on this issue that appeared in the press last week.
Mr Shuker: I am grateful to the Minister for giving way; he is obviously trying to defend a difficult position. The Government support the measure and the Opposition oppose it, yet several of the Minister’s party colleagues share deep concern, tapping into a conservative tradition of trying to preserve our institutions. I gently suggest that he might make better progress by making positive arguments for his proposals to those colleagues rather than by attacking the Opposition, and therefore Members on his side, as Maoists.

Brandon Lewis: I appreciate the hon. Gentleman’s comments, but my colleagues and good friends around me are capable of defending themselves and making their case clearly, just as my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) has done this afternoon. I respect that, but the reality is that we want to provide an opportunity for economic growth and give our high streets the chance to regenerate. The hon. Member for Luton South (Mr Shuker) might want to have a look at the Hansard reports of the Committee stage to see the arguments we had then in more detail.

Robert Jenrick: The largest employer in my constituency is Knowhow, of which hon. Members may be aware from ordering TVs and electrical equipment. It is the biggest distributor of electrical equipment from online sales. Those workers—hundreds of my constituents—work on Sundays. How do hon. Members think that they get their deliveries on Monday morning? The Bill will enhance the rights of those workers. When hon. Members go online and order something on Amazon on a Saturday or Sunday, workers in my constituency and across the country will be working and will enjoy the benefits that the Bill will give them.

Brandon Lewis: My hon. Friend makes a strong point clearly and highlights another important point. The United States is one of the most observant places in the world on religious matters but it has more freedom than we do, and I am sure that Scottish Members would argue that family values and religious observance have not decreased following liberalisation. People will still be able to choose what they do and, arguably, have more flexibility on Sundays. We have to remember the workers who work six days a week and who want more opportunities when choosing how to spend their time.

Mr Chope: Will the Minister give way?

Brandon Lewis: Before I take any more interventions, I am aware of your comments about the time available this afternoon, Mr Speaker, and want to make a little progress. There are Members on both sides of the House, particularly on my side, whose consciences make this a difficult subject, and I respect their moral views. They are speaking from strong positions, rather than playing with political opportunism, which some Opposition Members are doing. I want to set out our journey of travel so that the House gets a feeling for what we are planning. We intend to go further and do something different from what we initially proposed in the protections on offer.

Having listened to colleagues and discussed their principled objections with them, I want to propose something. Before I do, I should make it clear that it deals with the concerns raised by SNP Members in the press, so we will find out whether they really believe what they have been saying over the past 24 hours. Rather than applying the liberalisation nationwide from day one, the Government will invite local authorities that want to liberalise hours to apply for participation in an exploratory phase. Twelve places, geographically, economically and demographically diverse, will be locally recommended to us.

Taking your absolutely correct point about the manuscript amendment to heart, Mr Speaker, may I say that if hon. Members join the Government and me in voting against amendment 1 today, we will table an amendment in the other place? I have circulated that amendment to colleagues this afternoon. During an exploratory phase, we will gather evidence about the impact of liberalisation, including the use of zoning and its effect on those local economies. And of course the impacts on workers will be measured, too. My hon. Friend the Member for Berwick-upon-Tweed and other colleagues have made this case clearly, strongly and passionately, and we are listening and have heard what they say. We want to make sure that we are able to have a proper assessment. I will liaise with colleagues over the next few weeks to make sure that our performance indicators recognise, assess and look at this as part of the criteria over the next 12 months.

4 pm

Jim Shannon (Strangford) (DUP): On a point of order, Mr Speaker. Is it in order for the Minister to proceed with a promise of legislation that is not on the amendment paper for us to consider, and for Members therefore to vote on something that they do not have in front of them? The measure we are voting on is not promises; it has to be in front of us, so that we can discuss it here in this Chamber.

Mr Speaker: Let me explain the position to the hon. Gentleman, to whom I am genuinely grateful for his point of order, and for the benefit of the House. There is nothing disorderly in the Minister giving an indication of how the Government would propose to proceed. If a Minister wishes to say to the House, “Our intention is to proceed with pilots”, it is perfectly in order for the Minister to do that. But of one thing, procedurally and constitutionally, the House needs to be made again aware: Members are voting on that which is on the paper and which the Speaker has selected. Members are not voting on a Government proposal or words about pilots; they are voting on that which is on the paper. The matter under discussion is the amendment standing in the name of the hon. Member for Enfield, Southgate (Mr Burrowes). We are voting on that, not on a Government proposal, and I hope that that is clear.

Brandon Lewis: Thank you, Mr Speaker.

Several hon. Members rose—

Brandon Lewis: I will take some interventions in just a second. Obviously, you are absolutely right, as always, Mr Speaker. I would not dream of taking any other view. What I wanted to outline to my hon. Friends and to colleagues across this House is that what Mr Speaker said is absolutely right: we are saying that if the House votes against amendment 1, what I have outlined is what the Government will then do.
Mr Chope: I have been writing to constituents over the past six months saying that I agree with the Prime Minister on this issue and, in particular, with what he said in his letter of 20 April. I wonder whether my hon. Friend would be able to help me in drafting a new letter if I were to go into the wrong Lobby. May I ask him whether the Government would introduce fresh legislation in the Queen’s Speech? Why not bring forward a fresh Bill and have a proper discussion about this, de novo?

Brandon Lewis: I appreciate my hon. Friend’s faith in my ability to draft a letter, and I am happy to do that. As he talks about this being over the past six months, I would gently point his local residents towards the fact that both the Prime Minister and the Chancellor last summer outlined that we wanted to review the Sunday trading laws, in the light of how things were moving on economically and the speed with which internet shopping is growing.

Ian Paisley (North Antrim) (DUP): Is the Minister telling us that the conscience of this House and of individual Members of this House can be salved in some way by the promise of a stay of execution but with a really nice funeral later on? Is that in essence what he is telling us? Would he not be far better withdrawing this measure now and bringing back new measures at a later stage?

Brandon Lewis: I am just going to continue outlining exactly the journey of travel would be. The hon. Gentleman has outlined is not quite what we are looking at. We would have pilots; local areas would come in and say that they want to be part of this. We must bear in mind that almost 200 local authorities want this power. The Government would choose 12 areas with a good demographic spread to look at over the next 12 months.

Several hon. Members rose—

Brandon Lewis: I will take some more interventions in a moment, but I want to finish answering the hon. Gentleman’s point. There would be an opportunity to look at the assessment of that over the next 12 months, and we would report back to Parliament with the findings based on agreed key performance indicators. In 12 months’ time, this will come back to Parliament —on the Floor of this House. An evaluation of this exploratory phase will be published. We are circulating a draft for colleagues to consider, and I will be asking them to support us by opposing amendments 1 and 19, and supporting the Government amendments 2, 13 and 14, which will then allow us to do this in the House of Lords.

That will take us to an evaluation of this exploratory phase, which will be published. After that pilot period, the House will then debate and vote again on extending the right to every council in England and Wales. Therefore, the matter will come back to this House for a full debate, during which Members will have the evidence before them.

Mark Durkan (Foyle) (SDLP): I thank the Minister for giving way. First, we had the Minister, a member of the union of barrel scrapers, presenting himself as an advocate for workers’ rights and interests. Now he is trying to tell us that he is selling on some sort of deferred click and collect basis—an option that is not available or in front of us today. Is the Minister not pushing something that will be a predictive text version of public policy that will end up becoming the default position for local authorities, firms and workers who do not want it?

Brandon Lewis: The hon. Gentleman is not quite correct. There is huge interest in this. I am talking about local authorities, consumers, people who work six days a week, families, workers who want the chance to work on a Sunday and businesses that want a chance to compete with the internet. Horticultural associations are very clear that this is worth a potential £75 million a year to our economy—and that is in their industry alone. In the main, I am talking about independent businesses. Potentially, there are thousands and thousands of jobs.

Several hon. Members rose—

Brandon Lewis: I will take some interventions in a moment. If Members vote against amendment 1, as I am asking them to do, I will make sure that we have a pilot scheme that runs over 12 months, which will give us further evidence, so that we can come back to this House for full scrutiny, a debate and a vote.

Mr Mak: Does the Minister agree that another point of reassurance to hon. Members across the House is the fact that contained in the Government’s Bill are zoning provisions, which allow local authorities to choose the areas that will benefit from enhanced Sunday trading laws? That is a fair compromise.

Brandon Lewis: My hon. Friend is absolutely right. There is in the Bill an ability to zone. Local areas that want to carry out a pilot will be able to specify exactly how they want to do it and what that zone will look like. This scheme is all about absolutely trusting local people to do what they know is right for their area. By doing it this way, there is no need for amendment 1. Our intention is to increase freedom, protect shopworkers’ rights, grow our economy, and protect our high streets while devolving power from Whitehall to town halls. We want to see power devolving to local areas, because they know their economies and their high streets best and they want this power to see their economies grow.

Sir Edward Leigh: If Lincoln applies for a pilot and it goes ahead, will there not be intolerable pressure on West Lindsey next door? Tesco will say to West Lindsey and Gainsborough, “Unless you agree to join this, we will close you down and move to Lincoln.” It is not true devolution. I know that my hon. Friend is a very able Minister and that he is working very hard, but his arguments do not stack up. Frankly, even God took a rest on the seventh day. My hon. Friend should just sit down, rest his case and withdraw the measure.

Brandon Lewis: I thank my hon. Friend for his kind invitation to a rest, but I am happy to carry on and try to do the right thing for our economy for just a little bit longer. Let me tell him how this will practically work. As there will be only 12 pilots, no other area will be allowed to take part. If he looks at what we have circulated this afternoon, he will be able to see that the pilots will take place only in certain areas. After that, the matter will come back to this House for full assessment, full debate and full scrutiny.
Kevin Hollinrake (Thirsk and Malton) (Con): Before entering this place, I was in business for 25 years. It is absolutely right to consider the needs of large businesses and, of course, small businesses, and the family lives of workers, but, as all business people know, the customer comes first. If the customer wants to shop at other times at the weekend, should they not be allowed to do so, and is the pilot not the right way to take it forward? Members on both sides of the House say that customers do not want this policy, but should we not ask them, through a pilot, to see if they actually do want this and to see the effect that it has on small businesses in particular?

Brandon Lewis: My hon. Friend gets to the heart of a key issue: what is right for the wider community and for our consumers and residents? To build on his very direct point, let me add that I spoke to somebody just last week who made a very salient point: as someone who works in the health service six days a week, they really want this wider opportunity on a Sunday to shop in the way everybody else does on a Saturday, a Friday and a Thursday, and to spend time with their families in these shopping areas, supporting their high street, as many of us can on a Saturday. I am sure that there are many Members of this House who work hard on a Saturday and who might also take advantage of this freedom on a Sunday.

John Stevenson (Carlisle) (Con): I live in Carlisle. Last Sunday, I went shopping in Gretna. Is it not right that the people of Carlisle get the same opportunity as Scottish people to decide whether we should be open on Sundays?

Brandon Lewis: My hon. Friend will know as well as I do, if not better, that businesses in Carlisle want this power; indeed, the Labour local authority wants it, and it may well bid to be one of the pilots.

I should be very clear: if amendment 1 is not accepted today, we will only go forward in the other House with our new amendment, which will mean there are only 12 pilots—no more than that.

Victoria Borwick (Kensington) (Con): I thank the Minister for letting us know about the zoning proposals. Perhaps he could clarify whether London could be a zone itself, or whether that will be delegated to the individual local authorities. London is obviously a diverse area, and many people would appreciate working on Sundays, whereas they would not like to work on another day—so there is flexibility in this new employment. Equally, on the Minister’s point about America, there is obviously a higher church attendance, but there is also much more freedom on this issue. We are a great capital city, and we would like to trade on Sunday.

Brandon Lewis: My hon. Friend makes a good point. I can appreciate that parts of London would want to come forward as a zone. For example, some of the evidence shows that, in the west end alone, that could be worth almost £400 million a year for the economy, with 2,500 jobs being created. However, it would be for areas to bid to be one of the pilot areas.

London is actually a really good example of how the market drives these things. Even on the days when shops can open for as long as they like, Members may find that, if they wander to the west end in the middle of the week, shops do not open particularly longer hours, so that, by the time we finish in this place, they are not open. Businesses can make that choice; what we want to do is make sure that they have that choice, that it is locally driven and that local residents have a choice as well.

Hannah Bardell (Livingston) (SNP): For the purposes of clarity, will the Minister tell us how the proposals, which we have not yet seen, will assess the impact on premium pay not just in Scotland but in the rest of the United Kingdom?

Brandon Lewis: I would say to the hon. Lady and to colleagues around the House that, as we put these proposals forward, it is important that we make sure that the key performance indicators that will come back to the House a year after the pilots—we will run the pilots for 12 months—cover a whole range of issues. She makes a fair point, and if it is one of the points she and her colleagues want looked at in the pilots, I am very happy to make sure it is. [Interruption.]

The hon. Member for Cardiff West (Kevin Brennan) asks from a sedentary position whether I am going to use up the entire time, and I would gently say to him that, no, I will not. I am about to conclude, but I would just point out to him that I have been spending much of my time taking interventions from his hon. Friend. I find his comments slightly surprising, bearing in mind that this is not an issue he felt needed voting on in Committee.

Mr Shuker: Will the Minister give way?

Brandon Lewis: No, I am not going to take an intervention. We need to allow other hon. Members to have their say.

We have listened to the principled opposition to our plans. I have listened to colleagues who have made strong, passionate and clear proposals to us, and we are amending them accordingly with our proposal for an exploratory evaluative phase, which we will lay amendments for in the other place—a draft is available for colleagues to look at now. I therefore call on all Members to support the Government’s amendment and to vote against amendment 1.

Bill Esterson (Sefton Central) (Lab): Welcome to our deliberations, Madam Deputy Speaker. I should refer the House to my entry in the Register of Members’ Financial Interests.

That really was the “Trust me, I’m Honest Brandon” speech: “We’ve got it wrong so far. We promise to do better next time, so I’m begging you to support me, despite making such a mess of things so far.” Honestly, have we ever heard anything quite so absurd?

The Minister asked why we did not vote against the measure in Committee, so I will read him what my hon. Friend the Member for Cardiff West (Kevin Brennan) said then:

“I will cut short my comments and simply say that we are against these proposals—”

that sounds pretty clear to me—
“but we will not vote against them at this stage because we want the opportunity to test the opinion of the whole House on Report.”—[Official Report, Enterprise Public Bill Committee, 25 February 2016, c. 328.]

Today that is exactly what we are doing.

4.15 pm

Let me turn to the Minister’s last-minute—indeed, after-the-last-minute—offer to invite local authorities to participate. Why on earth did he not do that in the first place? Let us be clear: there is no offer today for Government Members to vote for pilots, and no way of guaranteeing them. The Bill contains nothing about pilots. Do we take the Minister at his word, given what has gone before us previously on this subject?

Joan Ryan: Is my hon. Friend aware of any provision that allows Government Members to pre-empt a decision in the other place, or to offer this strange variant on a deferred Division on a proposal that nobody anywhere—other than those on the Government Front Benches, and possibly not all of them—actually wants?

Bill Esterson: My right hon. Friend makes a good point, and the Government have had ample opportunity in the Lords—[Interruption.] As my hon. Friend the Member for Makerfield (Yvonne Fovargue) reminds me, this provision was not even mentioned in the Lords. It was not in the original Bill, and it was not mentioned until Second Reading, when the Secretary of State announced for the first time that the Bill would cover Sunday trading. The Minister had plenty of time to table amendments then, in Committee, or today, but he chose not to. Why should we believe a word he says?

Mr Shuker: Let me underline the point made by the hon. Member for Enfield, Southgate (Mr Burrowes). If we want enhanced provisions, surely the logical thing is to vote for amendment 1. There is nothing to prevent the Minister from bringing his provision forward in the House of Lords, regardless of the vote, other than those on the Government Front Benches, and possibly not all of them—actually wants?

Bill Esterson: I completely agree with what he said.

Brandon Lewis: Let me help the hon. Gentleman and his colleagues. I outlined the measures in the way I did because, if amendment 1 is accepted, the Sunday trading clauses will not apply. We need to support the Government amendments in order to amend the Government amendments in the House of Lords. From a technical point of view, that is why we did it in that way. I want to ensure that we run these pilots for the benefit of local economies.

Bill Esterson: That is complete nonsense. The Minister had long enough when he was on his feet to demonstrate the nonsense of what he is saying. The only way to do this is to start from scratch, and enough hon. Members across the House have made that point. The Minister should listen, particularly to his own Members, who have made that point well.

Rachael Maskell (York Central) (Lab/Co-op): Are we moving towards talking about a hypothetical amendment with hypothetical evidence, when in fact this provision could create huge risk for neighbouring areas that will not be part of the pilot? In 12 months’ time, those businesses may no longer exist.

Bill Esterson: That is an excellent point, and I will expand on it later.

Mark Durkan: Do we not have a choice today between a clear amendment that we can understand, feel and touch, and, not just a flat-pack pilot scheme, but an artist’s impression of a flat-pack pilot scheme? It would be ludicrous for the House to buy that.

Bill Esterson: In both his interventions the hon. Gentleman has made the point as well as anybody, and I completely agree with what he said.

Several hon. Members rose—

Bill Esterson: I really should make progress and I will take more interventions later.

I congratulate the hon. Member for Enfield, Southgate (Mr Burrowes) and all who have signed his amendment. He gave an excellent speech with a measured and appropriate tone. I commend the Keep Sunday Special campaign for its hard work in making sure all the arguments were marshalled, given the Government’s failure to provide evidence in a timely fashion.

Sunday is the one day a week when workers in larger stores do not have the prospect of having to work long hours. It is the one day a week when those workers have the prospect of spending at least a part of the day with their families. For many people of faith it is more than that: it is the most important day of the week. For many people of faith and otherwise, Sunday is a day of rest. It is also the one day a week when smaller retailers have a slight competitive advantage and can stay open longer if they wish.

Nearly 3 million people, one in 10 of our workforce, work in the retail sector. This matters a great deal. There will be profound changes to the lives of many people, both at work and outside, if the changes go through.

Mrs Main: I would like to ask the hon. Gentleman the same question I asked my hon. Friend the Minister. What discussions has he had on what is effectively the pilot operating in Scotland, which we can look at to see how beneficial, leaving aside what is being paid to the workers, liberalisation has been to the Scottish economy? Has he looked at that?
Bill Esterson: I am sure SNP Members will answer the hon. Lady’s question. The reality is that we have a great British compromise that allows different situations in different parts of the United Kingdom.

Before the election, as we have been reminded a number of times, the Prime Minister’s office confirmed that the Prime Minister had no plans to change Sunday trading. The Conservative party manifesto did not state that it would change Sunday trading. Many Conservative candidates have told me this. I am sure the Minister will answer him. The reality is, unfortunately the Government took up the idea that they were trying to force changes on their anxious constituents.

In Committee, the Minister justified the changes by saying the current rules date from a time before the internet—1994, to be precise. In a Populus survey from January this year, however, not a single respondent said that restrictions on Sunday trading were a reason for them shopping online—not a single person out of 2,008 people in a representative sample. Yet online trading is given as a key reason for needing to extend Sunday trading. For good measure, not a single industry or media analyst suggested that the recent poor Christmas trading results were caused by a lack of opportunity for shoppers on Sundays. Unbelievable!

The Minister told us in Committee that the reason for the change of mind was that when the Prime Minister’s office wrote the letter it was as the Prime Minister of a coalition Government, but that now he is the Prime Minister of a Conservative majority Government everything has changed. Presumably, he intended to become the Prime Minister of a majority Government when his office wrote the letter and when it wrote the manifesto, and I rather doubt that that cuts much ice with Conservative Back Benchers who support the Keep Sunday Special campaign.

The Minister also told us that the proposed changes were about devolution and decisions being taken by local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people. However, as council chief executives have clearly said, in most areas, the changes would be applied to out-of-town shopping centres, to the detriment of local people.

John Stevenson: Does the hon. Gentleman not think it is right that the people of Carlisle should decide whether shops are open on a Sunday, so that they can compete on an equal footing with Scotland, which is only nine miles away?

Bill Esterson: I am going to make some progress before I take any more interventions.

The larger retailers that open longer will have to find a way to reduce costs, which means removing the premium for shop workers. Given that the major retailers operate UK-wide, a change in pay and conditions in England and Wales will mean changes in Scotland and Northern Ireland as well. Premium pay on Sundays is viable across the UK because large retailers in most of the UK are restricted to six hours’ opening. The time and a half
paid to many shop workers will be under threat to make up for staying open longer across the UK, which, of course, is why this is a UK-wide matter and why it is entirely appropriate that Members from across the UK have a vote on this very important proposal.

Removing time and a half would cost shop staff who work an average shift in Scotland £1,400 a year, which in anybody’s money is a very significant hit, particularly for those on low pay in the retail sector. The proposed changes in England in Wales would have a profound effect on workers in Scotland, and I am glad that the SNP recognises that Scottish workers will be hit. I was a bit surprised when the hon. Member for Livingston (Hannah Bardell) told us in Committee that, while her concerns focused on Scottish workers, the SNP welcomed the additional employee protections in the Bill, which she ascribed to “the strong and principled action of the SNP”—[Official Report, Enterprise Public Bill Committee, 25 February 2016; c. 322.]

We will come to how those protections will not do what the Government claim they will, but I am glad that the letter from my right hon. Friend the Leader of the Opposition and the leader of Scottish Labour, Kezia Dugdale, has had the desired effect. I welcome the SNP’s confirmation that its Members will vote against the Government, and I look forward to them joining us in the Lobby.

Hannah Bardell: Will the hon. Gentleman give way?

Bill Esterson: I don’t have a choice, do I?

Hannah Bardell: On a point of clarity, the hon. Gentleman can read the record for himself, as can members of the public and Members of this House, but we have been very clear. We engaged with all sides of the argument up until the point where we took a decision at our group meeting as part of a democratic process.

Bill Esterson: I am grateful to the hon. Lady for that intervention. All I will say is that I am glad that she and her colleagues came to the right decision in the end; it does not matter how they got there.

4.30 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): Will the hon. Gentleman give way?

Bill Esterson: I am not going to take any more interventions at the moment. We have not got very long, because the Minister took so much time, and a lot of Members want to speak.

The Minister claimed that the Bill would help workers, but 91% of shop staff oppose longer Sunday opening hours and only 6% want more hours on Sundays. Listening to the Minister in Committee, we might have been forgiven for thinking that the figures were the other way around. The Minister says that he is improving workers’ ability to opt out of Sunday working. Let us just go through some of what happens now. Staff who apply for jobs with some retailers are asked whether they will work Sundays. Failure to say yes can mean no interview. Staff who are still in their notice period who try to opt out of Sunday working can and do lose their jobs. Staff who try to opt out of Sunday working can and do lose hours. Staff who want to opt out come under pressure from managers and colleagues not to do so. The reality is that staff already have to work on Sundays in too many large retailers when they do not want to, when they would rather spend more time with their children or—as most people want to do on Sundays—enjoy leisure time or rest. What happened to the family test?

Chris Philp: Will the hon. Gentleman give way?

Bill Esterson: No, I am not going to give way.

The Prime Minister said that the family test should apply to all legislation. I understand that it is in the impact assessment. I have not had time to read it in detail, because we had only two hours’ notice of its publication, but I understand that it says that when it comes to the family test, the overall impact is unclear. It is clear enough to families of shop workers up and down the country that the measure will have a profound effect on them and on what happens on Sundays.

Helen Goodman (Bishop Auckland) (Lab): Will my hon. Friend give way?

Bill Esterson: I am not going to give way at this stage.

Because of the cost of going to an employment tribunal, it is beyond the means of most workers to challenge their employer, especially if they have just been fired. The changes to employee rights will not change the realities faced by shop workers, and they will not change the difficulty of getting access to justice at an employment tribunal. Shop workers will, all too often, have no choice, just as they often have no choice at present. They will have to work longer hours, in many cases, whether they want to or not.

What of the evidence for the reforms? We have heard the farcical answers about the consultation, and how the Department cannot publish the details because people chose to write their answers in their own words. What absolute nonsense. There are so many things to choose from in this farce, but that really sticks out. The Government have claimed that a majority of large businesses are in favour of the changes. That is one bit of the consultation that they have bothered to publish. However, retailers, including Sainsbury, Tesco, John Lewis, Dixons and Marks & Spencer, expressed their opposition to the Prime Minister at a meeting last week and pointed out that their customers do not want to be able to shop for longer on Sundays.

Until noon today, we awaited the publication of the impact assessment, on which, presumably, the Sunday trading clauses are based. We were told in Committee that it would be published soon. It has been published, as of two hours ago, so Members have had less than three hours to consider the Government’s impact assessment on a piece of legislation. Seriously, what a way to do business. It really is an outrage.

The measure represents a broken election promise. It will have a domino effect among local authorities. High streets will be harmed, not helped. Smaller retailers will lose business. Staff will be unable to refuse to work longer hours. There will be cuts to premium pay in Scotland, as well as in the rest of the UK. That is all backed up by the lack of any published evidence to support the measure until the last minute, and I am not convinced that it does back it up. Remember that the
Bill started life in the Lords, and Sunday trading was introduced in the Commons only at the very last minute. The measure has not had any scrutiny in the Lords. This is a significant change for businesses, shop workers, faith groups, families and all who want to keep Sunday special. The Government have not made the case for their proposal, and the suggested possible amendment, which may be introduced at some time in the future, will not do so either.

We know that the Government want to make this change, although many large retailers do not. If they really insist that this is right and that there are serious reasons to introduce something so far reaching that was not in the manifest, they should do so with full scrutiny and with evidence. They should give Members of both Houses the opportunity to make sure that any changes made are done with great care, given the far-reaching consequences of what is proposed. That does not mean tabling a last-minute manuscript amendment in a desperate bid for a last-minute deal.

As far as what is proposed on the amendment paper today and the way in which it has been proposed is concerned, Labour Members will stick to the consistent line we have had all along. Let us keep our great British compromise on Sunday trading and support the amendment tabled by the hon. Member for Enfield, Southgate.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Hon. Members can see how many people want to speak and only a little over an hour is left before the end of the debate. If they could keep their speeches very brief, the whole House will be grateful.

Nadine Dorries (Mid Bedfordshire) (Con): I rise to speak because if I said this in an intervention, I would test the patience of the House by speaking for too long.

When I first arrived in the House, I was told by a veteran that in the House were good men, clever men and those with good grace. I want to pay tribute to the Minister, who has somehow managed to climb the greasy pole while embodying all three qualities. As Members on both sides of the House know, he is an incredibly hard working Minister for Housing and Planning. When were in opposition, I was always quick to praise Labour Ministers, including those who once held a

Hannah Bardell: I am pleased that we have the opportunity to debate the extension of Sunday trading hours. Since the original proposals were withdrawn by the Government, my colleagues and I have been engaging widely with people and organisations on both sides of the debate. Contrary to media speculation and the misinformation peddled by Government Front Benchers, the SNP has, as we said we would, reached our conclusions on the basis of the evidence that has been presented to us.

There are a variety of views across this House and across the country. I intend to outline my concerns about the effect of the UK Government’s proposals on workers’ rights and benefits in Scotland and the UK. However, I should say at the outset that my SNP colleagues and I have no objection to the principle of extending trading hours on Sundays. After all, in Scotland, as has been said many times, we already enjoy unrestricted trading hours on Sundays. It is important to note that in the past, restraints on Sunday opening in Scotland have existed, but they have largely been social rather than legal. There are, of course, areas of Scotland where there is greater religious observance and Sunday opening hours are more restricted but, in general, the practice of longer opening hours on Sundays, particularly in detail, is now well established throughout Scotland, and some evidence suggests that that has been the case since the late 1980s.
The UK Government’s proposals represent the uniform deregulation of trading hours restrictions across these islands. That is not necessarily a bad thing, but without adequate legal protections, which we and others have called for, the employment protections of workers and their remuneration would be threatened.

The Government’s impact assessment, which was published only this morning, identifies more than 450,000 retail workers across the UK who receive premium pay, but in the 44-page assessment, the Government dedicate just one paragraph to that and dismiss out of hand the concerns of workers and of USDAW. Even now, faced with defeat, the UK Government refuse to offer assurances about premium pay. They engage in ping-pong politics, looking for ways to get the numbers through the Lobby.

Alan Brown: My hon. Friend rightly underlines the point that we have always made about the long-term erosion of premium pay. A sham of a pilot has been offered, but does my hon. Friend agree that that cannot address the long-term erosion of premium pay? Nobody participating in a pilot is going to take away premium pay—they will have to wait until the pilot is finished.

Hannah Bardell: I entirely agree.

My SNP colleagues and I made it clear in November last year that we would oppose the UK Government’s proposals, and we oppose them now. We challenged the UK Government to think again about how they could provide the necessary guarantees and safeguards to shop workers in Scotland and the rest of the United Kingdom. I was pleased that the Government tabled a new schedule in Committee—it now forms part of the Bill, although it is threatened with removal—that sought to amend the Employment Rights Act 1996 to give more explicit protection to shop workers opting out of Sunday work, including protections against such workers being discriminated against. Our Labour colleagues have referred to the legal opinion that they obtained.

SNP Members welcome the extra protections for workers. They show that the UK Government can, when they want to, listen and, on occasion, act to do the right thing. The SNP commissioned its own legal opinion from a leading Scottish silk to examine the protections in detail. We are satisfied that they represent a significant increase in employment protection across the UK, and those protections would not have materialised without the SNP’s opposition.

4.45 pm

There remains, however, the issue of the implications of an effective UK-wide deregulation for the provision of premium pay in Scotland. The shop workers trade union, USDAW—I pay tribute to it and to its general secretary, John Hannett—has done a huge amount of work on this issue and has engaged extensively with parties across the Chamber and, indeed, across society. It has warned that the implication of the legislation, without safeguards, is that premium pay for Scottish workers, and indeed workers across the UK, will be threatened by erosion. The Scotland-based consultancy Biggar Economics has estimated that the loss of premium pay would affect some 60,000 workers in Scotland, with an estimated loss of income of up to £74 million a year.

Hannah Bardell: As I have just said, employment protections will increase, but no Minister has said anything about pay protection, which I shall speak about later.

Low-paid workers might lose out even further if they lose their premium pay. USDAW has expressed significant concern that when universal credit is rolled out in May 2016, any loss of Sunday premium pay by families working in retail would trigger the end of their transitional protection at tax credit rates and they would be transferred to the far lower rate of universal credit. That is an extremely important point.

It is an interesting phenomenon that a greater proportion of lone parents work in retail on Sundays than on any other day of the week, yet if one of those lone parents was to lose their premium pay and to be transferred to the lower rate of universal credit, they would have over £2,000 less in their pocket. I and my SNP colleagues are not prepared to gamble with the pay packets of some of Scotland and the UK’s lowest-paid workers.

Moreover, it is an obvious point, but the erosion of premium pay as a result of Sunday trading hours is a real threat not just to Scottish workers, but to shop workers across the UK. We said ahead of the 2015 general election that the SNP would be a progressive force in Westminster and that we would work with others to pursue progressive policies and protect the most vulnerable—and not just in Scotland, but across the UK. In voting against these ill-conceived measures, that is exactly what we are doing. We in the SNP do not just write our manifesto commitments down; we actually deliver on them.

Although the crux of our argument is about the erosion of premium pay, there is a wider debate going on. We should focus our minds on the wider issue of fair pay. In my maiden speech, I spoke about the importance of decent pay for decent work, and about my own family heritage, being from mining and shop worker roots. My grandfather was a miner and believed firmly in fair pay. In my maiden speech, I spoke about the importance of decent pay for decent work, and about my own family heritage, being from mining and shop worker roots. My grandfather was a miner and believed firmly in fair pay. In my maiden speech, I spoke about the importance of decent pay for decent work, and about my own family heritage, being from mining and shop worker roots. My grandfather was a miner and believed firmly in fair pay. In my maiden speech, I spoke about the importance of decent pay for decent work, and about my own family heritage, being from mining and shop worker roots. My grandfather was a miner and believed firmly in fair pay.

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John Stevenson: The hon. Lady is banging on about fairness. Is it fair for a business in Scotland potentially to have a competitive advantage over a business that is 9 miles away?

Hannah Bardell: The hon. Gentleman is missing the point. What is not fair is for the UK Government to bring in provisions that will have a knock-on impact on Scottish workers and reduce wages. It is on that basis that we oppose them. The UK Government have had time to bring forward the necessary safeguards and guarantees that there will be no detriment to shop workers in Scotland or the rest of the UK, but they have failed to do so.

There is a fundamental point about process and respect for Parliament, its Members and the constituents we represent. We owe it to our constituents to do our business in a manner that is fair, open and transparent. The Secretary of State and the Minister should listen to that. The way in which the provisions have been shoehorned into successive Bills as a last-ditch slapdash amendment is appalling. The Government should do their business better if they want to command the support of the House or the UK public.

The UK Government have left it to the last possible moment to publish the impact assessment and the family test, and they would not devolve employment law to Scotland. For that reason, and for the good of shop workers across Scotland and the UK, and the 450,000 of them who receive premium pay, my SNP colleagues and I will support the amendment in the name of the hon. Member for Enfield, Southgate (Mr Burrowes) to remove the Government’s proposals from the Bill.

Mrs Caroline Spelman (Meriden) (Con): I rise to speak in support of amendment 19, which I suggest is a workable compromise. As Second Church Estates Commissioner, I met Treasury Ministers to try to understand the reasons why the Government wanted to change the original compromise of the Sunday Trading Act 1994. I was told that there were two principal reasons: first, to address the demise of the high street; and secondly, the need to remain competitive with neighbouring countries, notably France.

Online shopping was cited as the principal cause of the recent demise of the high street, but longer-term competition from out-of-town shopping centres has also caused that demise. I doubt very much that keeping shops open longer on Sundays will stop people shopping online; anyone who has been shopping with their teenage or young adult children will know that they go to the shops to look, and say, “Mum, we won’t buy it here because there’s an online discount.” Rather like Canute, we will find it very difficult to turn back the tide.

Robert Jenrick: Will my right hon. Friend answer the point that I tried to make in a previous intervention? Behind every online transaction, there are tens of thousands of British workers, including in Newark’s Knowhow warehouse. Those people have rights, too. She is standing up for one type of worker and ignoring the fact that tens of thousands, if not more, are working elsewhere behind the scenes.

Mrs Spelman: My hon. Friend makes a perfectly valid but separate point. I am addressing the question of whether keeping shops open longer will stop people shopping online; he wants people to have jobs servicing the online industry. As has been pointed out, a number of high street stores are successful in maintaining their high street position and at the same time giving an online offer.

I am prepared to concede that we need to remain competitive as a country, so I asked the British embassy in Paris to give me details of the recent change in French Sunday trading laws. Essentially, my amendment, which I have tabled with the help of the Clerks, seeks to mirror as closely as possible how the French Government have approached the very same question by designating localised tourist zones.

The Macron law—it is named after the Minister who introduced it—extended the number of Sundays for trading in France from five a year to 12 a year. Essentially, it is one Sunday a month. By happy coincidence, it created 12 zones. Six are in Paris, and it might be a welcome distraction to Members to run through where they are: Boulevard Haussmann, Champs-Elysées, Saint-Germain and Montmartre. That gives colleagues a sense of the size of the zones that the French Government identified. There are zones in six other regional cities, including Cannes, Deauville and Nice.

That allowed local government to designate smaller tourist zones, where shops under special licence could open for longer. The right hon. Member for Tottenham (Mr Lammy) indirectly asked how the French Government designated tourist zones. The answer to his question is that they collected data on the profile of shoppers who used those zones. Their definition was that the zone should show exceptional attendance by tourists residing abroad. Crucially, those tourist zones do not have wider application, which reduces the negative effects on smaller shops and convenience stores, which we have discussed.

The Olympic park experience is important because, in essence, it is the only practical pilot we have to go on when discussing the likely impact of extended opening. When the practical experience of 2012 was analysed by Oxford Economics, it was ascertained, as Members have pointed out, that small and medium-sized enterprises in up to a two-mile radius from large supermarkets in the area lost over 3% of their weekly sales income. If that is extrapolated to the national scale, it is estimated there would be an annual loss of £870 million in sales for all types of convenience stores and a net loss of 3,270 retail jobs in England and Wales, were longer Sunday trading hours to be made permanent, in line with the experiment during the Olympics.

I have been contacted by local Nisa and SPAR convenience store providers concerned about the implications of these changes on smaller stores. I also share the deeper concerns expressed by my hon. Friends, including my hon. Friend the Member for Enfield, Southgate (Mr Burrowes), the Keep Sunday Special campaign and the Church of England, about the erosion of a general day of leisure on which people can be available for shared activities with friends and family, especially those who build up community spirit and strengthen families.

I have talked to shop workers in large stores who often get their free time in half days on days other than Sunday, when family and friends might not be available. Until today, we have not had a detailed impact assessment,
so I tend to agree with the Bishop of St Albans, the lead spokesman in the Church of England on Sunday trading. He said that:

“an increase in opening hours will only lead to more people being pressured into spending Sunday apart from their children and families.”

Kevin Foster (Torbay) (Con): As my right hon. Friend will be aware, I represent a constituency with a large tourism industry. How would her suggestion work, given that in Paignton, for example, parts of the town centre are used by locals, yet the out-of-town supermarket is used by people going to the holiday camps? How would this result in a tourist zone?

Mrs Spelman: This is essentially a devolved proposal. It would be for local authorities to express an interest in being a designated tourist zone. My amendment limits temporally and geographically the potentially deleterious impact on SMEs. It has the capacity to deal with extended opening hours during the British holiday season, as well as during the Christmas season, when many places—Blackpool, for example—experience an increase in tourist trade.

Research has shown that the majority of shop workers do not welcome the opportunity to work longer hours on a Sunday. I commend Ministers for including improved legal protections in the current provisions, but the practical reality in the workplace is that if someone is worried about losing their job, they will not want to ask for a special concession not to have to work on a Sunday. Similarly, if someone wants a promotion, they will not want to ask that concession, because their competitors in the promotion stakes might not ask for a comparable one.

I welcome the Government amendment, which did make it on to the amendment paper, to give local authorities the power to restrict Sunday trading to zones, but I am concerned that the zoning is potentially too broad in its impact. For example, it would not be strong enough to avoid a combined local authority-wide mega-zone occurring, which, in my view, would have an excessively negative impact. A trial would also make it difficult to discern the selected impacts on different businesses within such a wide zone.

It is obviously not the Minister’s fault that the manuscript amendment was not selected. He indicated that it gave us a feeling for what he would like to do—it was a valiant effort—but the difficulty for parliamentarians is that it is not actually on the amendment paper. As somebody said, we need an amendment that we can feel and touch. I believe that a compromise that benefits families and UK competition lies in the tourist-zone model. I strongly encourage Members to support this compromise.

Several hon. Members rose—

Mr Speaker: Order. We have just under 50 minutes and many people wish to contribute. If everyone speaks for four minutes, we could have another 10 or so contributors. I ask Members to consider each other.

Mr Lammy: I was very pleased to add my name to the amendment proposed by the hon. Member for Enfield, Southgate (Mr Burrowes). I did so because although I recognise that none of us wants excessive regulation for our communities and that people should have the freedom to shop at convenient times for them, I think that the settlement reached by this House in 1994 was the right one, and I do not see the demand across this country to change that arrangement.

My primary concerns are twofold. First, there is the protection of family life. Some 75% of parents in this country feel that work impinges on their family life. Many of us have been abroad—in Spain, Portugal or France, for example—and we found real restrictions when it came to finding things open on a Sunday. We have been out at lunch time and found that the shops are on siesta. Why is it that in this country, this Government think we should put the free market above everything else? It is conservative to protect the family, and the family is worth protecting.

5 pm

We debate issues such as knife crime here, and lament the fact that families do not have time to sit around the table with their children; we want to see parents supporting their kids to learn to read and to help them with their homework, but when do we think those activities are being done? They are done on a Sunday.

Secondly, what is the face of the people we will be asking to go out and shop? We should think of the security guards now being made to work on a Sunday. We should think of the cleaners—and of those stacking the shelves. They are the faces of my constituents. The balance we have in this country is right. To change it through the back door to allow a domino effect—one local authority has to make changes because the neighbouring local authority made them—is wrong. Let me add that to undermine independent shopkeepers who are universally against this change is also wrong. We should support them.

Family is reason enough. We have debated the family here on numerous occasions, and the Prime Minister himself has said that he wants to run a family-centred Government. For this reason alone, we should oppose the change and support the amendment.

Mr Jackson: I rise more in sorrow than in anger. I have made my views known to the Minister. I am disappointed that I shall have to support not the Government but the amendment proposed by my hon. Friend the Member for Enfield, Southgate (Mr Burrowes). I shall not support the amendment proposed by my right hon. Friend the Member for Meriden (Mrs Spelman) because I think what can be classified as a tourist area is a moot point. People might come to Warwickshire near her own constituency and visit Stratford, yet she has Chelmsley Wood in her constituency, which some might describe as a brutalist horror, yet it could be reclassified as a tourist attraction. It will be difficult for lawyers to prove what is a tourist area and what is not. This makes it difficult for the amendment to stand.

This is not an economic issue or even a faith issue, although I pay tribute to the very good speech by the hon. Member for Stalybridge and Hyde (Jonathan Reynolds). It is about what kind of country we want to be. It is a conscience issue. My understanding was that the Sunday Trading Act 1994 was subject to a free vote on what was regarded as an issue of conscience. Why can we not do the same now?
I find it pretty shocking that a manuscript amendment appears on the Twitter feed of Sky News at 2.4 pm before Members have had an opportunity to look at it. I have to tell the Minister that five or six weeks ago, I said to no less important a figure than the Prime Minister that what we needed was a competitive regime in which local authorities could come forward and offer to be pilots, yet that was dismissed. Indeed, Ministers were not talking to Back Benchers about this issue until 48 hours ago—in fact, even less than that. [Interruption.] I mean on the specific issue that we have put forward.

I am not an uber-liberal and I am not a social liberal. I think we have a social contract and a bond with our constituents. We should regulate some behaviours. That is why, for instance, we voted to ban smoking in vehicles with children in them. “Devil take the hindmost” is not the right way in which to pursue this issue, especially given that in 2014 the Prime Minister, no less, said on the BBC news that families should be the prism through which we should decide policy. Indeed, as my hon. Friend pointed out in April 2015, during the general election campaign, the Prime Minister wrote to the Keep Sunday Special campaign saying the same thing.

It is not acceptable that there has been no proper scrutiny and oversight in the House of Lords. It is not acceptable that the Whips packed the Public Bill Committee with people who were likely to be sympathetic. It is not acceptable for the Government to use the relevant section of the Freedom of Information Act 2000 to stifle debate by hiding the number of consultations that have taken place—and we saw the ridiculous answer that my hon. Friend was given by Ministers.

Why has there been no family assessment? Why has there been no impact assessment? Those are important questions that the Government have not yet answered. The issue is important to me because 32% of the economic activity in my constituency takes place in the retail sector, and there will be a domino effect. Decisions will be taken naturally. If Peterborough were to deregulate retail, and there will be a domino effect. That does not stack up; it is close, but no cigar. If it was such a good idea, why was it not taken up by senior Ministers weeks ago, when I raised it personally with the Prime Minister? I think that that is a fair question.

If Members on both sides of the House vote against the Government and in favour of my hon. Friend’s amendment, all they will do is allow the Government to consult properly, present coherent arguments, and propose measures that will protect workers’ rights and the special interests of the Association of Convenience Stores—which has raised concerns—while also taking proper note of what is said by the trade unions. They are not always the friends of our party, but they have a right to be heard, and 91% of members of USDAW have opposed the Government’s proposals.

My hon. Friend the Member for Mid Bedfordshire (Nadine Dorries) suggested that new legislation could be proposed in the Queen’s Speech. I can even offer a name: the Sunday Trading (Pilot Projects) Bill. I will invoice the Minister later for that suggestion. We could then have a proper debate, because we would know what we were voting for. I must say to the Minister that this has not been done properly. There has not been proper scrutiny and oversight. There has not been proper debate and discussion. Running around with manuscript amendments at four minutes past two on the day of a Report stage is not good government.

I want to support the Government, and I want them to succeed, but I am afraid that on this occasion, with a very heavy heart, I cannot support them, and I will be voting for the amendment. I will be doing that so that the Government can come back, carry the House in a consensus, protect jobs, protect a way of life, protect family life, and look after the interests of our constituents, because, if for no other reason, that is why we are here.

Susan Elan Jones (Clwyd South) (Lab): I am very pleased to be able to speak in support of the amendment tabled by the hon. Member for Enfield, Southgate (Mr Burrowes), and to be part of the unholy alliance that is doing so. Trust me, it is better to be part of an unholy alliance than to be called a Maoist. The reason that most of us are supporting the amendment is that we are united on several key principles. We stand in support of family life, we oppose the exploitation of shop workers, and we believe in real competition and genuine devolution, which gives fair play to our small shops and supports diversity on the high street. There is unity too because in this country we believe that it is right to keep Sunday special.

Of course society has changed, and the law has changed with it. Some people will point to the recent opinion poll which showed that there is now a bare majority who want to change the law on this matter even further. It is not that we on this side of the House are bitter about opinion polls, but actually, they do not always get everything right. But even if that particular YouGov poll is correct on that matter, let us look at
some of its other findings, which show that 58% of the population fear that the Government’s proposals will affect small stores and 48% agree that longer opening hours would be detrimental to family life. Only 77% said that that would not be the case.

The family test has been discussed today, as has the little impact assessment that popped up this morning. Wherever we stand on individual policies, I do not think that any of us would seriously fault the Government’s idea that every domestic policy should be measured against its impact on family life. I really hope that that issue above all else will be taken into consideration. We have a Prime minister who speaks the language of prison reform, who deals with issues such as the stigma surrounding mental health and who, once upon a time, hugged huskies and even Euroscptics. He himself said that he did not want to change the Sunday trading laws, so does he really want this piece of anti-family legislation to be passed on his watch?

I shall close with the words of one mother, a shop worker, who says:

“As a mother, I would not work Sunday evenings or late afternoons, yet it would be forced on us as we would need more than one manager on a Sunday to cover the hours.”

She is right, and we know that she is not just speaking for herself. She is speaking for hundreds of thousands of people across our country. That is why I believe with the deepest conviction that, whatever our party or background, we need to speak up for those people today.

Sir Edward Leigh: When you do not put something in your manifesto—indeed, when you are the leader of a political party and you give a particular pledge—that is a very serious state of affairs. The reason that there is so much disgust with politics all over the world—we are seeing what is happening in America—is that we are no longer trusted. What has changed since the general election? If there were an overwhelming economic case for this proposal, I would understand it, but what has moved on in nine or 10 months?

When I voted, back in 1994, I think it was a free vote. There was no pressure from No. 10 or No. 11, and people were not being shuffled off for chats with Ministers behind the Speaker’s Chair. We were pretty well allowed to vote as we liked, and I voted against. We were told that that was a compromise, and it is a compromise. Are we receiving masses of emails and letters on this proposal? Are there all sorts of pressure from our people arguing that we should change the law? I have not detected any such pressure. So why are the Government running around viewing this as some kind of macho measure? It is not. As my hon. Friend the Member for Peterborough (Mr Jackson) has just said, it is a conscience issue. I put that point to the Minister, and it is an important one for all of us. I ask all my hon. Friends to think about this, and not just about their careers, before they vote tonight.

We as MPs value our Sundays. I have often heard MPs saying, “I’m sorry, but the only thing I will do on a Sunday is attend a Remembrance Sunday event. Otherwise, I want to be with my family.” We must understand that we have great jobs here, with all the privileges that go with them, and we have a duty to look after people who are much less well off than ourselves and who work unbelievably hard, often in fairly grim jobs. Do we want to force them to work even longer hours? All the pressure from big businesses will ultimately be on them, so do we want them to sit behind a till on a Sunday or do we say to them, “We believe that Sunday is special”? Sunday is special, and what is good for us is good for others.

Michelle Donelan: Will my hon. Friend give way?

Sir Edward Leigh: No, because I want to finish as soon as possible to obey the Speaker.

5.15 pm

The change will put enormous pressure on local authorities and that pressure will be one way. In my local authority area, we have a Tesco, a Morrisons and all the rest of it. If a big store opens up in Lincoln, Tesco will go to West Lindsey District Council and say, “Unless you agree to deregulate and allow us to open all hours on a Sunday, we will close the Tesco in Gainsborough and put 400 people out of work.” This will be the thin edge of the wedge. Wonderful Asian people in all our communities are struggling to keep small shops going, and this will be another nail in their coffin. The Conservative party is not only the party of big business and prosperity, but that of small people, struggling entrepreneurs and the family. That is what this is about.

Sunday is not only an issue for Christians. The former Chief Rabbi Lord Sacks wrote in Prospect:

“Britain used to have its own Sabbath every Sunday. Then it was deregulated and privatised. Holy days became holidays, sacred time became free time and rest became leisure. The assumption was that everyone would benefit because we could all decide for ourselves how to spend the day. This was and remains a fallacy.”

He went on to mention Émile Durkheim’s work on the dangers of individualism and societal breakdown. The Conservative party is not just about individualism; it is about society as a whole. We know the dangers and costs of societal breakdown, and my right hon. Friend the Secretary of State for Work and Pensions, who is sitting behind you, Mr Speaker, has done work on this issue with the DWP’s social justice team. To return to Lord Sacks, he wrote in 2009:

“British culture once had an inner poise and balance…Twenty years of a seven-day-a-week consumer culture has not made Britons measurably happier.”

Our society is becoming more atomised and divided. I say to my hon. Friend that there is a sound, traditional, Conservative case for putting the family first and voting for the amendment.

Jim Shannon: It is a pleasure to speak on this matter and to be one of the 70 signatories to the amendment tabled by the hon. Member for Enfield, Southgate (Mr Burrowes). I want to be clear that my party supports the amendment and we will be in the Aye Lobby with the other signatories to ensure that we win the vote tonight. I am quite convinced that we will.

Before becoming a Member in this place, I served as a Member of the Northern Ireland Assembly and, as such, have some knowledge of how devolution works. I have been fascinated to see how the Government have energetically sought to make the case for changing Sunday trading rules using the language of devolution.

Clive Efford: Will the hon. Gentleman give way?
Jim Shannon: I apologise, but I cannot. The Speaker has been very clear.

The Minister has regularly said that the Government’s position is to trust local communities to make the decisions that are best for them. For anyone who really believes in devolution, however, there is a fundamental problem with that argument. If the Government believed in real devolution, if they really trusted communities to make the right decision, that is what they would have proposed, but that is not what they have offered today. They have proposed to trust communities to make decisions if that decision is to liberalise Sunday trading. That is not real devolution, which would allow communities to extend or restrict Sunday trading; it is simply Sunday trading liberalisation masquerading as devolution.

There are many serious objections to the proposals. While they might lead to job creation in big shops, they will result in large job losses in smaller shops. They will contribute to the further erosion of Sunday premium pay. There are serious problems with the opt-out as a means of protecting people who do not want to work on a Sunday. I believe that many Members on both sides of the Chamber will agree that this is an attack on people of faith, on people of conscience and on those who do not want these changes. In a national opinion poll, 67% of the general public said that they did not want any change whatsoever in Sunday opening—no change on liberalisation. Some 60% of chief executives said that they wanted Sundays to stay as they are.

We must also look at some of the statistics relating to staff: 91% of the 10,000 retail staff who were asked opposed the Government’s plans to relax the current laws; 58% of shop workers—we must remember that they vote for people in this Chamber—in large stores are already under pressure to work more hours on Sundays; and 35% want less Sunday work and 72% suggested that they would face further pressure if regulations changed to allow shops to open longer.

I love this country and the things we stand for, and I feel very proud of our institutions, but as I have looked at the way this Government have handled this issue procedurally, I have become deeply saddened by the tactics they have employed; perhaps one issue on its own could be overlooked, but this has been sustained. These controversial proposals came with no manifesto mandate. The consultation on them was rushed and was held in the middle of the summer holidays, yet despite that some 7,000 responses were submitted, demonstrating that this is indeed a matter of great controversy and public concern. Rather than taking the hint and treading more warily, the Government then took the decision, not once but twice, to introduce this legislation through a Bill that has already been through the House of Lords.

I am very conscious of the time and where we are in the debate, so I conclude by saying that we are already deeply concerned about public disaffection with government and politics, yet in issuing this answer the Government do not understand what they said and so have not been able to take on board their comments. I suggest that a cross-party Committee of Members of this House should be established and given the task of reviewing the 7,000-plus submissions to discern whether it is possible to ascertain whether a submission supports or opposes the Government’s proposals in line with question 1. This is dead simple, so let us do that.

I strongly support amendment 1, because of the risks being posed to small businesses; the threat to the high street, as this will shift more retail to larger out-of-town developments; the pressure that will be placed on shop workers and their families; the considerable problems with the so-called “opt out” and schedule 5; and the serious procedural infelicities that have accompanied the way in which the Government have sought to advance these proposals. I commend the amendment to the House and ask everyone to support it.

Several hon. Members rose—

Mr Speaker: Order. We have just over 27 minutes remaining. I call Sir Gerald Howarth.

Sir Gerald Howarth: I am delighted to support my hon. Friend the Member for Enfield, Southgate (Mr Burrows) by being a co-signatory to his amendment. The Minister is a great man, as befits being the hon. Member for Great Yarmouth, but he has had an impossible task today. I have never seen new, serious legislation affecting our country introduced in such a shambolic way. It looks like something delivered by lastminute.com and makes the back of a fag packet look like a sophisticated form of engagement. He has known, the Prime Minister has known and everybody has known for months that many Conservative Members are deeply unhappy with this. I was in the House 25 years ago when we hammered out the compromise over years, not hours or months—

Sir Edward Leigh: Two years.

Sir Gerald Howarth: It took two years, but we started the process before that, in 1986, and it was done over a period of time. The truth is that we arrived at that compromise after huge consultation and I believe it has largely worked; we have maintained Sunday as a different day and we have fulfilled the Keep Sunday Special concept. My hon. Friend the Member for Peterborough (Mr Jackson) is absolutely right to say that this goes to the heart of the fabric of our society; it is not simply about all the things relating to workers’ pay and all the rest of it. It is about the nature of our country, and I fully support what the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) said on this. As a church warden at the royal garrison church in Aldershot, I think the Government’s proposals are deeply flawed. As the right hon. Member for Tottenham (Mr Lammy) said, there is also no demand for them, with 67% supporting the current arrangements and 90% of shop workers, who will be deeply affected by the Government’s proposal, opposed to it.

Victoria Borwick: Will my hon. Friend give way?

Sir Gerald Howarth: No, forgive me.

This proposal will also do nothing to relieve the problems felt by the beleaguered high street. I also wish to say something to my hon. Friend the Minister about delegating this responsibility to local authorities in my part of the world. I sit at the apex of four different council areas and there would be a serious domino effect involving Surrey Heath, Rushmoor, Hart and Bracknell—if one went, the rest would feel obliged to
follow suit. The changes that were made there during the Olympic games seriously damaged small shops. I have in my constituency the Association of Convenience Stores—some may call it the association of Conservative stores—which is run by small people who do a fantastic, hard-working job. The Oxford Economics survey found that increasing the opening hours of large stores will cost the convenience store sector 8,800 jobs and £870 million in sales. My council does not want this change, and nor does the Association of Convenience Stores.

I say to the Minister that we have a solution at hand. My right hon. Friend the Member for Meriden (Mrs Spelman) has proposed an alternative. The Minister is apparently talking about an alternative that is supposed to have been tabled today. Of course it has not been tabled, but it will be tabled in the other place. Why do we not do as we did in 1993, which is to have a Bill setting out the three options—possibly more—one of which is no change at all, and then let us debate it over a period of time, instead of trying to rush it through in a couple of hours?

Barbara Keeley: The Minister’s last-ditch attempt at a compromise has already been described as scraping the barrel. I have to ask why we should believe last-ditch promises by this Government when the Prime Minister made a promise last April, and it is not being kept. My name is on amendment 1, and I agree with Government Members who have said that this should have been a conscience vote—a free vote.

The USDAW survey, which has been repeatedly mentioned—I congratulate USDAW on its sterling work—gives us a stark picture of existing Sunday working in both large and small stores. In fact, it tells us that 35% of staff in large stores and 55% in small stores want to work fewer hours, and less on Sundays. Chief executives from stores such as John Lewis and Sainsbury’s have expressed their concerns. They do not believe that there is an appetite among consumers and retail staff for this change.

I want to remind the House that there are carers in retail in the same way that there are in all occupations. The USDAW survey says that half the staff that it surveyed have caring responsibilities for children, older people, people with disabilities or family members who are ill. Arranging alternative care for Sundays is very difficult,

Carolyn Harris (Swansea East) (Lab): Will my hon. Friend give way?

Barbara Keeley: I will not, because we are very short of time.

The opt-out has been described as “laughable”. Only 13% of staff in large stores and 10% in small stores have used that right to opt out. It is my opinion that the vast majority of retail staff do not want to see these trading hours extended. I have had very many emails from staff in my constituency who tell me that.

Devolving Sunday trading will lead to longer opening hours. The stores and shops in my constituency have to compete with the Trafford centre. At Christmas, it was easy to see in shopping centres such as the Trafford centre that longer hours do not mean more business. People simply do their shopping at a different time, or they shop in large stores and small stores lose the business.

Moreover, staff would lose their precious family time, and probably not gain in pay, because their shifts would just be stretched over seven days. If shops open longer and longer hours, it will have an impact on life on Sundays. As I mentioned earlier, many hundreds of my constituents are greatly affected by traffic going to and from the Trafford centre, and that would become never ending if stores were open for longer and longer hours. They would never have peace—not even on a Saturday night. The Government would not be able to deliver their smart motorway project if staff could not work on the motorway overnight.

In conclusion, we have enough issues in Greater Manchester with the devolution of powers, we do not need the postcode lottery of zones and the opening hours that the Government are threatening. I will vote for the amendment and I commend it to the House. I do so for families, especially those who are carers, for people who live near shopping centres and suffer from congestion and traffic, such as my constituents, and for the small shops and all the staff who work in them who may lose their jobs. Those are the reasons why I will be voting for amendment 1.

Victoria Borwick: I rise to speak in favour of Sunday trading, because, in a place such as London—I stand as a London MP—we should have some freedom for people to trade and choose how they do business. A person does not have to go shopping, but if they want to, they should have the opportunity to do so.

Many of the arguments have been made already, so I will talk briefly about garden centres. Some Members have already mentioned pets. People with pets may have to make a trip to a garden centre to stock up. Garden centres have made representations to me, because those animals have to be fed. So I am running a campaign to allow people to trade the hours that they want.

I had a meeting this morning with my local church leaders, and I was struck when an American vicar said, “I am now a vicar over here, but where I come from, we have more churchgoing than even in this country. Notwithstanding that, people can still do business throughout the day on Sunday.”

I urge all hon. Members to consider those who want to work, and to allow these freedoms for those who want a different day to celebrate with their families. Let us not be selective as to who can spend their religious day with their family. Ours should be an inclusive party that encourages people to spend their particular day with their family. I therefore urge my hon. Friends to vote in favour of Sunday trading.

5.30 pm

Helen Goodman: The main reason I will be supporting the amendment tonight is that the Government’s proposal is bad for people who work in shops—it is bad for them as individuals, it is bad for their families and it is bad for their communities.

The hon. Member for Enfield, Southgate (Mr Burrowes) made a brilliant speech, and I was very disappointed by the Minister’s response. The notion that the British economy can become more efficient only by making
people work seven days a week is absurd. If that is the economic model, there is something wrong with the economic model.

People work to live; they do not live to work. There are lots of things we could do that would be more efficient. We could propose to our partners by text, or we could read to our children on Skype from the office, but nobody would suggest those things. The constant denigration of family life is truly unhelpful.

The protections for those in shops are not working properly. It is ironic that the legal advice against the proposal comes from John Bowers QC, who is now the president of Brasenose College—perhaps the Prime Minister should go back to his old college and get a little tutorial on this problem.

We know from the experience of the Olympics that this proposal will not strengthen the economy; it will just shift business from small shops to big shops. It will also not stop people using the internet. I am afraid the Minister’s proposal for pilots and evaluation is very much undermined by the way the Government have handled the issue in the last six months.

I know that the amendment from the right hon. Member for Meriden (Mrs Spelman) is well intentioned, but the irony is that every cathedral city in the land would be zoned and have longer hours, and it is the Church that is leading the campaign against longer Sunday trading hours.

I have had no representations from constituents in favour of change—only representations in favour of keeping the status quo. That is true whether people run businesses or work in shops. I will leave the last word to a woman who works in a shop in my constituency, who wrote to me saying, “Don’t I deserve a life too?”

Karl McCartney (Lincoln) (Con): Like my good friend, my hon. Friend the Member for Peterborough (Mr Jackson), it is with a heavy heart that I will be voting in favour of the amendment tabled by my hon. Friend the Member for Enfield, Southgate (Mr Burrowes), who spoke so eloquently earlier. I say that because, to keep Sunday special, I will be voting against my Government—a decision that no loyal Government Member wants to take, and certainly not too regularly. It also means that I will be voting against my good friend and fellow sportsman, the Minister. He has spent some time speaking to me and other colleagues, trying to persuade us, but I think he was given a very sticky wicket. He will not mind my saying that he perhaps battered more like Geoffrey Boycott than Ian Botham. He did his very best.

The reasons why I will be supporting the amendment, and why other Members should consider supporting it, are based on three core issues: my Conservative principles and the traditions of our country; the impact on staff in all shops; and particularly the impact on small independent shops, their owners and their staff. These places are well used and well liked in the city of Lincoln, but if Sunday is no longer special, we will lose them.

There is something uniquely British—perhaps even Anglo-Saxon and, dare I say it, Christian and traditional—about the way we mark Sunday in this great country of ours. It is the one special day we have every week, and to lose Sunday would be something special about Britain. A week where every day is the same will mean a drab and very grey Britain.

As a Conservative who believes in our country’s traditions and culture, undermining that special day is not something I can support. I personally would go even further and look at protecting other days in the year, such as Boxing day, Good Friday and Easter Monday, perhaps by imposing current Sunday opening hours on those days. Sunday already provides enough opportunities for large-scale shopping—if someone is up early enough, they have a full six hours. Those who want to shop online will do so, whether or not larger shops are open for longer on Sundays. For those who do not want to spend all day shopping in large malls or superstores on Sunday, there are plenty of convenience and independent shops to go to, and I am fearful about the impact of this measure on those shops, which are the lifeblood of many communities across our country.

I want to live in a country with a rich mixture of shops, not an endless sea of large, faceless superstores. I fear that extending the hours of larger shops on a Sunday will diminish choice, impact on the livelihood of those owning and working in smaller shops, and ultimately damage businesses on our high streets. I am also concerned about the impact on the families of shop workers. As well as Sunday being a special day for those who do not have to work, we must ensure that it remains a special day for those who do work. If we extend shopping hours, there will be no respite for those people, and throughout the week all they will have is snatched time with their families—they will be on a conveyor belt of work that never ends. Everyone needs quality family time, or just time away from work. As the hon. Member for Bishop Auckland (Helen Goodman) said, we should all work to live, not live to work.

I understand that big businesses want to sweeten their assets. Closed large stores in Bluewater, Meadowhall or anywhere around the country earn no money from shoppers, and hence no profit for their owners. In the middle of the UK, I am sure that Bicester shopping village would want to open for 24 hours, 365 days a year, but what would be the effect on the staff working there? Sunday as it is currently is a Great British compromise that works for everyone. Retailers can trade, customers can shop, shop workers can spend quality time with their family, and we can still have that one special day of the week.

I do not want to live in a country where every day is the same, and where our traditions and uniqueness are lost. Upholding the traditional British way of life is important to me and my constituents, and that is why I will vote for the amendment. I hope that, after today’s reasoned debate, some of my Conservative and traditional colleagues will examine their consciences and support the amendment tabled by my sound and illustrious hon. Friend the Member for Enfield, Southgate.

Hywel Williams (Arfon) (PC): The Minister’s proposals for pilots are what we call in Welsh a “cath mewn cwd”—a cat in a sack—and if we open that sack, we will get our noses scratched, as far as I can see. With Wales, the Government are bypassing our National Assembly, fostering a relationship directly with our local authorities. They are bypassing our Government in Cardiff and acting on the basis of that peculiar entity, “England and Wales”. Local authorities in England and Wales are to be treated as if they exist in the same
country, national devolution is ignored and, as the infamous entry in the first “Encyclopaedia Britannica” put it, “For Wales—see England”.

I have two brief points. First, there is a precedent in terms of the council tax benefits that were devolved to local authorities in England, but not to the National Assembly in Wales. Secondly, this particular matter is devolved in Northern Ireland and Scotland, and I would say that Wales should be treated no differently.

Andrea Jenkyns (Morley and Outwood) (Con): Retail is in my blood. Growing up, my mother owned a shop, and at 16 I started work on the shop floor, working my way up to management. I spent nearly 20 years across the food, fashion, electrical and furniture retail sectors, working in the sort of stores on which the Bill will impact. I am passionate about our high street, which is why I chair the all-party group for high streets and town centres.

Our high streets are struggling, and the influence of the internet has had such a major impact that they are becoming a haven of pound shops and charity shops. We must do all that we can to support our high streets. Things are tough enough for retailers at the moment, and we must consider ways to increase footfall, not to limit growth opportunities. In 1994, at the age of 20, I remember signing a new contract to opt in to working Sundays. I was happy to do that because I wanted the hours—I wanted to save up for my future—and I am shocked that more than 20 years later we are still having this debate.

I am a firm believer that size should not matter and that there should be a level playing field for all retailers. It is discriminatory against retailers of more than 3,000 square feet if they cannot open for the same hours as those that are under that square footage. I remember being a manager of a store that was limited to six-hour trading, when the dilemma was that other stores on the high street were open for longer. Customers were confused about why our neighbouring stores could be open when we could not be. How do retailers get around this? Even 20 years ago, we would open for the same amount of time as other retailers, but with some time for browsing only. We were still employing staff for those hours, so the changes would not, as some critics say they would, impact on Sunday trading and on making Sunday special. Customers were frustrated, as they wanted choice. We still needed to employ staff for longer than six hours to replenish the stock.

In my retail management career, we had no trouble finding staff to work the Sunday shifts. Working on a Sunday was popular with students, those who wanted their first job, parents who found it easier to get babysitters for their children over the weekend and older people. If anything, I found it was the 20-something party-goers who wanted Saturday night out on the razzle who were not so keen on working on a Sunday.

In my experience, opposing the changes on the grounds that they would not be fair to workers is a rather lame argument. As experience demonstrates, there are always some groups who are more than happy to work these shifts. We must allow for that flexibility. Some say that we need to keep Sunday special, and I respect that, but do they not shop on the internet on a Sunday? Do they not visit their local leisure centre on a Sunday? Goods are delivered on a Sunday, we eat out in restaurants on a Sunday and call centres are open on a Sunday. People in many sectors and professions work on a Sunday, and while there has been a lot of talk about rights, what about their rights?

We had the debate on Sunday trading 20 years ago. We cannot press a pause button and halt this changing world. We live in a global economy that trades 24/7. If we do not embrace it, we will be left behind. We need to ensure that the economy is flexible, dynamic and responsive to the new reality. I am the chair of the all-party group on local democracy. Its secretariat is the National Association of Local Councils, which represents 8,000 town and parish councils. I fully believe in devolution; it is one reason why I am a Brexiter and fully support coming out of the EU. How can we speak of devolution while we cede more power to Brussels? How can the SNP say it wants more power in Holyrood rather than Westminster, and oppose a Bill that is, in essence, truly devolutionary? To those Members who truly believe in devolution and putting the power into the hands of local decision makers, I urge them to support the provisions. By devolving Sunday trading laws, we will not only create more opportunities for our local economies and more employment opportunities, but give more power to local people. This is why I fully support the Government’s Bill.

Several hon. Members rose—

Mr Speaker: Order. I would like to accommodate two more speakers, if possible.

Joan Ryan: As they say, you may not realise what you’ve got till it’s gone—I think that applies to all of us and not just to you, Mr Speaker. Once our special Sundays are lost, it will be impossible to get them back. Hon. Members often say, “I don’t know which way I am going to vote. I’m going to listen to the debate.” Frankly, I defy any rational person—any Member of this House who has listened to the debate—to explain why they would vote against the Government. If they had really listened to the debate, they would surely support the amendment tabled by the hon. Member for Enfield, Southgate (Mr Burrowes). We have heard so much information from Populus surveys and USD AW surveys—perhaps I should declare an interest as an USD A W member—showing us that just about everybody is against the changes. Nobody wants them—including, apparently, the Prime Minister before the election—yet here we are.

The changes would be bad for business. All the evidence set out today has demonstrated that, so I will not repeat it. They would be exploitative to shop workers and others who work in the retail sector, who do not want them. The public and consumers do not want them. There is no evidence that anybody wants them, yet the Government have consulted on the deregulation of Sunday trading hours three times in the past four years. It has been somewhat unseemly to see the Government scrabbling around today trying to patch together some kind of last-minute deal that would in no way protect us against deregulation in the future. I urge hon. Members to vote for the amendment and to see the end of proposals on this matter for a considerable period to come.
The Conservative party views family as being at the heart of a strong society, which is what we all want. Many Members have said that the Conservative manifesto made no mention of any changes to the Sunday trading rules, but it did have something to say about the importance of supporting family life. It pledged to “back the institution of marriage” and “help families stay together and handle the stresses of modern life.”

It also recognised family breakdown as one of the four root causes of poverty.

5.45 pm

At the end of the previous Parliament, the Prime Minister instituted the family test, saying:

“We can’t go on having government taking decisions like this which ignore the impact on the family.”

However, that is just what we would do today if we were to pass the Bill without amendment 1.

Analysis by the Social Market Foundation says that the Government proposals disregard the family test. It says that Sunday working encroaches on family time; that fathers working on Sundays miss out disproportionately on time with their children, and not just on Sundays but throughout the week when their children are out; and that children whose parents have to work on Sundays often spend less time doing constructive activities that contribute to their development, such as reading and pursuing interests and sports. In other words, the policy is also at odds with the Government’s life chances agenda.

Perhaps that is why the impact assessment, which includes the family test assessment, has been published only today. It is wholly unacceptable for it to have been published at midday today. It contains 129 paragraphs and several annexes, and not one Member has said that they have been able to read it before this debate. A cursory glance at the document, however, shows that paragraph 98 states:

“To the extent that Sundays are family gathering days, there is a potential for families to be negatively affected if members are more likely to work or work longer on Sundays.”

Paragraph 100 states:

“A large number of the individual respondents to the public consultation felt that families would be negatively affected if members are more likely to work or work longer on Sundays.”

The Government have no legitimate rationale or mandate for these changes, so I urge colleagues to vote for amendment 1 and against the proposals in the Bill.

Caroline Flint: It has been clear throughout the course of our debate that the Government have not made their case. On Second Reading, the Secretary of State spent two thirds of his speech talking about proposals for Sunday trading that were not even in the Bill, and today the Minister has presented us with proposals to change Sunday trading arrangements without giving us any information, so we are meant to take the Government’s promise on the never-never. This is bad law. Wherever Members stand on this issue, we should not be sending bad law through this House. We should reject the Government’s enticements to support them on something we have not actually seen, support amendment 1, and prevent this change to Sunday trading from happening.

Clive Efford: On a point of order, Mr Speaker. In response to a previous intervention, the Minister said that my local authority, Greenwich, had asked for this power to be passed to it. That was not correct. My local authority said that if the change is made, it should come to the local authority, not the Mayor of London or the Greater London Authority. How do we get the Government to put the record straight?

Mr Speaker: I think that the hon. Gentleman has found his own salvation, as he will be keenly aware. His attempted correction is now on the record.

5.49 pm

The House divided: Ayes 317, Noes 286.

Division No. 210

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Allen, Heidi
Anderson, Mr David
Ansell, Caroline
Ashworth, Jonathan
Austin, Ian
Bailey, Mr Adrian
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Bob
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Bradshaw, rh Mr Ben
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bruce, Fiona
Bryant, Chris
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Burrows, Mr David
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
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Chapman, Douglas
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Chope, Mr Christopher
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Bradley, Karen
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Brake, rh Tom
Brazier, Mr Julian
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Churchill, Jo
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Clegg, rh Mr Nick
Cleaver, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Crabb, rh Stephen
Crouch, Tracey
Davis, Chris
Davies, Cerv David T. C.
Davies, Glyna
Davies, Dr James
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Davis, rh Mr David
Dinenage, Caroline
Djancoglou, Mr Jonathan
Donelan, Michelle
Dowden, Oliver
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
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Ellwood, Mr Tobias
Elphicke, Charlie
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Evans, Graham
Evans, Mr Nigel
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark

Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Julian
Gyimah, Mr Sam
Hafon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
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Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollrnkaev, Kevin
Hopkins, Kris
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, Mr Nick
James, Margot
Javid, rh Sajid
Jenkin, Mr Bernard
Jenkyns, Andrea
Jennick, Richard
Johnson, Boris
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Jones, Andrew
Jones, Mr Marcus
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
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Lamb, rh Norman
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Philip
Leslie, Charlotte
Lewin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mercer, Johnny
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Miller, rh Mrs Maria
Milling, Amanda
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Mordaunt, Penny
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Morris, Anne Marie
Morris, David
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Murrison, Dr Andrew
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Oford, Dr Matthew
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
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Poulter, Dr Daniel
Pow, Rebecca
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, rh Dominick
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Ale
Shelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
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Soames, rh Sir Nicholas
Sollaway, Amanda
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Spencer, Mark
Stephenson, Andrew
Stevenson, John
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Stirling, Mel
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Throup, Maggie
Timpson, Edward
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Tyrer, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whatley, Helen
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, rh Rob
Wood, Mike
Wright, rh Jeremy
Zahawi, Nadhim

Tellers for the Noes:
Guy Opperman and
Jacoby Doyle-Price

Question accordingly agreed to.
Amendment 1 agreed to.
Ms Angela Eagle: On a point of order, Mr Speaker. The House has spoken on the very contentious issue of Sunday trading, which would have affected millions of workers. Can we now hear from the Government that they will respect the will of this House and abandon their tawdry attempts to reintroduce this proposal? And I mean the Chancellor.

Mr Speaker: The hon. Lady has made her point, but it is not a matter for the Chair.

The Speaker then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Schedule 5

**SUNDAY OPENING HOURS: RIGHTS OF SHOP WORKERS**

**Amendments made:** 13, page 91, line 25, at end insert—

“(7A In section 48 (complaints to employment tribunals), after subsection (1) insert—

“(1YA) A shop worker may present a complaint to an employment tribunal that he or she has been subjected to a detriment in contravention of section 45ZA.”

This amendment is consequential on new section 45ZA of the Employment Rights Act 1996 (inserted by paragraph 7 of Schedule 5 to the Bill) and ensures that a shop worker can present a complaint to an employment tribunal in connection with a detriment suffered in contravention of that section.

Amendment 14, page 91, line 46, at end insert—

“(8A In section 108 (qualifying period of employment), in subsection (3) after paragraph (d) insert—

“(da) subsection (2) of section 101ZA applies (read with subsection (3) of that section) or subsection (4) of that section applies.”)—(Brandon Lewis.)

This amendment is consequential on new section 101ZA of the Employment Rights Act 1996 (inserted by paragraph 8 of Schedule 5 to the Bill) and ensures that the two year qualifying period of employment for unfair dismissal cases will not apply in relation to cases involving a refusal to work additional hours on Sunday or the giving of an objection notice to working such hours.

Mr Speaker: Our consideration having been completed, I will now suspend the House for no more than five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my decision on certification, I will now suspend the House for no more than five minutes in order to make a decision about certification.

Ms Angela Eagle: Mr Speaker, I have now completed certification of the Bill, as required by the Standing Order. I have made no change to the provisional certificate issued yesterday. Copies of my final certificate are therefore made available in the Vote Office and on the parliamentary website, and they have been made available to Members in the Chamber. Does the Minister intend to move the consent motions?

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): I believe I have had the necessary nod. We must now under the relevant Standing Order forthwith resolve into the Legislative Grand Committee (England and Wales), and thereinto into the Legislative Grand Committee (England).

The House forthwith resolved itself into the Legislative Grand Committee (England and Wales) (Standing Order No. 83M).

[MR LINDSAY HOYLE IN THE CHAIR]

6.13 pm

Pete Wishart (Perth and North Perthshire) (SNP): On a point of order, Mr Hoyle. Can you explain exactly what is going on with this particular procedure we are asked to consider?

The Chairman of Ways and Means (Mr Lindsay Hoyle): Do not worry. I can give the answer now: no, I do not.

There will now be a joint debate on the consent motion for England and Wales and the consent motion for England. I remind hon. Members that all Members may speak in the debate but that, if there are Divisions, only Members representing constituencies in England and Wales may vote on the consent motion for England and Wales, and only Members representing constituencies in England on the consent motion for England.

I call the Minister to move the consent motion for England and Wales. I remind the Minister that, under Standing Order No. 83M(4), on moving the consent motion, the Minister must also inform the Committee of the terms of consent for England.

Stephen Barclay (North East Cambridgeshire) (Con): The legislative consent motions are before the House and available to Members. I beg to move.

Resolved.

That the Committee consents to the following certified clauses and schedules of the Enterprise Bill [Lords] and certified amendments made by the House to the Bill:

Clauses 30, 32, 39 and 40 as amended in Committee (Bill 142) including any amendments made on Report, Amendments certified under Standing Order No. 83L(4) as relating exclusively to England and Wales

The omission in Committee of Clauses 33 and 34 of the Bill as introduced (Bill 112).—(Stephen Barclay.)

Mrs Madeleine Moon (Bridgend) (Lab): On a point of order, Mr Hoyle. I seek some clarification. The paperwork handed out says “Legislative Grand Committee (England)”, but the oral statement referred to “England and Wales”. May I seek clarification about the difference?
Huge credit should also go to my ministerial colleagues, who have worked tirelessly to steer the Bill through the House Commons—the Minister for Small Business, Industry and Enterprise, the Minister for Skills and the Minister for Housing and Planning. They have all done a tremendous job, and I really cannot thank them enough. Finally, I would also like to thank the hon. Member for Wallasey (Ms Eagle), who on Second Reading found it in her heart to call one clause “entirely sensible”. She is not in her place at the moment, but coming from her, that was high praise indeed!

The result of today’s vote on Sunday trading is disappointing. Our amendment was about attracting more people to high streets, helping struggling local businesses and helping to secure jobs for hard-working people. It would have made a lot of difference to many businesses up and down the country.

I respect the views of hon. Members who supported the amendment as a matter of principle; I have full respect for that. However, I am extremely disappointed by the childish and hypocritical actions of SNP Members. They seek to deny English and Welsh shoppers the same freedoms that are enjoyed in Scotland, and although they are a party built on the principle of devolving powers from Whitehall, they deliberately stand in the way of a measure that does just that.

Andrew Percy (Brigg and Goole) (Con): As someone who believes that people in England should have a measure of devolution in response to the devolution that exists in the rest of the country, I would like to ask my right hon. Friend to confirm what actually happened today—that irrespective of whether Sunday trading is a good thing or a bad thing, the majority of English Members of Parliament voted in support of giving our local communities and our local councils the right to decide this matter for themselves, yet they have been denied by MPs from a part of the United Kingdom that it would not have affected at all.

Sajid Javid: My hon. Friend is absolutely right. The SNP are only interested in creating headlines, not jobs, and my hon. Friend’s point is absolutely correct—a clear majority of English and Welsh MPs wanted to see this change, but it was denied by the SNP.

Several hon. Members rose—

Sajid Javid: I shall give way in a moment.

This shows that we were absolutely right when we warned during the election that if a weak Labour Government ever got into office, they would be propped up by an unprincipled SNP. That is why we must never let either of those parties get closer to power.

Ms Angela Eagle: I think the right hon. Gentleman should learn a bit of grace in defeat, because that is what the House likes. Will he confirm that these proposals did not fall under the Evel or the Wevel parts of our procedures, and will he also confirm that, having listened to the will of the House, this Government have no intention of bringing these Sunday trading proposals back before us?

Sajid Javid: Of course we always listen to the will of this House, but that does not take away from the fact that the majority of English and Welsh MPs wanted to
see this change—this flexibility on Sunday trading that would have been a right for local authorities in England and Wales to enjoy in the same way as it is enjoyed in Scotland. It was denied because of the SNP.

Mark Field: I note the disappointment that the Secretary of State has shown in this regard, but I am afraid that it is not enough simply to blame the SNP. I accept that SNP Members have been opportunistic, but surely it shows the fundamental flaws in elements of the EVEL arrangements. Does not the fact that something that is essentially devolved did not fall under the EVEL framework suggest that we should look at the arrangements again rather than incurring the wrath of, and the attributing the blame to, the SNP for taking the opportunistic step that it did over this matter?

Sajid Javid: My right hon. Friend, as always, makes a very important point. He will know that EVEL did not apply because this change in Sunday trading was tied up with a plan to extend workers’ rights that would have applied throughout the UK, but we should reflect on what he says, because the people of England and Wales have been denied a change that would have put them on a par with what is currently practised in Scotland.

Tommy Sheppard (Edinburgh East) (SNP): I apologise for the difficulties in which the SNP has placed the Government, but we were simply voting to defend the interests of our constituents, whose rights at work on a Sunday would have been affected by this Bill, and it is our right to do so. I ask the Secretary of State to stop harbouring this grievance against Scottish Members.

Sajid Javid: The hon. Gentleman should really be ashamed of his party’s performance today. He tries to hide behind a policy, but we know that the only thing the SNP was interested in today was headlines and denying the people of England and Wales a change that would have put them on a par with what is currently practised in Scotland.

Kevin Brennan (Cardiff West) (Lab): Will the Secretary of State give way?

Sajid Javid: I shall carry on for a while. Other Members will want to speak.

Of course, the Bill is about much more than just Sunday trading. It will create an institute for apprenticeships, which will help British businesses to develop the talent that they will need to compete in the years ahead; it supports our deregulation agenda, making it simpler to do business; it addresses the issue of business rates; it will help to release pub landlords from restrictive contracts; and it will give the Green Investment Bank the freedom and flexibility that it needs to grow.

I am particularly proud of the measure that will create a small business commissioner, for myself, too many times, how hard it is for a small business or sole trader to challenge a larger firm. I have seen how late payments, unfair charges and other obstacles may not just make it harder to do business, but actually drive companies to the wall. The creation of a small business commissioner will make a real difference in tackling such problems, and I am pleased to note that it has widespread support.

Wendy Morton (Aldridge-Brownhills) (Con): Before I entered the House, I had more than 25 years of experience in a small business—in fact, a micro-business. I have previously drawn Members’ attention to my entry in the Register of Members’ Financial Interests. Does the Secretary of State agree that this is exactly the sort of thing that we should be doing for small businesses throughout the country, in order to tackle the real difficulties that they experience as a result of late payments?

Sajid Javid: I agree wholeheartedly with my hon. Friend. I think that the measure will make a huge difference. Small businesses are often held back from challenging larger firms, and I hope that it will give many of them the confidence that they need.

Kevin Brennan: The Secretary of State said, and the Minister for Housing and Planning said earlier, that passing the amendment would mean the removal of workers’ rights. As I understand it, however, schedule 5 is still in the Bill following the vote, so the additional workers’ rights are there—and they should stay there, as well. Will the Secretary of State confirm that that is the case?

Sajid Javid: I can confirm that that is not the case. As the hon. Gentleman knows, the Government presented a package consisting of more flexibility for Sunday trading hours along with additional workers’ rights. Since that package has been rejected, there will be no additional rights, because they will be unnecessary.

Kevin Brennan: On a point of order, Mr Speaker. I hope that it is a point of order. My understanding is that the passing of amendment 1 does not affect the presence of schedule 5, which is entitled “Sunday opening hours: rights of shop workers”, and that, as we send the Bill to the House of Lords, those workers’ rights are enshrined in it.

Mr Speaker: The short answer to the hon. Gentleman’s point of order is that the passage of amendment 1 does not affect the presence of the schedule in the Bill. As I am not an expert on legislative interpretation and impact, and it is not for me to speculate upon that, I will not, but I stand by—on, of course, the basis of advice, and my own study—the first part of my answer to the point of order. I have sought to give that information in a dispassionate way, responding to a factual inquiry with what I understand to be a factual response.

Sajid Javid: Thank you, Mr Speaker.

Last May I launched the Bill at an event in Bristol, the city where I grew up. It is the city where I saw, in my parents’ shop, the special values that are needed to build and run a business. This is a Bill for people who share those values. It does not matter whether they are behind a shop counter or behind the wheel of a van, or whether they are working in a high-rise office or from their kitchen table. If they are not to do what my parents did—if they are working to build a business, to grow the economy and to create jobs—the Enterprise Bill will help them to do just that, and I commend it to the House.
Ms Angela Eagle: The Bill should have been so much more ambitious to live up to its encouraging short title, but despite the sterling efforts of Opposition Members in this House, and those of our Labour colleagues in the House of Lords, it remains a mouse of a Bill which should have been a lion. As I observed on Second Reading, this piece of legislation does not even match the ambition of the Government’s own rhetoric, let alone meet the huge economic challenges now facing this country. Its timidity is a great disappointment to those of us on the Opposition Benches.

Nevertheless, I would like to pay warm tribute to my right hon. and hon. Friends who served with such distinction in Committee. I would also like once more to pay tribute to the work of our Labour colleagues in the Lords who were able to secure some amendments to this very modest Bill, which undoubtedly improved it. May I also take this opportunity to acknowledge the contribution of all Members who served on the Bill Committee, whichever party they come from, as well as that of the all-important Whips, who ensure that the Committee stage works appropriately?

I welcome the Business Secretary to his place for the first time since it became clear that he has joined the campaign for Britain to stay in the European Union. I do not know whether he has been bullied by the Chancellor. However, he seemed anxious to burnish his Eurosceptic credentials even as he abandoned his Brexit friends in pronouncing recently that he would remain a “Brussels basher” despite his Brexit betrayal. His enthusiasm for the cause will be a great asset to all of us who believe passionately that we need to remain engaged and optimistic about our place in the world, and who are clear that we should not be disengaging from the largest free trade area in the world, where we do 50% of our business.

The Bill was just beginning its Report stage in the Lords when the Chancellor unveiled his comprehensive spending review on 25 November last year. We all remember the smirking optimism he displayed at that Dispatch Box as he unveiled the £27 billion windfall that the Office for Budget Responsibility had discovered to assist him in making his sums add up. But much has changed since then, and the Bill addresses little of that. Just six weeks later, the Chancellor turned up in Cardiff warning ominously that the economy was suddenly facing a “cocktail of threats” in the new year that he had not noticed in November. Then he turned up in Shanghai warning about gathering “storm clouds” and announcing that the British economy was £18 billion smaller than he had expected it to be because of slowing growth and falling tax receipts. He is now in full retreat, adding a £7 billion volte face on his widely trailed radical pensions reform to his retreat on huge tax credit cuts late last year.

This is not a great reforming Chancellor. What we actually see in No. 11 Downing Street is a man who is much more focused on his own leadership ambitions than he is on next week’s Budget or on the best interests of our country. We see a man who is much more interested in duffing up the Mayor of London and the Brexit rebels in his own party than he is in solving the huge challenges facing our economy. If this Bill is meant to be part of the solution to those challenges, I am afraid he has got his diagnosis completely wrong. Where is the “march of the makers” that the Chancellor was waxing so lyrical about six years ago? It has completely failed to materialise, and there is no sign of the rebalancing he promised us. In fact, manufacturing is faltering, the service sector is stuttering and the trade balance continues to worsen; it is now standing at over 5% of gross domestic product.

Of course we on Labour Benches will support the creation of the small business commissioner as it appears in the Bill. However, we worry about its tiny budget and the fact that its very limited remit will not be transformative. We argued successfully in the Lords to give the post some independence, but everyone in the House knows how modest this proposal is. We would much rather have been legislating for comprehensive reform by introducing a small business administration, instead of expending legislative effort on this minor tinkering.

Of course we support moves to establish a quality benchmark for apprenticeships and statutory protection for the term itself, which should help to protect it from being discredited or abused. But with one in three vacancies in the economy reported to be the result of skills shortages, the provisions of the Bill barely scratch the surface of what is needed, and the “skills emergency” that is holding back our country goes on. Time will tell whether the Government’s target of reaching 3 million apprentice will be achieved at the cost of falling quality. I certainly hope that it will not be, but we intend to hold the Government to account on this as their plans develop.

We will also continue to keep a close eye on the plans to introduce an apprenticeship levy, which is causing increasing worry in businesses up and down the country. The Government must ensure that our young people can build sustainable and fulfilling careers and that all apprenticeships offer genuine learning opportunities and pathways for progression.

We are extremely disappointed that the Government have used the Bill to flog off the Green Investment Bank before it had been given a proper chance to develop. We are especially concerned that the bank’s core purpose to promote the vital green transformation of the economy will be lost or diluted by this unnecessary privatisation. Our concern is that, by rushing to sell, the Government will not get a decent price for the asset that has been created.

On exit payments, we remain concerned that the Bill goes far beyond capping the most excessive pay-outs and will hit some low-paid, long-serving workers in a completely arbitrary fashion. The provisions breach agreements that the Government made with some sectors of their own workforce only recently.

The way that this Government have chosen to deal with the important issue of Sunday trading has been cynical and disreputable. During the Bill’s passage through the House of Lords, it contained no mention whatsoever of Sunday trading, let alone the Government’s intention to deregulate it by starting a free-for-all in every local authority. There were rumours but no signs of any measures. It was therefore tawdry of the Secretary of State to make an announcement during his speech on Second Reading confirming that the Government did in fact intend to change Sunday trading laws. The House was then put in the ridiculous position of having to debate measures on Second Reading that had not even been published and were not seen until the Committee stage.
The Government have descended further still today. We saw a grubby and desperate last-ditch attempt to avoid a vote on amendment 1, when they tried and failed to put down a late manuscript amendment. When it was rejected, the Minister was reduced to pleading with his own side to support a pilot scheme that was not even on the amendment paper. That is no way for any serious Government to behave when passing laws that will affect millions of retail workers and change the nature of our country. I am happy that they have not been rewarded and hope that the measures will now be abandoned. The current Sunday trading laws work well and strike a sensible balance between the needs of those who want to shop and those who work in retail.

This Bill is a missed opportunity. It is a modest Bill that fails to tackle the real challenges facing the economy. It could have aimed to be transformative. It did not. It could have aimed to tackle the skills emergency and the productivity puzzle. It did not. It could have set out an ambitious industrial strategy to help us to rebalance the economy and to tackle the gaping trade deficit. It did not. It could have prepared us for the challenges of big data and digital transformation, which offer great opportunities as well as threats, but it missed that chance. It is a modest Bill with much to be modest about.

6.38 pm

Alan Brown: My first time on a Bill Committee was during the passage of this Bill, and the journey has certainly been interesting from start to finish. In Committee, as outlined by the hon. Member for Cardiff West (Kevin Brennan), we had a vote that was not a vote and then a re-vote, but that will hopefully not be the future. Today, it was good that the Secretary of State gave the SNP complete credit for the Government defeat. We are happy to take that, but it was actually the result of work across the House and the amendment of the hon. Member for Enfield, Southgate (Mr Burrowes).

I was slightly frustrated by today’s proceedings, because I hoped to table an amendment relating to cash retentions, which is a big issue in the construction industry. It represents another missed opportunity for the Government. Our attempt to table an amendment proves that we are not about grabbing headlines, and we have been serious from start to finish in what we are doing.

Pete Wishart: I do not know whether my hon. Friend has some words of consolation for the Secretary of State, who seemed to be unduly upset about the temerity of SNP Members to come to the House and vote in the interests of Scottish workers. Does my hon. Friend have any advice to help him to get over his grievance?

Alan Brown: The Secretary of State could give us further devolution for a start. If we had been given more powers in the Scotland Bill, as we wanted, perhaps the Government would need to worry less about us.

Another interesting aspect of what we have seen today is the Government’s last-minute so-called “concessions”, and we are going to get amendments that we do not know about, in the House of Lords. The Government need to make up their mind whether they are in favour of the House of Lords and what is being done in there or not. Only last week they were not happy with what the House of Lords is doing but today we are supposed to vote with the Government because the Lords will save us—I do not know where we are going with that.

The Minister for Small Business, Industry and Enterprise (Anna Soubry): You spoke in favour in the Committee—

Alan Brown: I did not speak in favour of Sunday trading in Committee, because I did not speak about Sunday trading in Committee, and the record will prove that. My hon. Friend the Member for Livingston (Hannah Bardell) spoke in favour of stronger workers’ rights, and that is also there for the record.

I have mentioned cash retentions, and the Minister’s attitude to dealing with that matter is to acknowledge that it is an issue but to say, “Don’t worry, we have a Government review. We will do the review and then we will implement the measures.” We have to put all the trust in the Minister, but we should consider what the proceedings on Sunday trading show. The Prime Minister said, “We won’t be doing Sunday trading” but it was then proposed, even though it was not in the manifesto, and today we have seen last-minute deals. That proves that we cannot have any trust there, which is why I wanted to have a vote about cash retentions.

Kevin Foster: I was interested to hear the hon. Gentleman’s comments on Sunday trading. Will people working in Scotland’s largest supermarkets be able to look forward to hours restrictions from the SNP Government at Holyrood, given the SNP’s attitude towards that issue in England?

Alan Brown: It is a different argument. The Government did not publish a full, proper impact assessment. The impact assessment that came before me was suggesting that workers might lose up to £1,400 a year and there could be £70 million lost out of the Scottish economy—that is from a published economist. When the Government cannot counteract that, I will go with that information. My conscience told me to vote on that basis and do the right thing.

Let me conclude on the cash retentions. We are seeking a retention deposit scheme similar to the tenant deposit scheme. This has been implemented in other countries—it has just been introduced in New Zealand—and shown to work well. It would protect small businesses. Up to £3 billion is held in cash retentions at any one time, and £40 million was lost in 2015—this is money the small companies could not recover because of bankruptcy in the other companies. Given that this recovery is meant to be based on small and medium-sized enterprises, this was another missed opportunity by the Government. I will leave it at that.

6.42 pm

Amanda Solloway (Derby North) (Con): I want to take the opportunity to highlight a really good part of the Bill, and, having worked in retail since the tender age of 16—not too long ago—I have full authority to talk about it. I have worked in a variety of different roles and I recognise how essential it is that we support small businesses, as they can be so vulnerable to the market forces we have today. I welcome the introduction...
of the small business commissioner, whose function it will be to provide advice and information to small firms, and to assist them in payment disputes with larger firms.

**Kevin Brennan:** I, like the hon. Lady, started working in a shop at 16. Does she also welcome the fact that clause 33(5), which gives effect to schedule 5, means that what we have achieved by voting down Sunday trading is not only not having the extension of Sunday trading hours, but improving workers’ rights on a Sunday, as that remains part of the Bill, as we heard earlier?

**Amanda Solloway:** I have limited time available to me now, so let me just say that I think Sunday trading would enhance the role of retailers and give people the choice that they very much want to have.

**Kevin Foster:** Does my hon. Friend share my surprise that the Opposition seem uninterested in the small business commissioner, who will make a real difference to small businesses, and that they just want to harp on about one issue instead?

**Amanda Solloway:** With the House’s permission, I will continue discussing the small business commissioner. Under the current system, payment disputes too often cannot be resolved without cases going to court. That costly process is limiting to small businesses and, if pursued, can lead to further financial pressures, making it a barely viable option to small business to have any kind of legal battle.

With my background in retail, I have often seen directly how late payments, often by larger and more robust businesses, can be crippling to small businesses. There may well even be a culture of large firms dragging their heels when it comes to making payments. What those firms disregard is how serious it can be to these small businesses not to make payments on time.

A recent study in Derby found that one in five businesses in the region is a victim of late payments, and that can be crippling.

**Wendy Morton:** These late payments can cripple small businesses. Does my hon. Friend agree that, when businesses are starting up, it can mean the difference between survival or not, and creating jobs or not?

**Amanda Solloway:** Absolutely, and what we need to do to boost our economy is to encourage these small businesses to get established and to flourish.

Therefore, this is an element of our business culture that must change. We must give advice and support to smaller businesses. The role of the small business commissioner will help to facilitate that. If as a country we are to continue to encourage enterprise and the entrepreneurial spirit, we must continue to do all we can to support small businesses and address the concerns and problems that hinder their performance.

6.45 pm

**Greg Mulholland** (Leeds North West) (LD): I will not take up too much of the House’s time. Unfortunately, we did not have the opportunity to debate the important new clause 10 and amendment 20, so I wish to put a few words on record, especially as the Minister for Small Business, Industry and Enterprise is in the Chamber.

I gently say that ours is a strange system whereby automatically Opposition amendments are dropped and Government amendments go through, especially because, as we have just seen with the amendment on Sunday trading, that does not always reflect what happens in the House. I strongly believe that new clause 10 would have had the support of a majority of MPs. It was not my intention to press it, however, because I had hoped to hear from the Minister that she accepted its terms. It was tabled to deal with a disgraceful loophole whereby tenants of large pub companies taking the all-important market rent-only option would have to surrender their existing lease and accept a shorter five-year lease, which would be wholly unacceptable.

Clauses 39 and 40 deal with the pubs code and the adjudicator, and I thank the ministerial team for listening to concerns about paragraph 8.12 of the draft code and dealing with them. The matter is being addressed in the Bill because of concerns about the draft code and the unacceptable nature of some of its provisions. I can tell the Minister that tenant groups are reporting some quite disgraceful behaviour from pub companies as an attempt to both game and circumvent the forthcoming pubs code, which comes in on 1 June. The Bill was the only opportunity to amend primary legislation that could then affect the content of the pubs code. Now it is a question of working with the Minister and her team to try to deal with some of these issues.

**Anna Soubry:** Does the hon. Gentleman welcome, as I do—and announce—the appointment as the pubs code adjudicator of Paul Newby, who I am sure will look forward to meeting the hon. Gentleman? Will the hon. Gentleman also accept my assurance that we will look forward to meeting the hon. Gentleman? Will the hon. Gentleman also accept my assurance that we will be true to all that was said and agreed on the Floor of the House last year when the legislation went through? Please may we work together to ensure that we have a good pubs code?

**Greg Mulholland:** I thank the right hon. Lady for her comments and their tone. The answer on both counts is yes, absolutely. I presume that the Minister’s news is hot off the press because I certainly had not heard anything about the adjudicator. It is huge news.

**Anna Soubry:** You are the first to hear.

**Greg Mulholland:** That is marvellous. That appointment is now public, and it is a very significant announcement. I do indeed look forward to meeting Paul in my role as chair of the British Pub Confederation.

I take the Minister at her word about sticking to the clear commitments that were made in both Houses. However, there is a need within the pubs code to deal with what is happening now. The purpose of amendment 20 was to stop the gaming, the use of section 25, and the use of bribes as well as bullying to try to force tenants to sign up now. Pub companies are making desperate attempts to try to carry on the exploitation of the beer tie, which is what the Government have rightly legislated to stop. That behaviour now needs to be stopped, because lots of tenants will otherwise find that they are forced, bullied or bribed into signing up to new agreements that do not have the market rent-only option.

I look forward to discussing those issues with the Minister and to presenting the evidence to her and her team that is drafting the pubs code. I urge her to learn
the lessons of the beer orders and not to give in to industry lobbying, or to allow loopholes that are then exploited and gamed by large companies. If that happens, the code will simply not do the very things that she has talked about and her team have signed up to. I look forward to speaking further with her about that.

Question put and agreed to.

Bill accordingly read the Third time and passed, with amendments.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6).

IMMIGRATION

That the draft Immigration (Health Charge) (Amendment) Order 2016, which was laid before this House on 4 February, be approved.—(Stephen Barclay.)

The House divided: Ayes 307, Noes 57.

Division No. 211

AYES

[6.50 pm]

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blackwood, Nicola
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Brighouse, Andy
Brine, Steve
Brookshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair

Evans, Graham
Evannett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Foster, Kevin
Fox, rh Dr Liam
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Guummer, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hans, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Hurd, rh Nick
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkins, Andrea
Jenrick, Robert
Johnson, Borne
Johnson, Gareth
Johnson, Joseph

Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Philip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Mak, Mr Alan
Malthouse, Kit
Mann, Nick
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Merron, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryl
Murrison, Dr Andrew
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Parish, Neil
Patel, rh Priti
Paton, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pickles, rh Sir Eric
Pincher, Christopher
James Cartlidge (South Suffolk) (Con): I rise to present a petition on behalf of my constituents in relation to the mobile phone signal in South Suffolk. Basically, for those who cannot send a text message to the Chancellor, I am sending a message on their behalf, which is that we want our rural communities to go into the 21st century.

The petition states:

The petition of residents of South Suffolk,
Declares that too many communities in the constituency suffer from poor mobile phone signal and not-spots; further that the Department of Culture, Media and Sport, together with Her Majesty’s Treasury, should bring forward a new round of mobile infrastructure project funding to support new masts in the worst affected villages; and further that a local paper petition and online petition on this matter has received 3,707 signatures.

The petitioners therefore request that the House of Commons urges the Department of Culture, Media and Sport and Her Majesty’s Treasury to support the earliest possible introduction of a new phase of the Mobile Infrastructure Project for rural areas.

And the Petitioners, as in duty bound, will ever pray.

Tellers for the Ayes:
Guy Opperman and Jackie Doyle-Price

Tellers for the Noes:
Pete Wishart and Mike Weir

Question accordingly agreed to.

PETITION

Improved mobile telephone signal in South Suffolk

7.4 pm

The petition of residents of South Suffolk,
Pilgrim Fathers (400th Anniversary)

Motion made, and Question proposed. That this House do now adjourn.—(Stephen Barclay.)

7.5 pm

John Mann (Bassetlaw) (Lab): As you are aware, Mr Deputy Speaker, 2020 will mark the 400th anniversary of what we generally call the Pilgrim Fathers and what the United States call the Mayflower Pilgrims, because there were, of course, mothers and daughters, as well as fathers, on that boat.

Mr Deputy Speaker (Mr Lindsay Hoyle): The hon. Gentleman that I am well aware of that, because Myles Standish, who was the officer in charge of the Mayflower, came from Chorley.

John Mann: At first glance, nonconformity and its influence on democracy are a series of extraordinary coincidences based in the beautiful setting of rural Bassetlaw, and they are all linked by geography, message and history. The modern history of our great ally and special partner, the United States of America, comes from a tiny group of men and women who, in the autumn of 1620, arrived on board the Mayflower at Cape Cod in Massachusetts. They were a group of religious and political nonconformists who risked their lives, and at times lost their liberty, in order to establish a society that, through the Mayflower compact—which was the basis of that first settlement on the east coast of America—created both the foundations for the constitution of the United States and the model for parliamentary democracy.

The leaders of these pioneers were neighbours. We start in Scrooby, whose manor house under the Archbishop of York was lived in by Cardinal Wolsey in 1530 after his fall from grace, and was visited by King Henry VIII when it was a hunting lodge. Scrooby is 17 miles and 7 miles from Babworth, 14 miles from Sturton le Steeple, 9 miles from Worksop, and only 45 minutes from Lincoln. When it was a hunting lodge. Scrooby is 17 miles and 7 miles from Babworth, 14 miles from Sturton le Steeple, 9 miles from Worksop, and only 45 minutes from Lincoln cathedral and 60 minutes from York Minster.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): As the hon. Gentleman knows, the Mayflower left, ultimately; from Plymouth in order to go and found the American colonies. We are in the process of setting up an all-party parliamentary group and I very much hope that he will join me as its co-chair, and we can try to get some other people to join us, too.

John Mann: I thank the hon. Gentleman. Should hon. Members, following the usual rules, deign that to be appropriate, I would be honoured to join him. The Bassetlaw-Plymouth amalgam cross-party group would be a powerful way to spread the message of the values and principles of the Mayflower Pilgrims.

The key 16th-century village of Scrooby was, as it is now, on the Great North Road. This tiny village was called “a pleasing land of drowsyhead…broad meadowlands…hummocky plots of stiff soil” and “a raised area served by the River Idle.”

The postmaster—an important position in such a strategic transport route—was John Brewster, and the real story of the pilgrims begins in 1587, when his son, William Brewster, returned to the place of his birth and childhood. It was at the manor house that William Brewster created the religious separatist church, the Pilgrims, and held its first sessions. Who were the neighbours in attendance? Along with William Brewster, there was John Robinson, of Sturton le Steeple. The separatist church named after him in Gainsborough was opened in 1896 by the US ambassador, the honourable T.F. Bayard. That was the last time, but I am sure it will not be the only time, that an American ambassador visited the origins of the modern United States.

Jim Shannon (Strangford) (DUP): I am very interested in history, and I have come across the Pilgrim Fathers in my study of history. I congratulate the hon. Gentleman on securing the debate, and it is a real pleasure to take part. Who would have thought 400 years ago that the Pilgrim Fathers would do something that would last 400 years? Does he welcome the strong economic, physical, emotional, cultural, military, and political ties between the United States and the United Kingdom, which are also united by language?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am not quite sure that that fits in with the Pilgrim Fathers on the 400th anniversary, and I think you need to sit down. We must be careful not to extend this debate beyond where the hon. Member for Bassetlaw (John Mann) wishes to take it, and I am sure that he will not be tempted that easily.

John Mann: There are huge principles that unite us and our strongest ally. They come from villages such as Scrooby in Bassetlaw, and from the other partners who from across our fair and pleasant land created the Mayflower compact. They included William Bradford of Austerfield, who became the first governor of the Pilgrim colony in Massachusetts; Richard Clyifton, the rector of Babworth, in Bassetlaw, whose preaching drew in the neighbours in creating the non conformity and the ideology of individual freedom that were so powerful in the setting up of America; Henry Brewster of Sutton-cum-Lound; Richard Bernard of Epworth and later of Worksop; Gervase Neville of Worksop; John Smyth of Sturton; and Francis Cooke of Blith. Those dissenters and champions of conscience and liberty were all from the Bassetlaw area. They left the hamlet of Scawftorth on the Idle and went down to West Stockwith on the Trent. From there, they went to Amsterdam, and from Amsterdam to Leiden in Holland, where they recreated their Scrooby and Babworth churches in 1607. Having deepened their church and their philosophy, they set sail via Southampton and Plymouth to the new world, first in the Speedwell and then on the Mayflower.

On board, the Pilgrim Fathers finalised their original philosophy into the Pilgrim compact, which contains the foundation of the US constitution. The compact states that they would establish: “a civil body politic…to enact, constitute, and frame such just and equal laws, ordinances, acts, constitutions and offices, from time to time, as shall be thought most meet and convenient for the general good of the Colony, unto which we promise all due submission and obedience.”

John Quincy Adams, President of the United States, described the compact as...
We will recreate the experience of the world's first international tourism a century and quarter after Americans—they travelled on cruise liners—came to
Bassetlaw as the first mass tourists. We will welcome the Pilgrims’ descendants, whether they are famous ones such as the Rockefeller, Clint Eastwood and Richard Gere, who are all direct descendants of the Bassetlaw Pilgrims, or less famous ones. Each and every one will be equally welcome, as indeed will you, Mr Deputy Speaker, and Mr Speaker, to participate in the historic celebrations.

Let this Parliament recognise the importance of the Pilgrims and welcome these celebrations. Their courage, their organisation and their political philosophy of freedom—the rights of the individual, and the responsibility to one another—formed the bedrock of the US Constitution. It did more than that, however, because it provided the ethical vision for Wesley and the democratic template for John Cartwright, with the spreading of religious tolerance and freedom, and the emancipating of feudal society to become a representative and participatory parliamentary democracy. Our shared history with the United States of America, our joint purpose today, our unwavering commitment to parliamentary democracy in the United States and the United Kingdom and our resolve to protect it across the world, which we have bequeathed to the world, are what the Pilgrims gave us.

I begin by congratulating the hon. Member for Bassetlaw (John Mann) on securing the Adjournment debate this evening. I commend him for raising the topic in the House and for his excellent and powerful speech, which we listened to with great interest. He highlighted the strong and friendly links that this country has with the United States, and our historical contribution to that great nation. Personally, I love history and I believe that highlighting the pioneers of our past is very important. The hon. Gentleman has therefore done a great service this evening not only to history and to his constituency, but to the Americans by letting them know that they should visit Bassetlaw as part of the celebrations commemorating the Pilgrim Fathers and the Mayflower.

Oliver Colville: Does my right hon. Friend recognise that we should use the occasion for a fantastic trade exhibition to make sure that we have lots of American companies coming over here to visit Plymouth as well and to boost our growth?

Mr Evennett: My hon. Friend makes a powerful case. I know that he has been a champion of his constituency and of the celebration of the 400th anniversary of the Mayflower. It is good to see my hon. Friend the Member for Stone (Sir William Cash) and also my hon. Friend the Member for Newark (Robert Jenrick), who tells me that there is a civil war centre funded by the Heritage Lottery Fund and an exhibition in his constituency, so we are getting to grips with this important historical occasion.

We want to encourage as many Americans as possible to learn at first hand about the journey of their forefathers, which underpins our special relationship. In doing so, we want them to discover more of our beautiful country, and to visit, look up their roots and enjoy our heritage.

The Mayflower with the Pilgrim Fathers on it left Plymouth on 6 September 1620 with just 102 passengers and crew on board. It arrived 56 days later on
[Mr Evennett]

11 November in Cape Cod on the US east coast. The Mayflower sailing is celebrated by many in the US as the beginning of their national legacy, and in the UK as the beginning of one of the most enduring alliances the world has ever known. The Mayflower sailed from Plymouth, but, as the hon. Member for Bassetlaw pointed out, three of the four signatories to the Mayflower compact came from Bassetlaw and south Yorkshire. They must be remembered too for their contribution.

Sir William Cash (Stone) (Con): We should remember that four of the children who were on that journey came from Shropshire and were directly related to a distinguished former Member of this House, Sir Jasper More.

Mr Evennett: I am grateful to my hon. Friend for enlightening us on that matter.

It is only right that all parts of the United Kingdom that were involved in that momentous occasion can profit from the renewed interest that the citizens of the USA will have in visiting the UK as part of the 400th anniversary commemorations in 2020. This matters not just for the constituencies involved, but for tourism and the economic benefits brought by those tourists from America and other parts of the world, because we have a great story to tell. American tourists spent nearly £3 billion in this country in 2014.

The Plymouth area has received financial support from the Government, with £35,000 announced to upgrade facilities at the Mayflower museum. However, I would like to allay any fears that the people of Bassetlaw might have that all Mayflower-related financial support is going to Plymouth and will not be distributed across the country: £500,000 worth of support was announced in the autumn statement 2015 by my right hon. Friend the Chancellor, as we heard, for Mayflower-related celebrations across the country. VisitEngland is in the process of allocating that sum and will involve in its work a number of areas across the nation, not just the city of Plymouth.

John Mann: I am delighted that in response to a question on the record from me to the Chancellor, he confirmed that additional money will be made available on top of that £500,000.

Mr Evennett: I am grateful to the Chancellor for the support he is giving.

Other support might be available as well. To date, the Heritage Lottery Fund has not given any Mayflower-specific grants, although I understand that it is in discussions with other organisations across the UK, including in Bassetlaw, regarding possible bids.

I congratulate Plymouth on the proactive approach it has taken to deepen the cultural, educational and tourism links with large US target audiences, because all those aspects are vitally important. I congratulate Bassetlaw and other areas of England on getting together with Plymouth and other areas to discuss how they can all get involved in this historic event and make the most of this opportunity to encourage tourists to discover their areas. I understand that Bassetlaw Council, as a member of the Mayflower 400 organisation, is currently in discussions with the Heritage Lottery Fund about a bid for funding to support a planned series of events for the 400th anniversary celebrations. The result of that bid has yet to be decided, but I wish Mayflower 400 every success in its efforts.

That is exactly the type of collaboration, spreading the economic and cultural benefits of tourism right across the country, that this Government are seeking to encourage through our five-point plan for tourism. On that point, I welcome the fact that the hon. Member for Strangford (Jim Shannon) is in his place this evening. We all want to see as many visitors as possible coming to the UK and getting out and about across our fantastic country to see our heritage, because it is not just in London but across the country. The hon. Member for Bassetlaw made some powerful points about the people, the times they lived in, the effect they had on this country and their contribution to the creation of the United States of America.

Oliver Colville: Will my right hon. Friend also recognise that it is really important that we have good transport links down to the south-west so that people can not only fly into the place, but take a train or a decent road down to Plymouth so that we can maximise the benefit for the city and for south-east Cornwall?

Mr Evennett: I note what my hon. Friend has said and will come to that point in a moment if I have time.

International tourism has grown spectacularly in recent decades. Obviously the Pilgrim Fathers took a long time to get across the Atlantic, but today that journey is very quick. International tourism is so important, and we are determined to capitalise on these opportunities to benefit the whole country.

The Prime Minister published the five-point plan last summer, within the first 100 days of this Government. One of our most important priorities has been to see greater collaboration between destinations in England. We have seen that this evening, with Plymouth and Bassetlaw working together on exciting opportunities and initiatives, and we also want our national tourism bodies, VisitEngland and VisitBritain, to work more closely together to promote holidays in England. That is why we have announced changes in the governance of VisitEngland and VisitBritain, and why we have announced a new £40 million Discover England Fund to incentivise destinations to work together. Having participated in a couple of regional roadshows for the Discover England Fund, I can say that it has been fantastic to see the creativity and energy of destinations when we all come together. I think that in this debate we have seen that creativity and the determination to celebrate this anniversary effectively.

Jim Shannon: In responding to the hon. Member for Bassetlaw (John Mann) the Minister has encapsulated my wish, which is that we do something for the whole United Kingdom of Great Britain and Northern Ireland, including the Ulster Scots in Northern Ireland, the Irish from the Republic, the Scots from Scotland and the Welsh from Wales. Together, in this great United Kingdom of Great Britain and Northern Ireland, we can come together to try to attract tourists from across the United States of America.
Mr Evennett: I am pleased to note the hon. Gentleman’s positive points. We want to ensure that the whole of the United Kingdom of Great Britain and Northern Ireland has more tourists and more opportunities to show what fantastic places we have across our nations.

Our second priority has been jobs and skills. We want to boost apprenticeships in tourism and to promote it as a career choice for the brightest and the best. Tourism is a growth area and it is exciting for people to get involved and have a career in it.

Thirdly, we realise that regulation is an issue for small business. We are looking at what we can do to ensure that regulation and how it is enforced is both proportionate and common sense.

A moment ago, my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) mentioned transport. We need good transport, high-calibre locations, and great hotels and hospitality, but we need a joined-up approach. When visitors want to discover England, it is right that the transport offer is easy and straightforward to access—when they get off the train, ideally there will be a bus to take them to their final destination. I am working with colleagues in the transport and tourism industry to explore what more can be done, but it is important that we have a joined-up approach to ensure that people coming from America or wherever else around the world have not only a good experience—a high-calibre experience of history, culture, heritage and tradition—but good facilities and hotels. We do pretty well in this country, but we can always do better. That is what we are looking at most passionately.

We want to ensure that all visitors receive a great welcome. That means we must drive improvements in our visa service and ensure that tourists to the UK are greeted warmly when they arrive. Most recently, we have had negotiations on two-year visas for people coming from China, which would make a lot of difference—they want to visit on several occasions but do not want to apply for a visa every six months. My hon. Friends in the Home Office are dealing with that, and we have had considerable success.

We want people to go home with great memories and experiences, highlighting the best of Britain. We want them to go home and tell other people what has been achieved, and that Britain is not only open for business, but a top-level tourist attraction across our nations.

We want to ensure that our history is celebrated. That is why it is so important that we celebrate the 400th anniversary of that fantastic experience, so that we can learn about it, and so that our young people in schools and colleges know about it. We should talk about it and promote it. I am passionate that this has been a great opportunity this evening to highlight that and put it on the record. We have a little time to prepare, which is important. What I have heard from the hon. Member for Bassetlaw is encouraging and we want to do anything we can to assist. It is very important that we understand such a historic milestone. I have learned so much from what he has told us about his constituency, its people and what life was like at that time. We need to ensure that that is transmitted to the Americans, particularly so that they come back over here and see what life is all about.

I look forward to working with the hon. Gentleman to encourage as many tourists as possible to the Bassetlaw area during the coming years. The anniversary represents a great opportunity to commemorate an important historical event, which changed lives. As he highlighted, it was the opportunity to be the basis of what became the United States of America. We have learned a lot this evening about the history of Bassetlaw and the people involved.

John Mann: Before the Minister finishes his speech, I cordially invite him to Bassetlaw. I offer a personal guided tour of the site. He will have the opportunity to stay in the historic Sherwood forest. Of course, the majority of the Sherwood forest that still exists is in Bassetlaw. That is surely an offer that no tourism Minister could ever refuse.

Mr Evennett: I will certainly take that kind invitation on board. I will put it forward and have a look at the diary to see whether it is possible.

Oliver Colvile rose—

Mr Evennett: We are almost out of time. I welcome the debate, which has been good-humoured, interesting, factual and bipartisan. We have highlighted the great country we are and the history we have, and we want to celebrate it.

Question put and agreed to.

7.34 pm

House adjourned.
Deferred Division

EU MEASURES TO COMBAT TERRORISM

That this House takes note of European Union Document No. 14926/15, a Proposal for a Directive on combating terrorism and replacing Council Framework Decision 2002/475/JHA; endorses the Government’s decision not to opt in under Protocol 21 on the Position of the United Kingdom and Ireland in respect of the Area of Freedom, Security and Justice annexed to the EU Treaties; and supports the Government's approach of working with other Member States to support our international partners and strengthen the international response to the threat from terrorism, recognising that national security is a matter for individual nations through their sovereign Parliaments.

The House divided: Ayes 302, Noes 217.

Division No. 209]

AYES

Adams, Nigel
Afrinje, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Atkins, Victoria
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Patrick
Birtwistle, Mr Kevin
Berry, James
Bingham, Andrew
Blackman, Bob
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bradley, Karen
Brady, Mr Graham
Brake, rh Mr Ben
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brookover, Sir David
Bruce, Fiona
Buckland, Robert
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Caims, Alun
Cameron, rh Mr David
Campbell, Mr Gregory
Carmichael, Neil
Cartidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, rh Greg
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Colville, Maria
Costa, Alberto
Cox, Mr Geoffrey

Gray, Mr James
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halden, rh Robert
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hermon, Lady
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinsrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, rh Mr Stewart
James, Margot
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Lilley, rh Mr Peter
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit

Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
McPartland, Stephen
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Oford, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Mr Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Pritchard, Mark
Pugh, John
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Sir Andrew
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, rh Mr Laurence
Robinson, Gavin
Robinson, Mary
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Sheerman, Mr Barry
Shelbrooke, Alec
Simpson, David
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Julian
Smith, Royston
Solloway, Amanda
deferred division

401 402
MARCH 2016

Cox, Jo
Corbyn, rh Jeremy
Cooper, rh Yvette
Corbyn, rh Jeremy
Cox, Jo

Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Vaz, rh Keith
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, rh Mr Charles
Walker, Mr Robin
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williams, rh Mr Mark
Williamson, rh Gavin
Wilson, Mr Rob
Wilson, Sammy
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

Haigh, Louise
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendy, Drew
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Holliern, Kate
Hosie, Stewart
Howarth, rh Mr George
Hussain, Imran
Irranca-Davies, Huw
Jarvis, Dan
Johnson, rh Mr Alan
Jones, Gerald
Jones, Graham
Jones, Helen
Jones, Susan Elan
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kinnock, Stephen
Kyle, Peter
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Mr Ivan
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Mr Angus Brendan
MacTaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mcllory, John
McCaig, Callum
McCarthy, Kerry
McDonald, Andy
McDonald, Stuart
C
McDonnell, Dr Alasdair
McGinn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
Meale, Sir Alan
Mearns, Ian
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mullin, Roger
Newlands, Gavin
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, rh Angus
Rotheram, Steve
Ryan, rh Joan
Salmond, rh Alex
Saville Roberts, Liz
Shah, Naz
Sharma, Mr Virendra
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Jeff
Smith, Nick
Smyth, Karin
Spellar, rh Mr John
Starmer, Keir
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stuart, rh Ms Gisela
Tami, Mark
Thewliss, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thompson, Owen
Thomberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Eiliod
Whitehead, Dr Alan
Williams, Hywel
Wilson, Corri
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Question accordingly agreed to.

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Alexander, Helen
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Austin, Ian
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Brennan, Kevin
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Burden, Richard
Burges, Richard
Burnham, rh Andy
Butler, Dawn
Cadbury, Ruth
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Champion, Sarah
Chapman, Douglas
Chapman, Jo
Cherry, Joanna
Coaker, Vernon
Coffey, Ann
Cooper, June
Cooper, rh Yvette
Corbyn, rh Jeremy

Coyle, Neil
Crausby, Mr David
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
David, Wayne
Day, Martyn
De Piero, Gloria
Doughty, Stephen
Dowd, rh Mr Alan
Durcan, Mark
Eagle, rh Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliot, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Fellows, Marion
Ferrier, Margaret
Fitzpatrick, Jim
Fletcher, Colleen
Foxglove, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Gibson, Patricia
Glass, Pat
Glindon, Mary
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Margaret
Griffith, Nia
Gwynne, Andrew

Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Phillips, Jess
Pound, Stephen
Powell, Lucy
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, rh Angus
Rotheram, Steve
Ryan, rh Joan
Salmond, rh Alex
Saville Roberts, Liz
Shah, Naz
Sharma, Mr Virendra
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Jeff
Smith, Nick
Smyth, Karin
Spellar, rh Mr John
Starmer, Keir
Stephens, Chris
Stevens, Jo
Streeting, Wes
Stuart, rh Ms Gisela
Tami, Mark
Thewliss, Alison
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thompson, Owen
Thomberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Watson, Mr Tom
Weir, Mike
West, Catherine
Whiteford, Dr Eiliod
Whitehead, Dr Alan
Williams, Hywel
Wilson, Corri
Wilson, Philip
Winnick, Mr David
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel
Mr McLoughlin: I am grateful to my right hon. Friend for making that point. In December 2014, the Government announced a scheme to widen the A12 from junction 28 of the M25 to the Chelmsford bypass. The scheme will be developed in the first roads period from April 2015 to March 2020, to be ready for construction in the next roads period. We expect the next roads period to run from April 2020 to March 2025.

Graham Jones (Hyndburn) (Lab): What assessment has the Department made of the M66 and the M60 to the south of it? I believe TomTom said that it was one of the busiest, or the busiest road in the UK. It is jam-packed from about 6.15 to about 10 am—every morning, it is gridlocked and cars cannot move. What is being done to resolve that situation?

Mr McLoughlin: I am grateful to my right hon. Friend for making that point. In December 2014, the Government announced a scheme to widen the A12 from junction 28 of the M25 to the Chelmsford bypass. The scheme will be developed in the first roads period from April 2015 to March 2020, to be ready for construction in the next roads period. We expect the next roads period to run from April 2020 to March 2025.

Sir Simon Burns (Chelmsford) (Con): Will my right hon. Friend accept that my constituents warmly welcome the investment that is being made in upgrading the A12 to three lanes? Is he in a position to advise me on when he expects phase 1, from the M25 to Margaretting on the southern border of Chelmsford, to commence and progress?

Mr McLoughlin: I am grateful to my right hon. Friend for making that point. In December 2014, the Government announced a scheme to widen the A12 from junction 28 of the M25 to the Chelmsford bypass. The scheme will be developed in the first roads period from April 2015 to March 2020, to be ready for construction in the next roads period. We expect the next roads period to run from April 2020 to March 2025.

Daniel Zeichner (Cambridge) (Lab): The road investment strategy is really important, but we know that every journey begins on a local road and that the vast majority of journeys are made on local roads. Some of them are in quite a state. Last November, to great fanfare, the permanent pothole fund was announced—we hope that means permanent action on potholes, not permanent potholes. How much has been drawn down by councils from that pothole fund, and how many potholes have been filled in so far?

Mr McLoughlin: The hon. Gentleman wants devolution, but he also wants the Government to tell local authorities exactly what to do in every set of circumstances. The simple fact is that, for the period 2015 and 2020, £6 billion has been allocated to local authorities for road maintenance. Between 2010 and 2015, the figure was £4 billion. Between 2005 and 2010, the amount allocated to local authorities was £3 billion. That shows the significant increase in the amount that this Government are giving for local road maintenance, and I would have thought that he would welcome that.
Sir Alan Haselhurst (Saffron Walden) (Con): Will my right hon. Friend acknowledge the urgent need for clarity about the capacity of junction 8 of the M11 motorway and the possibility of there being a junction 7A, as these matters have a bearing on decisions having to be made against a deadline by local authorities on their local plans?

Mr McLoughlin: I am grateful to my right hon. Friend for raising that particular case with me. I will certainly write to him to tell him what progress is being made in that exact location.

Local Transport Projects (Funding)

2. Mr Stewart Jackson (Peterborough) (Con): What steps is he taking to provide funding for large local transport projects.

Mr Jackson: I may make a plea to the Minister? Will he tell me when some of the £75 million funding from the roads investment strategy will be used to reduce the noise pollution that has already been identified by Highways England on the A47 Soke Parkway through Peterborough, adjacent to Apsley Way and Bradwell Road?

Mr Goodwill: The A47 is part of the strategic road network and is therefore not covered by the money that I have just announced. However, in November 2014, the Chancellor announced £300 million for the A47, including the Wansford to Sutton section between the A1 and Peterborough. On the question of noise pollution, the Government have challenged Highways England to mitigate noise at more than 1,000 locations. Measures that could be used include noise reduction surfacing, tree planting and barriers.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Transport for the North published a report this week that looks into local and regional links as well as access to the national network. It puts forward ambitious schemes for improvements in rail transport between Liverpool, Manchester and Leeds and for better access to the High Speed 2 network. What kind of co-ordination will there be to ensure that this happens?

Mr Goodwill: It is particularly important that we co-ordinate rail and road systems, particularly in regard to freight, and HS2 will open up a large number of additional freight paths that will take pressure off the roads. Co-ordination will be absolutely vital and we are working with Transport for the North and the leaders of the great cities of the north, including Liverpool, to make sure that that happens. Indeed, I shall be in Liverpool later today.

18. Rebecca Harris (Castle Point) (Con): My hon. Friend was aware of the absurd situation on Canvey Island, where residents can virtually kick a football at the new DP World container port, but they cannot access the tens of thousands of jobs there by travelling from the east end of London. What support can he give my residents on Canvey Island who have been campaigning for a third road for many decades?

Mr Goodwill: I very much agree that new road infrastructure can transform local economies and boost access to jobs, which is why we have given significant funding and freedoms to local areas to take forward schemes such as this. We will be announcing further funding opportunities very soon. I hope that my hon. Friend will continue to make the case for that project with Essex County Council and the South East local enterprise partnership. The port facilities in her constituency are absolutely superb, and it is important that we give them the infrastructure that they need to back them up.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): Large local infrastructure projects have been the hallmark of the Scottish Government since they came to power in 2007. There have been too many to list here, but they include the Borders rail link, the Tarbert to Campbeltown trunk link road and, in my own constituency, the dualling of the A9 between Perth and Inverness. According to independent analysis, Scotland is investing twice as much per person in transport as England. That includes active travel projects such as cycling, on which we are already way ahead of the UK. Last year, this Government announced a new £680 million access fund up to 2021. Can they clear up the confusion about when that fund is going to go ahead?

Mr Goodwill: It is interesting that the hon. Gentleman did not mention the high-speed rail line between Edinburgh and Glasgow, which has been conveniently shelved. He may be aware that SNP-controlled Perth and Kinross Council has decided that potholes now have to be at least 60 mm deep—that is nearly 2 and a half inches—before it will consider filling them in. That indicates what its priorities might be in some cases.

Drew Hendry: The Minister and I may disagree on many things, but one thing that we do agree on is the benefits of cycling. The cycle-to-work scheme has been a popular and progressive policy, and credit is due to the Government for continuing with it. However, in the summer Budget, the Treasury said that it was actively monitoring salary sacrifice arrangements because they were becoming increasingly popular. In Scotland, progressive policies that work and are popular are something that the Government there support. Will he confirm that he is working to ensure that the Chancellor will protect cycle-to-work schemes in the forthcoming Budget?

Mr Goodwill: The hon. Gentleman may have to be patient and wait for the Budget, but certainly schemes such as the cycle-to-work scheme are very good. Large numbers of people who have bicycles are using them to get to work and it is a great way of getting people fit and active, as well as reducing congestion on our roads.
Public Transport: Fares

3. Imran Hussain (Bradford East) (Lab): What recent assessment he has made of trends in the level of the cost of public transport to passengers. [904018]

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): The Government understand the importance of affordable transport and we have capped regulated rail fares at the level of RPI for two years running, and will do so for the life of this Parliament. The bus market outside London is deregulated and decisions regarding setting the level of fares is therefore primarily a decision for commercial bus operators. Almost £1 billion is provided each year to fund concessionary travel, ensuring free bus travel for the elderly and disabled.

Imran Hussain: More than 2,500 people commute into Bradford, and more than 7,000 commute out of Bradford by rail, so fast, cheap and efficient connections with the rest of the region are vital for jobs and our local economy. What is the Minister doing to ensure fast, cheap and efficient connections in the region, considering that rail fares across the country have gone up by 25% and punctuality has deteriorated?

Andrew Jones: I know the city of Bradford very well, having gone to school there and lived just outside it for many years. I would have expected the hon. Gentleman to welcome the investment that we are seeing in rail. Appleby Bridge railway station has only just opened in his constituency, and he has had investment in Frizington and Whitehaven. We are seeing investment across the north, including in West Yorkshire, and there is the ability to keep fares down in the Metro region. I repeat my point about how we have capped regulated rail fares and removed the fare “flex”.

Mr Philip Hollobone (Kettering) (Con): One of the problems for local bus passengers is congestion and delays. People in Kettering always say that, when the traffic lights stop working, the traffic flows much better. Given that the Minister is responsible for local roads, will he consider undertaking a pilot whereby we can switch traffic lights off and get traffic and buses flowing more freely?

Andrew Jones: My hon. Friend makes an ingenious link to the cost of public transport. I am aware, because I hear it quite regularly in my own area as well, that traffic is said to flow more freely when traffic lights do not work. I have major reservations about that argument. At the same time, initiatives are being put in place to keep traffic flowing. I will have a look at what my hon. Friend says, but we should be very cautious about removing traffic lights, as they are a key ingredient in road safety.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): No one in Yorkshire would mind paying the fares on a good trans-Pennine link. Indeed, Ministers have already said that they will be using that sort of transport tomorrow—I hope that they will stop off in Huddersfield to celebrate the centennial of Harold Wilson’s birth, which is tomorrow. We would not mind paying the fares if the delivery of the service were fast, efficient and comfortable.

Andrew Jones: The hon. Gentleman has forgotten the investment that is being made, the improvements that are coming through the franchise for the east coast main line and for the trans-Pennine line, and the significant enhancements for Huddersfield, including the London connections.

Andrew Stephenson (Pendle) (Con): Will the Minister join me in welcoming the fact that, thanks to the Government’s action to cap rail fare increases, wages are now rising faster than fares for the first time since 2003?

Andrew Jones: My hon. Friend makes as wise a point as ever. We are trying to ensure that regulated rail fares are affordable. What we are seeing is a wide range of tickets on offer, including some very low-priced fares, which can be bought in advance. That allows more people to travel by rail. We only have to look at the growth in passenger numbers to see how that is working.

Jim Shannon (Strangford) (DUP): The number of bus and rail passengers in Northern Ireland has fallen. I know that London is the exception, but outside London, numbers have fallen as well. Fifty-seven per cent. of commuters travel by car. What steps can the Minister take to encourage more people to cycle or walk to work, where possible, promoting healthier lifestyles and reducing the carbon footprint?

Andrew Jones: An element of the road investment strategy is to promote cycling and we also have the cycling and walking investment strategy, which has already been mentioned.

Mr Speaker: I call Bob Blackman. Not here. Where is the chappie?

Train Frequency: Birmingham-Telford

5. Lucy Allan (Telford) (Con): What steps his Department is taking to increase the frequency of trains between Birmingham and Telford. [904020]

The Secretary of State for Transport (Mr Patrick McLoughlin): Telford serves more than 1 million passengers each year, and I was pleased to negotiate services with Virgin Trains in 2014 from Shrewsbury to London via Telford and Birmingham.

We are currently running a public consultation to help to specify the next west midlands franchise and will launch a public consultation on the new west coast franchise in June. I encourage my hon. Friend and her constituents to make their views known through that process.

Lucy Allan: I thank the Secretary of State for his reply, for which my constituents will be grateful. Telford is a rapidly growing new town that is 26 miles from Birmingham, yet it takes 51 minutes to get there. Will he continue to work with me to ensure that we have a 21st century rail system for Telford?

Mr McLoughlin: I most certainly will. I recognise the growing importance of connectivity between cities. My hon. Friend’s point about Telford and its relationship with Birmingham is important.
Rob Marris (Wolverhampton South West) (Lab): The Secretary of State knows Wolverhampton well because of his youth and his fighting a parliamentary seat there, so he will know that trains from Telford to Wolverhampton to Birmingham to London are far slower than trains from Stafford to London because of the bottleneck in the urban west Midlands. When will the Government get around to quad-tracking the Coventry to Stafford corridor?

Mr McLoughlin: The hon. Gentleman is right that I know the area incredibly well, but we have seen major investment in the west midlands, including the re-establishment of the service from Shrewsbury via Telford, to which I referred in answer to my hon. Friend the Member for Telford (Lucy Allan), which has been welcomed. He is right that there is always demand for extra investment, but that must be measured against the record investment that we are putting into our railways.

Amanda Milling (Cannock Chase) (Con): Cannock Chase, like Telford, is connected to Birmingham via a local line. It is a service that my right hon. Friend knows incredibly well. Unfortunately, users of the Chase line report multiple issues, such as late, overcrowded and cancelled trains. Will he confirm that the electrification project, which will mean that users will have a much better and frequent service, is on track for completion by the end of 2017?

Mr McLoughlin: I am grateful to my hon. Friend for her question. I was in her constituency just a few weeks ago and noticed that electrification work had already started on the line that runs through Wednesford to Cannock, not least at Stafford Lane and down by Brindley Heath where new bridges have been put up. I happen to know the area very well; it is where I grew up.

UK Spaceport

Brendan O’Hara (Argyll and Bute) (SNP): When the Government plan to make a decision on the location of a UK spaceport.

Mr Goodwill: I certainly did get a very clear message and was taken up by the enthusiasm of the people in Newquay. I was recently at Prestwick, as well, so I know that other airports are interested. I did notice when I was at Prestwick that there was no shortage of slots to use; it seemed quite quiet when I was there.

Steve Double (St Austell and Newquay) (Con): I thank the Minister for his recent visit to Cornwall Newquay airport where he saw the excellent facilities we have there to host the spaceport. Will he confirm that he went away with the very clear message that Cornwall not only can accommodate but is ambitious to be the English bid for the spaceport?

Mr Goodwill: I am grateful to my hon. Friend and I will be happy to meet him to explore the matter for the local authority and some do, such as the Staffordshire scheme for those aged between 11 and 19.

Craig Tracey: Will the Minister agree to look into the provision of buses in the rural part of my constituency for local students travelling to school compared with national averages, and advise on how we can improve that?

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): We are very aware of the importance of bus services to rural communities and, in recognition of that, we were able to protect the bus service operators grant funding as part of the spending review last year. The Government paid out some £250 million last year to support bus services in England through BSOG, of which around £40 million is paid directly to local authorities.

Craig Tracey: The Government paid out some £250 million last year to support bus services in England through BSOG, of which around £40 million is paid directly to local authorities.

Andrew Jones: All children aged between five and 16 qualify for free school transport if they attend their nearest school and it is sufficiently far from their home. The decision to provide additional services will be a matter for the local authority and some do, such as the Staffordshire scheme for those aged between 11 and 19. There is obviously an issue that concerns my hon. Friend and I will be happy to meet him to explore the issue further and to try to help.

Derek Twigg (Halton) (Lab): One section of our population that is particularly disadvantaged by poor bus services, both rural and urban, is young people, who are also hit by the cost of travelling. What are the Government doing to help young people access transport and to help them with the cost?

Andrew Jones: There is a mixture of support through national and local government. Individual local authorities decide their funding priorities, but local authorities in England have spent an average of £330 million a year...
over the past three years supporting bus services, and 42% of bus income comes from public funds. I have already talked about BSOG support nationally.

Antoinette Sandbach (Edisbury) (Con): Will the Minister consider rural bus service provision in Eddisbury, where cuts to bus services have meant that apprentices cannot access apprenticeships and college students cannot get to the local college without having to take two buses? May I invite the Minister to meet me to discuss that?

Andrew Jones: I will be happy to meet my hon. Friend. Access to bus services is very important, and that is especially true when it facilitates people's access to work.

Alan Brown (Kilmarnock and Loudoun) (SNP): Government tax makes up 70% of the cost of fuel. Does the Minister agree with the Scottish National party that there should be a continued freeze on fuel duty and that that will help to control the cost of bus services in rural areas?

Andrew Jones: Fuel duty might well be something for the Chancellor to consider rather than me, but I can highlight the bus service operators grant, which used to be called the fuel duty rebate and provides a 34.57p subsidy per litre of fuel used. We are supporting bus companies and local authorities through that mechanism.

Lilian Greenwood (Nottingham South) (Lab): Subsidy for all 118 supported bus routes in Oxfordshire is being withdrawn and, earlier this week, I travelled on the popular 215 service along with the excellent Labour and Co-operative councillors for Witney and Chipping Norton, who are campaigning to protect their local bus networks. Will the Minister join me in welcoming the fact that some additional funding has now been secured for local transport on a cross-party basis and does he agree that when the buses Bill is published, it must address the severe challenges facing rural bus services, including in the Prime Minister’s constituency?

Andrew Jones: I remind the hon. Lady that she was busy saying that we were going to completely cut and lose BSOG, but it has been protected. I am always pleased to hear that local authorities are supporting their bus services, because I value the role that buses play in local communities. We should be supporting local authorities in deciding their funding priorities.

Railway Station Refurbishment

8. Mr Jim Cunningham (Coventry South) (Lab): What funding his Department is providing to help refurbish railway stations. [904023]

The Parliamentary Under-Secretary of State for Transport (Claire Perry): I am proud that under Conservative-led Governments since 2010, my Department has made almost £400 million pounds available for station improvements through programmes such as the national stations improvement programme, the station commercial project facility, the new stations fund and the Access for All scheme. In addition, we have many improvements delivered by operators through franchise commitments or through substantial local growth funding.

Mr Cunningham: What effort is the Minister making to ensure that the rail franchise holders pay their fair share to maintain the railway structure? Will she look at how the Nuckle project in Coventry is working out, in relation to the frequency of train stops at the Ricoh Arena? I believe that there are some problems there.

Claire Perry: We are clear in our franchising agreements that improvements to stations are absolutely part of those projects. The hon. Gentleman has benefited locally, with Virgin West Coast installation of automatic ticket machines at Coventry station. I was pleased to participate in the opening of the Coventry Arena and Bermuda Park stations, to which the Department contributed almost £5 million, the first stage of the vital Nuckle scheme. That scheme was 14 years on paper under Labour; delivered under this Government thanks to the amazing efforts of the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Nuneaton (Mr Jones).

Mr Speaker: Sounds very exciting indeed, I am bound to say.

James Berry (Kingston and Surbiton) (Con): When we consider rail station refurbishments, one of the things that we should prioritise is disabled access. On the Chessington branch in my constituency there is not a single accessible station. In the renewal of the South Western route franchise, will the Minister therefore consider prioritising improvements to disabled access on our train stations?

Claire Perry: Mr Speaker, I am glad that you share my excitement about the improvements in the rail networks. We have set up the £400 million Access for All scheme, which has been wisely and well spent. I am always happy to look at additional station improvements and to meet with my hon. Friend to discuss.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): I rise to support the point made by the hon. Member for Kingston and Surbiton (James Berry). I have nine train stations in my constituency. Unfortunately, about half are inaccessible for people in wheelchairs or with prams. We were using Access for All to improve those stations. The funding has been cut in half. Are we really doing enough?

Claire Perry: I am afraid I dispute the statement that funding has been cut in half. The first phase of the programme—£400 million—was delivered, but I am always keen to look at cost-effective ways to improve access for disabled people and young mothers with buggies, for whom a flight of stairs is, as I know, and dads like the hon. Gentleman with his daughter know, can be a real problem. I am happy to meet further to discuss.

Kevin Foster (Torbay) (Con): Residents in Torbay have welcomed some of the investment that we have seen to improve Torquay station, but Paignton station is a relic of the Beeching era. It is the old goods shed, which was converted into a station. Will she meet me and a delegation from the bay to discuss how we can make Paignton a terminus for the 21st century?
Claire Perry: Of course. The best way to deliver station improvements is to get together the local group, the local enterprise partnership, local businesses and local communities. The record Government investment in the railways is best spent when it is pulled through to support local needs.

Andy McDonald (Middlesbrough) (Lab): What assurance can the Minister give that full accessibility for passengers with disabilities is made a priority in the refurbishment of railway stations? Will she ensure that the needs of passengers are central to the refurbishment or renovation of stations without any access provisions or stations that need upgrading? How can that be achieved, given the 40% cut to Access for All funding?

Claire Perry: I sometimes wonder whether we are reading the same papers. The Government are spending more on the railways—£38 billion—than has been spent at any time since the Victorian era. The hon. Gentleman is right to point out that disability access is hugely important. It is also important on the trains. All the train fleet will be disability compliant in the next few years. It is important, but we have a limited amount of money to spend on upgrading the railways, which were woefully neglected under his Government.

Laser Pens

9. Greg Mulholland (Leeds North West) (LD): What steps he is taking to tackle the use of laser pens to target aircraft.

The Secretary of State for Transport (Mr Patrick McLoughlin): There is already legislation prohibiting the use of lasers on aircraft. It is an offence to direct or shine any light at any aircraft in flight so as to dazzle or distract the pilot of the aircraft. Anyone found guilty of this offence could be liable to a fine, up to a maximum of £2,500. Anyone found guilty of endangering an aircraft, could be liable to up to five years imprisonment. We will keep this under review.

Greg Mulholland: I welcome the previous changes, which I backed, but more needs to be done. Half of pilots have reported a laser pen attack in the past 12 months, and it is a particular problem around Leeds-Bradford airport. What measures such as licensing or classification of laser pens as offensive weapons could be considered to put a stop to this dangerous practice?

Mr McLoughlin: A number of measures are being considered across Government Departments. I take the matter very seriously, particularly in the light of certain recent events that have been reported.

Rehman Chishti (Gillingham and Rainham) (Con): Following my conversation with the Secretary of State for Justice, I tabled a private Member’s Bill to prohibit certain high-powered laser pens. Will my right hon. Friend speak to the Secretary of State for Justice to see whether the Bill can be taken forward? As the hon. Member for Leeds North West (Greg Mulholland) says, access to certain types of laser pens needs to be controlled.

Mr McLoughlin: I am aware of my hon. Friend’s Bill. I can assure him that not only will I talk to the Secretary of State for Justice, but we are talking across other Government Departments as well. As I say, the issue is taken extremely seriously. I will also listen to the representations that have been made to the Department by the British Airline Pilots Association and the Civil Aviation Authority.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): As we have just heard, the issue has had much coverage in the media over the past few months. The number of incidents has rocketed, no more so than in Glasgow, the area neighbouring my constituency, where more aircraft were targeted in the first two months of this year than in the whole of last year. Has the Minister made any representations on the matter to the Scottish Government and, if so, can he share those with the House?

Mr McLoughlin: I am more than happy to ensure that the Scottish Government are consulted if it is decided to take any further measures. The matter is taken seriously in all parts of the House and I welcome the points that the hon. Lady makes.

Network Rail: Privatisation

10. Dr Alan Whitehead (Southampton, Test) (Lab): What his policy is on privatisation of Network Rail.

The Secretary of State for Transport (Mr Patrick McLoughlin): I have no plans.

Dr Whitehead: The Secretary of State will be aware that the Treasury-backed Shaw report, the final version of which is due to be published next week and which looks at the future financing of railways, has made it clear that full privatisation of Network Rail is on the table. I am sure the Minister would agree that we do not want to go back to the dark and chaotic days of the private management of our rail system under Railtrack. Beyond having no plans, will he commit himself today to rejecting any recommendations that lead to the privatisation of Network Rail?

Mr McLoughlin: I congratulate the hon. Gentleman on seeing a report which I do not think has been published yet. How he knows what the contents are is beyond me. I am very proud of what we have achieved with the railway industry. It has been a fantastic success, with the franchising that takes place. I am sorry that the Opposition. Beyond having no plans, will he commit himself today to rejecting any recommendations that lead to the privatisation of Network Rail?

Mr McLoughlin: I do agree, but there is obviously responsibility for a system of railway maintenance and improvement, which is very important. Through the private sector we have seen vast improvements in our railway service. At the time of privatisation of our railways, there were 750 million people a year using trains; last year there were 1.6 billion and that figure is growing year on year. So I do not have to be convinced about the advantages of a system that has evolved over
a number of years, using the private sector. I will consider any other ways in which we can involve the private sector in providing better railway services for our constituents.

22. [904038] Susan Elan Jones (Clwyd South) (Lab): Network Rail has confirmed that it has considered selling up to 18 major stations and a number of other assets as it struggles to plug a £2.5 billion budget black hole. Would the Secretary of State like to comment on that?

Mr McLoughlin: The hon. Lady talks about a £2.5 billion black hole. We are investing over this railway period some £38 billion in Network Rail. If Network Rail is sitting on certain assets, should it consider disposing of some of them so that we can carry on improving the overall system? Yes, it should. I do not see anything wrong with that. Indeed, a number of asset sales took place under the previous Government too.

Lilian Greenwood (Nottingham South) (Lab): When the Secretary of State reads the Shaw report, I hope he will recognise the relevance of the words of the great rail manager Gerry Fiennes, who said that “when you reorganise you bleed. For many months the few top people who keep the momentum up are distracted from their proper job. Punctuality goes to hell. Safety starts to slip. Don’t reorganise. Don’t. Don’t.”

There is broad cross-party support for investment in the railways, for maintaining our outstanding safety record, and for delivering major projects such as HS2, so will the right hon. Gentleman give me an assurance that the progress that has been made will not be jeopardised by pursuing unneeded, unwanted and dangerous plans to privatisate Network Rail?

Mr McLoughlin: I can tell the hon. Lady. With absolute certainty that there are no plans to continue a disastrous policy of nationalising the railways, which is one that she and her party leader put forward. She just talked about all the investment that is going on, and, indeed, she has seen quite a bit of it in her own constituency, not least in Nottingham station. She welcomed that investment—of course she welcomed that investment, and I welcome investment in our railways too. However, it is worth asking how we carry on that level of investment—investment at a level she would only ever have dreamed of when Labour were in government.

Christian Matheson: I thank the Secretary of State for that answer, but I have to note that, in the Transport for the North document, all the focus is on the large cities. To ensure that the fast-growing regions of Cheshire and, indeed, north Wales are not to be squeezed out by the large cities, will the Secretary of State look again at the possibility of better east-west electrification programmes that include parts of those areas, which he has not mentioned?

Mr McLoughlin: I thought I had mentioned quite a few areas. The truth is that the investment taking place in the northern hub, including the redevelopment of Manchester Victoria station, does a lot to increase connectivity right across the north-west. That links a number of the places the hon. Gentleman mentions directly into our northern cities.

20. [904036] Chris Green (Bolton West) (Con): Rail commuters in my constituency have been putting up with severe overcrowding for many years. The electrification of part of Bolton’s network is welcome news, but it has been delayed by a year. Will the Government therefore examine whether rolling stock is available to alleviate that overcrowding?

Mr McLoughlin: We are looking at all problems with rolling stock as a result of any delays in the finalisation of electrification. There is a large amount of new rolling stock coming on to our railways over the next five years, not least the new IEP trains, but also the new trains on Thameslink—the Siemens contract, which is being developed at the moment and coming into operation later this year.

Andrew Gwynne (Denton and Reddish) (Lab): There is still an awful lot of engineering work to be carried out around Manchester Piccadilly and Oxford Road, and that work will almost certainly require the re-routing of trains through to Victoria while it takes place. When that happens, can we please consider using the line through Reddish South and Denton stations, which are currently served by one train a week in one direction only? If trains can be re-routed on to that line, can they please stop at those stations so that we can start to assess the passenger demand that there really is there?

Mr McLoughlin: If it is such a bad experience, I am sorry that the hon. Gentleman and his predecessor have been so bad at getting better services, but I am always willing to look at any suggestions. However, the hon. Gentleman’s first point, about the problems with major re-engineering work being carried out on the railways, was actually very serious. That work does lead to inconvenience while it is being carried out, and that is something that we do try to address. It is also something that I regularly talk to the chief executive and the chairman of Network Rail about.

Martin Vickers (Cleethorpes) (Con): Clearly, good work is being done throughout the network, although I have to report that no progress is being made on electrification in northern Lincolnshire, which is probably one reason why the recent edition of Rail Magazine had a headline saying, “Rail service is truly grim for Grimsby”. Added to that, the Transport for the North publication...
this week does not even include northern Lincolnshire routes on its map. Will the Secretary of State assure me that more will be done to improve services to my constituency?

Mr McLoughlin: After my hon. Friend’s very successful campaign, we managed to protect the services in his area when we renegotiated the franchises. He has always pressed for greater services to his constituency. I will look at the issue, particularly when the new franchise starts operating later this year.

High Speed 2

12. Mr Steve Baker (Wycombe) (Con): When construction of High Speed 2 is planned to begin. [904027]

The Minister of State, Department for Transport (Mr Robert Goodwill): A great deal of work has already been completed, and actual construction will start next year.

Mr Baker: Tempted as I am to propose that the Government build HS2 sometime in the Parliament after next, when it will be seen for the white elephant that it is, could the Minister reassure me that there is time enough to deal with all the environmental impacts of HS2, such as the construction impact on the historic village of West Wycombe in my constituency?

Mr Goodwill: My hon. Friend did promise me an impish supplementary question and I was not disappointed. The fact is that we have promised that there will be no net environmental loss during the construction. Indeed, we plan to plant 2 million trees as part of the phase 1 construction. I think it will be a project that we can be proud of and that communities up and down the country will value as part of our economic plans.

Mr Clive Betts (Sheffield South East) (Lab): I rather like elephants, white or otherwise. Let us look at the building of phase 2 of HS2. The Secretary of State has said in the past that serious consideration would be given to the possibility of beginning construction on the northern part of phase 2 between Sheffield and Leeds in parallel with work on the southern part of that leg. How much serious consideration has been given to that, and is there a possibility that work between Sheffield and Leeds could begin before the very end of the project?

Mr Goodwill: It is important that we prioritise the Birmingham route, because that is where the congestion is and where the real benefits are. Let us not forget that those trains will run through to serve stations in the north and in Scotland from day one. It is very important that we look at how we can deliver that. Indeed, some of the investment at the station locations in the north can go ahead even before the trains reach those locations.

Driving Test Centres: Waiting Times

13. Callum McCaig (Aberdeen South) (SNP): What steps he has taken to reduce waiting times at driving test centres. [904028]

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): Demand for driving tests has increased and with it waiting times. The Driver and Vehicle Standards Agency is recruiting more examiners, improving its forecasting model to better match resource with demand, and redeploying examiners from lower-wait centres to those with higher waiting times.

Callum McCaig: Motorcyclists face a particular and perennial problem at the Cove driving centre in my constituency, because the motorcycling manoeuvre area is regularly covered in moss. Will the Minister look into that matter and make sure that every effort is being taken to ensure that motorcyclists are not disadvantaged?

Andrew Jones: I will certainly look into that matter and respond to the hon. Gentleman.

Tom Pursglove (Corby) (Con): What assessment has the Minister made of email cancellations? I have been made aware of a number of cases where people have received them just minutes before tests were due to start. I would be interested to know the impact that is having on waiting times.

Andrew Jones: I will look into that. The challenge faced by the DVSA is one of increasing demand. Nationally over the past few months, 181 new driving examiners have started work, 70 people are either currently attending or booked to attend new entrant training courses, and 38 have been offered posts. The DVSA is, therefore, responding with more people, but it also needs to respond in a customer-friendly way. My hon. Friend makes an important point and I will look into it.

Topical Questions

T1. [904005] Steve Double (St Austell and Newquay) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Transport (Mr Patrick McLoughlin): We have continued to make progress on transport infrastructure schemes across the country. In the north, the “Northern transport strategy: spring 2016” report has set out more details of how we are providing relief for the villages of Bugle and Roche. Yesterday, Cornwall Council’s cabinet voted to approve the development of a business case for the new road. Will the Secretary of State confirm the Government’s continued support for that new road, and will his Department continue to work with me to make sure that it is delivered as soon as possible?
Mr McLoughlin: My hon. Friend has made the case for that road to me on many occasions, not least when I was in Cornwall and he took me around the area that we are talking about. The Government are making funds available through the local road fund for local schemes that support economic growth. It will be up to Cornwall Council to prepare and submit the bid for funding in the normal way, but Cornwall has a very successful history of obtaining funds through that grant, and I wish it well with that scheme.

Richard Burden (Birmingham, Northfield) (Lab): The UK Airprox Board investigated 23 near misses between aircraft and drones in six months last year. Of those, 12 were deemed to involve a serious risk of collision. The British Airline Pilots Association wants the Government to run tests on what would happen if a drone were sucked into an engine or hit a windscreen, and the Government have had a working group on the matter since 2013. So why is it only this summer that Ministers will say anything? Should we not know by now what tests have already been done, what regulatory and other options are being considered and when Ministers expect any agreed option to be put into practice?

The Minister of State, Department for Transport (Mr Robert Goodwill): I assure the House that we take that matter very seriously, and we are aware of the risk of a collision with a drone. Yesterday, I met representatives of the British Airline Pilots Association, and that was one of the topics that came up. As the Secretary of State said in answer to an earlier question, severe penalties are in place for people who get involved with such activities. There are a number of technologies, such as geo-fencing, which would prevent those aircraft from entering sensitive airspace. We take the matter very seriously, and we are considering the best action to take.

Richard Burden: On a different but also topical subject, I was in Kent yesterday talking to businesses that had felt at first hand the traffic chaos surrounding 32 days of Operation Stack last year. I know that the Government are consulting on lorry parks and junction improvements for future years, but what are they going to do to prevent a repeat of last year’s scenes from occurring in 2016? I am not asking the Minister to tell me who he is meeting; I am asking him what the action plan is.

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): Operation Stack is a critical part of controlling access to the ports and trying to make the ports flow more smoothly. We had exceptional circumstances last summer, with strikes as well as challenges over migrants closing the tunnel. The Operation Stack proposals, which are effectively to create an off-the-highway holding area, represent a significant investment; it is a £250 million project. The closure of the consultation is only a few days away. I have met Highways England and local providers of highways, and we are working on what we can do in the short term. I will keep local Members informed of that progress.

T2. [904006] Julian Knight (Solihull) (Con): On 4 February this year, hundreds of my constituents were gridlocked on the M6 and the M42 for an entire day following an accident. Would the Minister meet me to discuss lessons to be learned from that day of chaos and examine proposals to open the M6 toll for free or for a nominal charge, but only when such crisis situations occur?

Mr Goodwill: There is an agreement in place whereby M6 tolls can be lifted in the event of a major failure that is likely to lead to prolonged inoperability of the surrounding roads on the strategic road network. The Government are looking at options over that agreement, but there are substantial cost, policy and value-for-money implications involved with de-tolling, which we are currently considering. As part of the process, I am more than happy to meet my hon. Friend to discuss the matter.

Mr McLoughlin: I am looking at various options to help with this issue, along with other Departments. It is also for the industry to step up to the mark in its training programme.

T4. [904008] Alan Brown (Kilmarnock and Loudoun) (SNP): With an estimated skills gap of some 50,000 HGV drivers predicted by the end of this Parliament, does the Minister agree that it would make sense for the Government to contribute towards the £3,500 training fee required for licences? Not only would that help to plug the skills gap, but it would mean more people working and paying tax, and it would reduce welfare.

Mr McLoughlin: I have noted the publication of the report by the Independent Transport Commission, which will obviously feed into our wider considerations. On the wider issue of airport capacity and when we will be able to make a decision on the location, I hope, as I have previously said, to be able to do so later this year.

Peter Kyle (Hove) (Lab): I have been contacted by one of my constituents, Fiona Brice, who describes the impact of late running trains on her job and her income. She says: “Please understand that I am self-employed and cannot just phone in sick” if I am late for work and the “service fails me. This meeting was for a job worth £5,000 to me personally. Turning up 30mins late may well cost me this work.” Does the rail Minister accept that late running trains and the lamentable performance of Southern rail are having an impact on the productivity of the south of England?

The Parliamentary Under-Secretary of State for Transport (Claire Perry): The hon. Gentleman knows that I absolutely accept that point. I just point out that rail passenger satisfaction is up 3 percentage points over the country. The challenge we have is that, behind the national numbers, there are some lines, such as his Brighton
main line, on which customers are absolutely not getting the punctuality and the service they deserve. That is why we are so committed to getting Network Rail and the franchise holder to work together. There is no blame; we want the two of them to work together to improve the service.

T5. [904009] Sir Henry Bellingham (North West Norfolk) (Con): Does the rail Minister agree that capital improvements to the Ely North junction and the nearby crossing are crucial to securing improved services on the line between King’s Cross and King’s Lynn, thus unlocking more economic growth along the route? Will she and her colleagues work with me to help to secure this crucial investment?

Claire Perry: My hon. Friend and other hon. Members have left me in no doubt about the value of the Ely North junction upgrade work. I am disappointed that this work will not be completed until after 2019. As a result of discussions that he and others have organised, I am now more confident that the preparatory work the project needs can go ahead sooner, with funding coming from a variety of sources. I have committed my Department to work with him and the local team.

John Pugh (Southport) (LD): What actual progress has been made with the top three projects recommended by the northern electrification taskforce, which was chaired by the Under-Secretary of State for Transport, the hon. Member for Harrogate and Knaresborough (Andrew Jones)?

Mr McLoughlin: The report was a cross-party report from the taskforce, which was chaired by my hon. Friend. Much has obviously been learned about electrification since then, but the report forms part of the foundation for deciding how we will move forward with further electrification and how we will prioritise those particular schemes.

T6. [904010] Mr Robert Syms (Poole) (Con): I know that the Government keep the status of trust ports under periodic review. Poole, which is a trust port, is a successful port. Such a status has the support of the local community, and indeed of its Member of Parliament. I hope the shipping Minister understands that.

Mr Goodwill: May I first put on the record our gratitude to my hon. Friend for the very hard work he carried out as a member of the Select Committee on the hybrid HS2 Bill? We occasionally ask trust ports to review their status. All the feedback I have had from his trust port certainly shows that the trust port model is working well, and we would not wish to interfere with that.

Barry Gardiner (Brent North) (Lab): It is clearly in the public interest for a person reporting somebody as unfit to drive to have anonymity. However, does the Secretary of State agree that anonymity should be rescinded where the allegation appears to be malicious, and that the reporting form should clearly state that an accuser will be liable to prosecution if false accusations are made about an individual?

Mr McLoughlin: I think that is a matter for the Secretary of State for Justice, but I will reflect on the question.

T7. [904011] Graham Evans (Weaver Vale) (Con): Will my hon. Friend update the House on the reinstatement of the Halton curve, and will she agree to meet me and a group from the Merseyside local enterprise partnership to discuss this vital transport link, which is so important for Cheshire, Wirral, north Wales and beyond?

Claire Perry: My hon. Friend is right that this is a vital link. The Government have contributed £10.4 million to the work. I understand that the business case will be considered by the combined authorities in April. If approved—I hope it is—the work will go ahead in June next year and be completed by May 2018. It would of course be a pleasure to meet my hon. Friend and his friends, if only to feed him some buns to keep up his weight during his marathon training.

Mr Speaker: It is always useful to have a bit of additional information. I feel sure that the House is very appreciative, not least the hon. Gentleman.

Danny Kinahan (South Antrim) (UUP): May I thank the Minister of State for his visit to Northern Ireland? It was good to see everyone in the Union working together. He visited Belfast International airport, Lough Neagh Rescue and Wrightbus. Will he use his influence to help the various road and rail projects we saw, and help with things such as air passenger duty, enterprise zones and, of course, one day having a new runway here to improve links to Northern Ireland?

Mr Goodwill: It was great to visit Ulster and see some of the good news about the 300 new jobs at Belfast International airport. Ryanair is now based at that airport, with direct flights to Gatwick and new routes in the pipeline, including to Milan and Berlin. It was great to visit Northern Ireland, and I look forward to going again.

T8. [904012] David Morris (Morecambe and Lunesdale) (Con): In my constituency, a link road from the M6 to Heysham port will open within the next 12 months. Are there any plans to trunk that road, given that it is a strategic route, and will my right hon. Friend make a statement on that?

Mr McLoughlin: I visited that site with my hon. Friend not so long ago, and that major piece of new infrastructure will serve his area incredibly well. The question of trunking the road has not previously been raised, but I will obviously consider it. I am pleased that my hon. Friend and his constituents will see the benefit of our massive road investment scheme in the near future.

Mr Clive Betts (Sheffield South East) (Lab): When my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) and I raised some time ago the need for a road tunnel between Sheffield and Manchester, many thought that we were just kite flying. Even when the Government agreed to carry out a review, some thought that it would be only a desktop study. Will the Secretary
of State confirm that that road tunnel is a real possibility, and that it might even become a reality before some of us depart this world and fail to get the benefits of it?

Mr McLoughlin: I am not sure whether the hon. Gentleman is asking me to comment on his demise at this stage, but I will resist doing so. He may be right to say that when past Governments have raised this issue, it has been a desktop job. It is not a desktop job; it is a proper, serious piece of work. Importantly, such infrastructure would not be just for 30 years; it will be around for the next 100 years and very important to the area, and it would therefore probably see the demise of both of us.

T9. [904013] Andrea Jenkyns (Morley and Outwood) (Con): The Government are making a welcome investment in rail in the north, with electrification bringing huge benefits to constituencies such as mine. What will the Government do to upgrade stations such as Morley, where improvements to disabled access and other facilities are long overdue? Will the Minister meet me to discuss improvements at Morley station?

Claire Perry: My hon. Friend is right to mention Morley station. It has been put forward several times, but there were many others ahead of it in the queue in terms of passenger footfall—again, we are trying to catch up from decades of neglect. It would be a pleasure to meet her and discuss station refurbishment, in particular disability access.

Andrew Gwynne (Denton and Reddish) (Lab): I am sorry that the Secretary of State did not think much of the second part of my earlier question, but it was deadly serious. The re-routing of services because of the work at Piccadilly and Oxford Road will use the line through my constituency. May I meet the Secretary of State so that I can explain the importance of being able to assess whether Denton and Reddish South stations can make a business case for future services?

Mr McLoughlin: I am glad that topical questions have given the hon. Gentleman another chance to ask that question because he was not satisfied with the answer in the first place—I presume it was topical because he was not happy with the first answer. I understand that he will meet the Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones) in 30 minutes, and no doubt he will add that issue to the list of things to discuss.

T10. [904014] Matt Warman (Boston and Skegness) (Con): I recently visited Vivarail, which is refurbishing tube trains for main line use. Does my hon. Friend agree that those trains could make an excellent replacement for the decrepit rolling stock on the line from Boston to Skegness?

Claire Perry: Like my hon. Friend I have also visited the Vivarail facility, and there are fantastic innovations with rolling stock that is made of aluminium, is rust free, and could run for many more years. The East Midland franchise competition is coming up this summer, and the successful bidder will be required to bid based on the rolling stock they will provide. We expect them to be innovative and to consider each and every opportunity for rolling stock. We want to improve the rolling stock in my hon. Friend’s region.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): The proposed trans-Pennine tunnel mentioned by my hon. Friend the Member for Sheffield South East (Mr Betts) would be transformative, not just for congestion in my constituency, but for our local economy. Yes it is ambitious, but I say that the north is worthy of that level of ambition. Will the Secretary of State reiterate what he has just said, and urge the Chancellor to show his support next week?

Mr McLoughlin: I do not think I need to encourage the Chancellor on infrastructure spending. I have been incredibly successful in securing funding for infrastructure from the Chancellor, who certainly gets the importance of infrastructure investment, not least in the north. Indeed, it is his policy to pursue the northern powerhouse and to take forward transport for the north. That will have a transformative effect on transport between our northern cities and is something other parts of the country are looking to follow.

Tim Loughton (East Worthing and Shoreham) (Con): The Secretary of State will recall the Shoreham airshow crash, which tragically claimed the lives of 11 men in my constituency last August. I just received a call from the media asking for my comments on the air accident investigation board report on the air crash, which apparently is being published today. Why was I not aware of that and what plans do the Government have to respond to it?

Mr McLoughlin: I am not sure we do pre-notification of air accident investigation board reports before they are published. I think it is part of the report that is being published later today. I do not think it is the full report, but a part of its investigation. It is taking the opportunity to update people on where it has got to so far.

Several hon. Members rose—

Mr Speaker: Order. I am sorry. There are several colleagues who have been waiting very patiently, but I am afraid that today demand has heavily outstripped supply and we must now move on.
Pubs Code Adjudicator

10.36 am

Greg Mulholland (Leeds North West) (LD) (Urgent Question): To ask the Secretary of State for Business, Innovation and Skills if he will make a statement on the appointment of the first Pubs Code Adjudicator.

The Minister for Small Business, Industry and Enterprise (Anna Soubry): As I announced to the House yesterday, Paul Newby has been appointed as the first Pubs Code Adjudicator. I hope the House will join me in congratulating him on his appointment. I pay tribute and say thank you to all those who applied for this important position. I also pay tribute, as I am sure the House will, to all the candidates in an excellent and very strong field.

Mr Newby will start his work full time on 2 May. He has actually already started work. He has been very helpful to my officials in making sure that we have the pub code up and running, and ready to come before this House. Paul Newby is a chartered surveyor with a particular expertise in valuation and arbitration, key skills for the Pubs Code Adjudicator. He has 30 years' experience of the pub trade, working with pub company landlords and pub tenants. I think he will be an excellent Pubs Code Adjudicator.

Greg Mulholland: I am afraid that is not a view shared by tenants' groups, who have been absolutely astonished by this appointment. Let us be clear, this is the appointment of someone who is a director of a company that derives the majority of its income from the very companies the legislation is intended to regulate. By his own admission—it is on his CV—he has been engaged by numerous managed and tenanted pubcos on rent review matters. In the past five years he has acted for Enterprise Inns, Marston's and Punch Taverns. The very companies he is currently acting for are bullying and coercing tenants into signing away their rights or forfeiting pubs. His company is actively involved in selling off pubs. How can he possibly be trusted to be impartial, given that for 20 years his salary has been dependent on those he must now adjudicate on and potentially impose financial penalties on? There is a clear conflict of interest, which appears to render this process extremely dubious at the very least.

I must ask the Minister for urgent clarification. Did Mr Newby, as a director, declare how much of the income of the company he works for is derived from the companies he will supposedly adjudicate on? Will he be stepping down from his role as director of Fleurets during the four-year period? How can tenants have any confidence in this appointment? Why has a chartered surveyor been appointed, rather than someone from a legal background or an independent arbitrator? How was this process conducted? We do not know who was involved, how many candidates were involved or who made the final decision.

This is a very worrying appointment that once again demonstrates either complicity with pubco influence or an utter lack of understanding and knowledge of the issues and the conflicts in the sector. It is in danger of making a laughing stock of the adjudicator's role. Tenant groups predict that if this appointment is allowed to stand, the statutory reforms will go the same way as the failed self-regulatory regime. It is a crass, complicit and clueless appointment, and it now needs to be properly scrutinised by the House.

Anna Soubry: That was an absolutely disgraceful set of slurs—[Interruption.] I would appreciate it if the hon. Member for Leeds North West (Greg Mulholland) would be good enough to listen. Paul Newby was appointed absolutely in accordance with the usual ways of public appointments, and I take very grave exception to any allegation that either I or anybody else has acted improperly or with complicity. As I said, Mr Newby has represented not just pub trade companies but tenants. He has 30 years' experience effectively representing both sides. He is an experienced arbitrator, and the great skills he brings to this position do not just include his extensive experience of the pub trade industry; like many professionals, he has the absolute ability to be fair and to arbitrate fairly. The fact that he might be representing somebody does not mean he is in their pay; he can act independently.

Greg Mulholland: He is in their pay.

Anna Soubry: Oh no. The hon. Gentleman does not understand how professionals work, and many of us take great exception—[Interruption.] Opposition Members would do better not to heckle about somebody they do not even know. They have not looked at his antecedents. I made the announcement only yesterday in this place at about 7 o'clock. I have no doubt that Mr Newby's considerable experience and ability to do the job are first rate, and I take great exception to the idea that there has been an impropriety.

Peter Kyle (Hove) (Lab): Do you know him?

Anna Soubry: No, I don't know him. I did not meet him until—[Interruption.] I met him at the end of the procedure, as the House would expect. His was one of three names put forward, quite properly, in a full, open and fair process, and I object very strongly, on behalf of Mr Newby, who will do this job with propriety. All things will be done properly.

Sir Henry Bellingham (North West Norfolk) (Con): The Minister has behaved absolutely correctly and properly. Surely what matters is Paul Newby's ability. Does she agree that he should look first at, among other things, the loophole that allows retailers and shop owners to buy a pub that does not require planning permission, whereas if it reverts to being a pub, it does require planning permission?

Anna Soubry: Yes. Paul Newby's primary job, of course, is to implement the pubs code and make sure it is complied with. When people invoke the pubs code, his job will be to act as a fair arbitrator, and I have no doubt that he has all the necessary skills and experience of the pub trade. As I have said, he has experience of representing both pub companies and tenants, so he sees things from both sides; he has all the skills, and his appointment was made with great care and total propriety.

Bill Esterson (Sefton Central) (Lab): The way the Minister announced the appointment yesterday—as part of the shambolic proceedings on the Enterprise Bill and
Sunday trading—did not exactly inspire confidence. She announced it in an intervention—of all things—on Third Reading, after the Secretary of State could have mentioned it in his Third Reading speech. If nobody had mentioned the pubs code on Third Reading, the announcement would not have been made even then.

Turning to Paul Newby’s appointment as the first adjudicator, I certainly look forward to meeting him and to raising the concerns raised by the hon. Member for Leeds North West (Greg Mulholland) and, more importantly, by pub tenants about the relationship between Mr Newby’s employers and the large pub-owning businesses. I do not think that the tenants will be at all reassured by what the Minister has said. The challenge for Mr Newby will be in ensuring a level playing field between tenants and pubcos. How does she think that he can do that, given the concerns that have been raised by tenants?

There is a very real danger that someone who has acted for Punch Taverns, Enterprise Inns and Marston’s will be seen as continuing to act on their behalf, and the Minister must be aware of this very real concern, as she sits there, chuntering as usual. She will also be aware of concerns among tenant groups that the adjudicator should not be a chartered surveyor. Will she pursue concerns about the attitude of the Royal Institution of Chartered Surveyors about parallel rent assessments?

Labour raised concerns about the pubs code in the Lords and in Committee here, so will the Minister raise those concerns with the adjudicator about pubcos offering shorter leases to make it impractical for tenants to take up the market rent only option? Will she ensure an effective date of 1 June for tenants who wish to take up the MRO, rather than allowing a potential delay of six months—another of the asks of pub tenants?

The shambling approach to the initial consultation on the pubs code undermined pub tenants’ trust, which is back on track after concerns were raised by pub tenants organisations—

Mr Speaker: Order. I think that we will leave it at that. Forgive me. I am extremely grateful to the hon. Gentleman. [Interruption.] On this occasion, I advised the principal actors on this stage that I would be quite insistent that the time limits be kept. To be fair, the Minister was well within her time, and the hon. Member for Leeds North West (Greg Mulholland) exceeded his by a small number of seconds, but he was closer than he has been in the past. No discount is intended to the hon. Member for Sefton Central (Bill Esterson). I think that he has got the thrust of it across. But, please, we really must from now on stick to the limits; otherwise it will be seen as continuing to act on their behalf, and the Minister must be aware of this very real concern, as she sits there, chuntering as usual. She will also be aware of concerns among tenant groups that the adjudicator should not be a chartered surveyor. Will she pursue concerns about the attitude of the Royal Institution of Chartered Surveyors about parallel rent assessments?

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Anna Soubry: We are confident that the pub code will be in its proper form, laid at the appropriate time and up and running by 1 June. Yesterday, a press release was prepared for publication today. I took the opportunity, as you know, Mr Speaker, to tell the House first—I thought that was a courtesy to the House—and I did so in an intervention on the hon. Member for Leeds North West because I thought he had a proper interest in pubs and that he might be in some way grateful, but we live and learn.

Andrew Stephenson (Pendle) (Con): I very much welcome the Government’s action on this issue. I represent a number of pubs that I have dealt with over the years that have had problems with the large pubcos that own them. Does the Minister agree that in appointing a fair and experienced adjudicator, it is important that we appoint someone who understands both sides of the argument and can therefore adjudicate fairly?

Anna Soubry: I absolutely agree. That is the joy of Paul Newby: not only is he a chartered surveyor, with all that that brings to the job, but he is an experienced arbitrator who has knowledge of both sides. I know that he will be fair. I have complete confidence in him. He is very good news.

Alan Brown (Kilmarnock and Loudoun) (SNP): The pubs adjudicator is effectively classed as England-only, but, as with Sunday trading, the proposals on market rent only options could have an effect in Scotland, because pub companies might direct investment towards pubs in England and Wales. The Scottish Government are consulting on the effect of tied pubs in Scotland. Will the Minister ensure that the adjudicator takes cognisance of the consultation in Scotland and the possible effect of the proposals on Scottish pubs and Scotland?

Anna Soubry: I do not think there was a question there, but I am sure that we can have a chat about this afterwards and discuss all these things.

Bob Blackman (Harrow East) (Con): Can my right hon. Friend confirm that this appointment has been made absolutely on merit, fairly and without interference from the Government? The most important thing is how the person does the job and implements the pub code.

Anna Soubry: I am grateful to my hon. Friend for his comments, and he is absolutely right. This is actually an insult to the civil servants and all those who took part in the process, because they exercise the greatest care in ensuring that the very best candidates are put forward as the final seven and then the next three who come to the Minister, often with a recommendation in relation to one of them. I do not take this personally: it is against not me, but against my civil servants and all that team. This is very good news: Paul Newby is fair and he knows what he is talking about.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I have a recorded interest in pubs, and I chair the John Clare Trust, which owns a pub in which John Clare played and sang. It is not operating at the moment, but it will be. Let us depersonalise this issue. I work very closely with “pub is the hub”: pubs are central to our communities in Britain. I do not know this man, and I hope he does a good job. Unlike the supermarket adjudicator, however, I hope this man will have some teeth to do something about the vigorous brewing and pub industry in this country.

Anna Soubry: It is, of course, all about getting the balance right. I take exception, however, to what the hon. Gentleman said about Christine Tacon, the Groceries Code Adjudicator, who now has exactly the teeth that
he would like. She has not held back in her criticism, as we saw only recently. She is doing a great job. She now has the power to impose fines. In any event, the most important thing is the naming and shaming. As the hon. Gentleman will know, that is sometimes the most powerful tool. The code adjudicator is just that—an adjudicator to ensure fairness. Paul Newby will do that.

Tom Pursglove (Corby) (Con): What involvement, if any, have both sides of the industry had in this selection process?

Anna Soubry: I can assure my hon. Friend that there has been no influence at all. We sought somebody with the right skills set who could be an experienced arbitrator and who understood the trade and had the ability to see things from both sides. Paul Newby has all those skills and more.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): As Chair of the BIS Select Committee that initiated one of the earlier inquiries which informed this particular piece of legislation, I would not wish to prejudice the performance of Paul Newby, but I emphasise that there is huge disquiet among the tenants. Will the Minister consider that and review the adjudicator’s performance after a certain time, and keep up a dialogue with the tenants to ensure that their concerns are met? Otherwise, this issue will not go away.

Anna Soubry: I am grateful for the hon. Gentleman’s comments. I am pleased that he, unlike others, has an open mind. I think he will be impressed by Mr Newby. He is absolutely right in any event that, as with all appointments, if someone is not performing adequately, that is matter of concern and measures can be taken to rectify it. There are many tied tenants in pubs throughout England and Wales, so we must be careful to ensure that groups genuinely represent the voice of all tenants. We must not let a few dominate the debate. It is important to be fair to both sides and to make sure that all the tenant groups are involved; this is why I am a great fan of Campaign for Real Ale, which represents a large section of tenants.

Craig Mackinlay (South Thanet) (Con): I echo the sentiment that the pub is at the heart of many communities, particularly in smaller towns and villages. I am hoping that the appointment of Mr Newby will normalise many of these relationships. I hope this will help to avoid what happened in the case of a pub near me, the Chequer Inn in Ash, which has suffered under an overbearing pub company. New tenants are tempted in and the pub runs well, but then prices escalate until they are forced to collapse and close, when we see a planning application for alternative use. I am really hoping that this will normalise these relationships.

Anna Soubry: I could not agree more with my hon. Friend. It is the change of culture that is so important. We have all encountered similar examples in our constituencies; I, too, have fought to keep local pubs open. Unfortunately, I was not successful in one instance, although I was in another. It is about changing the atmosphere and making sure that pubcos act in a sensible and responsible manner, not just towards their tied tenants, but to the broader communities.

Jim Shannon (Strangford) (DUP): I understand that the Royal Institution of Chartered Surveyors failed to respond to the Government’s request for clarification on rent assessment guidance, and has clearly laid out its position that it is against a parallel rent assessment through which a tenant can compare their tied rents and rewards with the rents and rewards of those who are not tied. Will the Minister confirm how the adjudicator reconciles his position with that of a professional body such as the RICS?

Anna Soubry: I hear what my hon. Friend says—he is my Friend, as he knows—but I can tell him that Paul Newby is going to be his own man. I was a member of a professional body, and the Bar Council often had a point of view that I personally completely disagreed with. Paul Newby is a good man and he will be his own man. He will be fair, and he comes with a huge skill set.

Mr David Nuttall (Bury North) (Con): The appointment brief for this role, which was issued in July last year, stated that—[Interruption.]

Honor. Members: Hooray!

Mr Speaker: Order. It is very good that the hon. Member for Kilmarnock and Loudoun (Alan Brown) seems to have disappeared from the Chamber. The question is ongoing, and the hon. Gentleman is the Front-Bench spokesman for his party. He should not be toddling out of the Chamber in the middle of the exchanges. These courtesies really must be observed. This really will not do. Honestly!

Mr Speaker: I am bound to say that I am rather staggered by the fact that the hon. Member for Kilmarnock and Loudoun (Alan Brown) seems to have disappeared from the Chamber. The question is ongoing, and the hon. Gentleman is the Front-Bench spokesman for his party. He should not be toddling out of the Chamber in the middle of the exchanges. These courtesies really must be observed. This really will not do. Honestly!

Mr Nuttall: It is a brief question. The appointment brief for this role, which was issued in July last year, stated that the appointment would be announced in January. Can the Minister tell me why the announcement was delayed by two months?

Anna Soubry: If I am wrong about this I will apologise profusely, but if my memory is correct, it was because Mr Newby had to serve a period of his contract before he could give notice. I believe that the decision was made just before Christmas, but we could not announce it until now because of his relationship with his employer.

Mr Speaker: I call Liz Saville Roberts—[Laughter.]

That is inexplicable to me, but I am sure that nobody is laughing at the hon. Lady, whom I take extremely seriously. I want to hear what she has to say.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Thank you, Mr Speaker. In the Dwyfor region of my constituency, one brewery effectively has a monopoly, with 30 tied houses. This blocks local producers such as Cwrw Llyn...
from selling to pubs on their doorstep. More than 100 small breweries are in a similar position across Wales. Could the economic context of Wales be considered by the newly appointed pubs adjudicator?

Anna Soubry: I do not think that that falls within his remit. He is there to ensure that anyone who raises a complaint under the pub code will be able to be heard fairly and that the matter can be arbitrated in the right way. The hon. Lady raises an important point, however. We all know the huge importance of our pubs to communities, and it is absolutely the case that they should trade fairly.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Can the Minister tell us how many years the initial appointment is for? If it is only for a short period, there will be understandable concern that the adjudicator will not want to burn their bridges with the pubco industry.

Anna Soubry: I have just been helped by those sitting in the Box—I nearly said “those who instruct me”—and the answer is four years.

Tom Brake (Carshalton and Wallington) (LD): Is the Minister confident that this appointment abides by the principles of the Committee on Standards in Public Life?

Anna Soubry: Yes.
Chris Grayling: I am delighted to send many happy returns to the hon. Gentleman’s father. I also want to take a moment to celebrate another important occasion that is a matter of great interest on the Opposition Benches. Tomorrow is the centenary of the birth of Harold Wilson and it is worth this House marking that.

Many people have made the case for having a statue of Harold Wilson and it is worth this House marking that. I return to the hon. Gentleman’s father. I also want to take a moment to celebrate another important occasion that is a matter of great interest on the Opposition Benches. Tomorrow is the centenary of the birth of Harold Wilson and it is worth this House marking that. Many people have made the case for having a statue of him in this place. There is a lot to be said for that, so I hope that the Speaker’s Advisory Committee on Works of Art will give it due consideration. It is particularly apposite to celebrate his life at the moment because, 41 years ago, he was the first person to give us a referendum on our membership of the European Union.

Chris Bryant: And won it.

Chris Grayling: I hope to be part of a winning side as well. The other thing about Harold Wilson is that he is a former Labour Prime Minister whom the Opposition
are still happy to talk about, which is a bit of a rarity in today's world.

The shadow Leader of the House went on about the Queen's Speech, but I do not understand what he is talking about. One moment he talks about a zombie Parliament with nothing to do, but now he complains that we are having a Queen's Speech in May containing an important set of measures that will help to reform this country. The Opposition talk about a zombie Parliament, but last Monday we had the Second Reading of the Policing and Crime Bill, which is an important set of measures that will make a difference to policing in this country. Government Members were here debating it, but where were the Labour Members? They barely turned up and the business finished early. We do not have a zombie Parliament; we have a zombie Opposition.

The hon. Gentleman talked about the authority of the Prime Minister seeping away, but I have to say that coming from the Labour party today, with the authority of its leader seeping away, that is frankly unbelievable. We sit at Prime Minister's questions each week and look at the faces of Opposition Members as their leader asks questions. The shadow Leader of the House's face is a picture; we know what he thinks about his leader. The Opposition are profoundly depressed and miserable, to the extent that today we have the first speech in the next Labour leadership contest.

The shadow Leader of the House asked about the speech I am going to be giving today, but what he missed was that I have already given it, so he clearly was not paying that much attention.

Chris Bryant: Yes, we missed it. We certainly did.

Chris Grayling: Surprisingly enough, I am not after his support.

As for the Evel vote and the procedure that the shadow Leader of the House talked about, the Conservatives stood on a manifesto of giving the English a share in the devolution settlement. We took that through the House and it is now in operation. If it is now the Labour party's policy to say to English voters, “We will take away from you your bit of the devolution settlement,” I look forward to having that debate on the doorstep and at the ballot box.

On the subject of Mike Ashley and the Business, Innovation and Skills Committee, of course it should always be the case that if a Committee of the House seeks to bring somebody who is a citizen of this country before it, it should be free to do so. That should happen, unequivocally.

On employees in this House, I simply remind the hon. Gentleman that he is a member of the House of Commons Commission. We discuss how we spend money on this House, but I do not remember him bringing that issue to the Commission. I am sure that he will do so and we will be able to consider it.

Finally, this weekend is the denouement of the rugby six nations between Wales and England at Twickenham. I am sure that the hon. Gentleman will be there cheering on his side, and I will be cheering on the English, but I would say, “May the best team win.” One thing we can be sure about is that he will not be joining in the singing of “Delilah” this weekend, but he has written that, even as a republican, he looks forward to a good old blast of “God Save the Queen”, so I am sure that he will be joining in with the anthem on Saturday.

Amanda Milling (Cannock Chase) (Con): Next week, I will be going back to Redbrook Hayes Community Primary School in Brereton, which has recently been rated good following a couple of years of hard work and commitment from the headteacher, Chris Gaffiney, and all his team. May we have a debate in Government time about the progress that is being made to improve school standards?

Chris Grayling: My hon. Friend makes an important point, and I should wish her a happy birthday for Saturday as well. We have made enormous progress under this Government and the coalition Government on improving educational standards in our schools. That is essential to the future success of our nation. I pay tribute not only to the headteacher she mentions, but to all those in her constituency who are helping to make a difference for the young people of Cannock Chase.

Pete Wishart (Perth and North Perthshire) (SNP): I, too, thank the Leader of the House for announcing the business for next week. Let us see whether we can get through this business quickly so that he can resume his core business of slagging off his right hon. Friend the Prime Minister.

The big issue of the day is whether Her Majesty the Queen is a Brexiteer or not. I have an elegant solution for how we can try to discover that: we could perhaps dispatch the Prime Minister to the palace to ask her indirectly—one purr for in, two purrs for out. That would solve the issue, Mr Speaker.

Mr Speaker: Order. I hesitate to interrupt the hon. Gentleman. He said what he said, but for the benefit of the House, and particularly for the benefit of new Members, may I underline that we do not discuss the views of the monarch in this Chamber? There have occasionally been debates on matters appertaining to the royal family, which I have happily granted, but we do not discuss that matter. I think it better if we just leave it there. Mr Wishart, please continue.

Pete Wishart: You are absolutely right, Mr Speaker. We will leave it entirely to Government figures to do that.

Yesterday, the Government were defeated and it was the SNP who won it—[Interruption.] I am afraid that we cannot take exclusive credit for that incredible victory—there were others, of course, and we did have some friends in the Conservative party—but we SNP Members really enjoyed the wailing and gnashing of Conservative teeth. There was something almost delicious about the way in which the Tories lashed out at the SNP. This Government, having imposed English votes for English laws, criticised our temerity for getting up and supporting Scottish workers. Do the Government believe for a minute that normal rules stand when it comes to issues such as this?

The Government have imposed these ridiculous Evel rules without the agreement or support of any other party in the House. What about those rules, Mr Speaker? No one had a Scooby what was going on yesterday. I asked the Deputy Speaker and he did not know. I do
not blame him, Mr Speaker; you would need an advanced degree in madness and impenetrable inconsequentials even to start to understand what is going on with the dog’s breakfast that is Evel. The time has come to abandon Evel and to decide that it does not work. If anything was to happen to the Leader of the House—some accidental consequence of his support for the leave Europe campaign—this will be his legacy. What a legacy to leave the House divided on an issue such as Evel.

I support the calls that were made yesterday by my right hon. Friend the Member for Moray (Angus Robertson). We should have a debate on the treatment of asylum seekers in this country and especially the evidence that has been uncovered thus far about their treatment. Perhaps we could have a proper look at the use of private services in dealing with asylum seekers.

We are also grateful to the Leader of the House for announcing the recess dates and that there will, after all, be a Queen’s Speech before the European referendum, but once again the recess dates do not cover the Scottish National party conference. We are the third largest party in the House. The recess covers the Liberal conference, but may I have a guarantee from the Leader of the House that 14 October will be a non-sitting day so that the members of the third party in the House can also get to their conference?

Once again, all the time that we are having off in the summer does not include the Scottish school holidays. My hon. Friends will not be able to spend the same amount of time with their families as hon. Members from other parts of the United Kingdom. We need to get that fixed for next year, get the SNP conference covered, and for goodness sake try to cover the holidays of every nation of the United Kingdom.

Chris Grayling: First, Mr Speaker, may I thank you for what you said about the Queen and the royal family? That was absolutely appropriate. The one thing it is always appropriate to say in this House is how much we value our monarch and appreciate the magnificent job that she does for our nation.

With regard to events yesterday, the hon. Gentleman said, “It was the SNP wot won it.” He knows that I have a high regard for him, but yesterday was one of those occasions when it was clear how far away from political principle the SNP can find itself. SNP Members cannot talk about the importance—as they always have and did during the Evel debate—of standing aside from matters that are England only, but then dive in when it is opportunistic for them to do so. That is a party of opportunism, I am afraid, not a party of principle.

I listened again to the hon. Gentleman’s words about Evel. As he knows, I was in Scotland last week, supporting our fine team campaigning in the Scottish elections. One of our Scottish members said to me, “That Mr Wishart is very hysterical, isn’t he?” I had to reassure him and say, “Look, he is actually a nice guy behind the scenes.” However, when I heard comments such as those that he made this morning, I understand why some of the people of Scotland get the wrong idea about him.

My right hon. Friend the Home Secretary takes seriously the issue of asylum seekers. We will always do our best to ensure that people are treated humanely.

I clearly owe the hon. Gentleman an apology. I thought that ensuring that he had the opportunity to be here on the first day of the SNP conference was a help to him, rather than a hindrance, because I have never had the sense that he was desperate to get there first. I thought that, as he did this year, he would enjoy being here on the first day of conference. Clearly we will have to look next year at whether we move his conference dates or do things otherwise.

Finally, I have some bad news for the hon. Gentleman. He has competition next year on the Eurovision front. As he may know, Members on the Government Benches are also recording some fine music. My hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) looks like being tough competition for him and the rest of MP4 when it comes to next year’s Eurovision—may the best man or woman win.

Mr James Gray (North Wiltshire) (Con): It will not have escaped the notice of the Leader of the House that depending on how the business pans out today, particularly how long the Northern Ireland business takes, there is at least a reasonable likelihood that the important debate at the end of the day on the way in which our Acts of Parliament are recorded may be squeezed down to a very short time, or even squeezed out completely. Given the Government’s support for the motion, which is supported also by 48 of my right hon. and hon. Friends, and historically by you, Mr Speaker, will the Leader of the House find Government time for a substantive debate on the matter, so that we can let the House of Lords know what we think about it?

Chris Grayling: I know how strongly my hon. Friend feels about the matter. The debate has been tabled on a Backbench day. It is appropriate for it to be a matter for the House, not debated in Government time which would otherwise be made available for legislation. As the Chair of the Backbench Business Committee is here today, I am sure that if my hon. Friend is not able to hold his debate today, an early opportunity will be found to bring the matter before the House.

Mr Speaker: I am sure that that will be the case.

Ian Mearns (Gateshead) (Lab): I am grateful to the Leader of the House for the announcement of the future business. With the date of state opening being announced as 18 May, may I remind the right hon. Gentleman that it is a Standing Order of the House that the Backbench Business Committee be awarded 27 days of Chamber time in a parliamentary Session? We are still some way short of that and we are expecting a glut of Backbench business in the five and a half weeks that remain after Easter and before the state opening. I add one personal rider: if we do get Mr Mike Ashley into this place, may we at the same time question him about the terrible running of Newcastle United football club? I do not want to diminish the importance of the employment practices of Sports Direct, but based on the management of Newcastle United, I am afraid I do not expect a very big party in a brewery any time soon.

Chris Grayling: It is tough being a Newcastle supporter at the moment. I wish the hon. Gentleman and his team well for the rest of the season. There is time to escape...
the relegation zone and no doubt he will be cheering from the stands. I have no doubt that he will seek more time for Backbench business over the next few weeks. I am aware of what the Standing Orders say. I am not sure that we are quite in agreement on the numbers, but we will have a proper discussion about that. I hope he will note that in response to his request, we made protected time available for the debate on Tuesday. Where it is important to do so, we will look at doing that in the future.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): On Saturday I joined Dartmoor search and rescue team and learned that 70% of calls to the service come from within the boundaries of Plymouth, many in Home Park, owing to elderly people getting lost. May we have a debate on how we might support those excellent volunteers, who get no money from central Government?

Chris Grayling: My hon. Friend makes an important point. I have suggested before at one of these sessions that the Backbench Business Committee might consider holding a full day debate, when one is available, on volunteering. A large number of Members would like to pay tribute to the good work done in their constituency. That would provide an opportunity for my hon. Friend to do what he has just described. I cannot resist drawing attention to the news story this week that a council in East Anglia has appointed the first hedgehog tsar. It is clear already that my hon. Friend’s campaign is making a difference.

Paula Sherriff (Dewsbury) (Lab): Last week I was visited by retailers from Dewsbury town centre. They are facing unaffordable business rates in the coming year, due to the end of the business rates retail relief. May we have a debate in Government time to discuss whether the Government have plans to subsidise these retailers, many of whom would have to close their businesses as a result of the rises?

Chris Grayling: Of course, we are all concerned about the future of the high street. This is a matter that can certainly be brought up during the debate on the Budget next week. I do not yet know whether the Chancellor has any plans in that area, but the hon. Lady will want to make the case for her constituency in the four days of debate that follow the Budget, when this is very much one of the matters on the agenda.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): Today we are starting the consultation on the final designs for the barrage across the Parrett, which is the outcome of the terrible flooding in 2011. I know that the project has been supported across the House and I am very grateful for that. May we have time in this place to discuss it? It is massively important because 12% of my district council area was under water in 2011. The history and the lessons we are learning in the south and the north of the UK need to be reiterated. Is there time for a debate in the House?

Chris Grayling: I pay tribute to my hon. Friend, who has been a more than effective advocate for his constituency and for the parts of Somerset affected by flooding. Our hearts went out to all the communities affected last year. I know that, since then, lessons have been learned and significant steps have been taken, as he has just described, to address the issue for the future. There will of course be an opportunity next Thursday to question the Environment Secretary, which I am sure he will do, but we all need to work to make sure that the terrible events of last year cannot happen again.

Paul Flynn (Newport West) (Lab): When can we discuss early-day motion 1182? [That this House believes that politicisation of the institution of monarchy threatens that institution’s future; recalls that the present monarch remained politically neutral for 62 years until an intervention on the Scottish Referendum debate that The Guardian reported was crafted and choreographed by Sir Jeremy Heywood, the Cabinet Secretary, and Sir Christopher Geidt, the Queen’s Private Secretary; notes that a recent speech by the Prince of Wales was widely interpreted as a plea for the UK to remain in the EU; emphasises that the prime role of the Head of State is to intervene when a Prime Minister acts in her or his own interests to the detriment of the interests of state; and further believes that the Government and the Civil Service should cease employing members of the Royal Family for political purposes.]

The early-day motion does not trespass into the forbidden area—that the views of the monarch cannot be discussed in this place, and only in this place, although they can be discussed everywhere else—but it does raise the conduct of a well-documented conspiracy between Sir Jeremy Heywood and Sir Christopher Geidt at the time when the Scottish referendum appeared to be in trouble from the Government’s point of view, and it is alleged that those two gentlemen conspired to put the Queen’s opinion into the public domain.

Is not it important that we discuss those who give advice to the royal family, because its main function is to act in situations where a Prime Minister is acting in her or his own interests against the interests of the country? The politicisation of the monarchy would mean that it could not act in those situations, and any exposure of the royal family’s views threatens the furtherance and continuation of the institution.

Chris Grayling: There are rather large numbers of conspiracy theories in this world. If we spent all our time in this House discussing them, we would not get round to the serious business that faces the nation, so I fear we will not actually be debating that particular issue.

Mr Christopher Chope (Christchurch) (Con): May I say to my right hon. Friend how pleased I am that the House will be sitting on 26 May, because that will be the seventh anniversary of the Prime Minister’s famous speech on fixing broken politics, in which he called for more Back-Bench power, more free votes and less whipping? May we have a debate on that occasion to see how much progress has been made on implementing those principles?

Chris Grayling: I am sure we have learned in the past few days that independent spirit on the Back Benches is certainly not something that is lacking in this Parliament.

Ms Margaret Ritchie (South Down) (SDLP): This day week is St Patrick’s day. Yesterday I tabled an early-day motion requesting that the Government bring
forward legislative proposals—this is not a devolved matter—to make St Patrick’s day a public holiday in Northern Ireland. Will the Leader of the House facilitate a debate about this important issue?

Chris Grayling: Of course, this is a subject the hon. Lady feels strongly about. We always have to be careful about granting too many extra bank holidays because of the economic impact on the areas affected, but I am sure she will bring forward an Adjournment debate and bring a Minister to the House so that she can make the point she has raised this morning.

Sir David Amess (Southend West) (Con): Will my right hon. Friend find time for a debate on the practice of big businesses trying to prevent Members of Parliament from doing their democratic duty and raising constituents’ concerns in this place? Outrageously, National Express Group plc has written to Lord Feldman, the chairman of the Conservative party, complaining that I have been raising in this place my constituents’ anxiety over c2c timetable changes.

Chris Grayling: I suspect that National Express may need new political advisers, because the one thing we can be absolutely certain of is that writing a letter of complaint about my hon. Friend is likely to make him more rather than less zealous in pursuing issues on behalf of his constituents.

Mr Speaker: And rightly so.

Dawn Butler (Brent Central) (Lab): At 7 am the Competition and Markets Authority produced a report on its energy market investigation. I welcome that report, which focuses on prepayment meters—the issue is also dealt with under the hashtag PrePayRipOff. I have had an Adjournment debate, I have written to the Prime Minister and I have written to the Secretary of State for Energy and Climate Change, and the responses have been inadequate. Will the Leader of the House make available Government time so that the House can have an urgently needed proper discussion, to explore the CMA’s recommendation, which the Secretary of State said she will implement?

Chris Grayling: The Energy Secretary will be here in 10 days’ time, but if the hon. Lady wants to raise matters before that, I suggest that she writes and I will make the Energy Secretary aware that she is going to raise the issue.

Huw Merriman (Bexhill and Battle) (Con): In the first half of 2015, six cyclists were fatally injured in London following collisions with heavy goods vehicles. Could the Leader of the House find time in the parliamentary calendar for a debate on the costs and benefits of restricting HGVs from city centres at rush-hour times?

Chris Grayling: This is a deeply important matter. There have been far too many tragedies in recent times, some involving deaths and others serious injuries. The issue has been widely raised as a matter of concern, including by The Times, a member of whose staff was tragically, seriously injured in an accident with an HGV. We want to take all possible steps to improve the situation, and the Mayor of London in particular has taken a lead in trying to improve things. We will continue to look for ways to improve the situation and to discuss different ideas about how we can do so.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): This week the Premier League made a very good announcement that all clubs will cap the cost of away tickets at £30, which will be a great relief to many football fans. However, a more pressing concern for fans, particularly Boro fans who will watch Boro play Charlton this Sunday, is the changing of fixture dates. That game was originally meant to be played on Saturday and fans were given only 17 days’ notice of the change. They had already made travel arrangements and booked hotels for Saturday, so a lot of them will now not be able to attend. May we have a debate about the effect on football fans of the dominance of TV contracts over fixtures?

Chris Grayling: TV coverage has enabled a much broader audience to watch matches and there are still substantial crowds at grounds around the country, but I absolutely understand the hon. Gentleman’s concern. I do not support the idea of last-minute changes that disrupt people’s plans, and I hope the football authorities will listen to what he says. I wish him and his team well for the last few weeks of the season. The interesting question is whether his team and that of the hon. Member for Gateshead (Ian Mearns) will play each other next season, and if so, in which division.

Mark Pritchard (The Wrekin) (Con): May we have a debate on the Rural Payments Agency? Does the Leader of the House share my concern that some small Shropshire farmers who were due to be paid under the basic payment scheme in December 2015 have still not been paid, which is causing real hardship?

Chris Grayling: My hon. Friend has raised this issue before and I understand how strongly he feels about it. Of course, small farmers in particular depend on these payments. It is not acceptable for them to be left in the position where their cash flows are unnecessarily and inappropriately stretched through Government failure. The Rural Payments Agency has made a range of payments—from less than £500 to more than £150,000—covering the full range of small, medium and large-sized farm businesses across all geographic regions and all sectors of the industry. The latest news is that some 80% of small farm businesses and 83% of medium farm businesses have received their payments, but the Secretary of State is well aware of the need to complete the job. We do not want farmers to be put under undue pressure. It is not acceptable for them to be left financially high and dry.

Mrs Madeleine Moon (Bridgend) (Lab): As chairman of the all-party kidney group, may I say welcome to World Kidney Day? Autosomal dominant polycystic kidney disease accounts for one in four kidney dialysis patients and kidney transplants. I know that the Leader of the House is allergic to anything to do with Brussels, but a Brussels declaration calls for a debate on the need for a national co-ordinated approach to polycystic disease, clear funding of research, patient-centred care pathways,
and information about, as well as access to, nephrologists, who are knowledgeable about polycystic kidney disease. May we have a debate on this urgent and important matter?

Chris Grayling: I absolutely understand the need to provide high-quality services for patients affected. That is one reason why we continue to push up the budgets for the national health service. The important thing is to take the right decisions in the right ways for patients in this country, and that is what this Government are doing through the investment in healthcare.

Philp Davies (Shipley) (Con): May we have a debate urgently on English votes for English laws? The farce yesterday, when we learned that the SNP stands for “Scottish, no principles” rather than anything else its Members claim, made it abundantly clear that we do not actually have English votes for English laws. May we have a debate, so that we can get this straightened out once and for all and deliver what the English public think is meant by English votes for English laws? In the meantime, may we have a policy whereby every time the SNP vote on an issue that is devolved to them in Holyrood but affects only England, we transfer those powers back from Holyrood to this Parliament, so that if SNP Members want to vote on these issues in Westminster, we deliver the decision for them?

Chris Grayling: My hon. Friend, as ever, has innovative ideas about how to deal with the situation. He is absolutely right to talk about principles and the SNP. We stood for election on a manifesto that stated that we would provide the English with the ability to say no to a measure being imposed on them by Members of Parliament from other parts of the United Kingdom. The SNP has argued all along that we should get rid of that reform, which we stood on and implemented, and yesterday we learned why. Not only does the SNP want to interfere in matters such as those that were discussed yesterday, but it clearly also wants to team up with the Labour party and impose on England solutions that the English do not want.

Liz McInnes (Heywood and Middleton) (Lab): Like my hon. Friend the Member for Dewsbury (Paula Sherriff), I have been approached by small businesses in my area regarding the Chancellor’s decision to end the business rate relief scheme for small businesses from April 2016. From next month, around 1,000 small shops in the borough of Rochdale will face extra bills of up to £1,500 a year. To many of those small shops, £1,500 is the difference between survival and going bust. May we have an urgent debate in Government time on the difference between survival and going bust. May we?

Chris Grayling: The purpose of impact assessments and things such as the family test is to enable the House to take an informed decision. Such tests are less a bar over which a measure needs to jump than a package of measures on which the House can form its decisions. The Government’s intention remains to keep the House as fully informed as possible so that it can take those decisions.

Jim Shannon (Strangford) (DUP): Last month I raised the case of Islam al-Beheiry, who was convicted in Egypt of contempt of religion under article 98 of the penal code and sentenced to five years in prison with hard labour. Only a few weeks ago, a teacher and four Christian schoolboys aged only 16 were sentenced to five years in an adult prison for making an obnoxious mock Daesh video. Will the Leader of the House agree to a statement on the steps that the Government are taking to stem the worrying rise in blasphemy and contempt of religion charges in Egypt, and on the efforts that are being made to call for clemency for the four Christian schoolboys, their teacher and Islam al-Beheiry?

Chris Grayling: As always, the hon. Gentleman is an important champion for members of the Christian faith, and I commend him for that. I do not know about the specific details of the case that he has raised, but I will make sure that the Government give him a proper response and that the relevant Minister is aware of the concerns that he has raised.

Chris Davies (Brecon and Radnorshire) (Con): Following astronaut Tim Peake’s inspirational call to pupils in Brecon and Radnorshire’s excellent high schools of Builth Wells, Gwernyfed, Brecon and Crickhowell last weekend, may we have a debate on promoting the capitalise on pupils’ Peake-ing interest in science, and so that we can continue to lead the world in scientific research and development for generations to come?

Chris Grayling: My hon. Friend makes an important point. We celebrated the moment when Tim Peake went into space, but I think we should also celebrate the contribution that he has made since. We have had regular interactions with the international space station. He has talked about the work that he is doing, and he has talked to young people to inspire them about the potential of science. Long may that continue, and long may there be role models such as him to encourage people to create an exciting, innovative scientific future.

Steven Paterson (Stirling) (SNP): Contact the Elderly is a small national charity in Scotland, which aims to alleviate the loneliness felt by many older people who live alone by organising monthly afternoon tea get-togethers. I will be joining one on Sunday in Kippen in my constituency. Such community support initiatives are conceded the negative impact of the proposals on the family. Will the Leader of the House confirm that for all primary and secondary legislation, a family test will be published at the beginning, rather than at the end, of proceedings? In addition, will he inform us of what will happen if legislation does not pass the family test?
excellent and inspiring. May we have a debate to discuss the range of such initiatives across the country, so that we can all learn from them?

Chris Grayling: As I said earlier, I very much support the idea of having such a debate, and there is a real opportunity to do so. In the past, we tended to have fixed times in the calendar to debate things such as veterans issues. Such debates are now in the gift of the Backbench Business Committee, which has a real opportunity to provide time for a debate to mark volunteering across the United Kingdom.

On the Backbench Business Committee, I forgot to say earlier that I hope it will give due consideration to providing at least part of the time available on the Thursday before the recess for a traditional pre-recess Adjournment debate.

Jason McCartney (Colne Valley) (Con): I join the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) in welcoming the Premier League’s announcement on capping the price of football tickets for away matches next season. Is the Leader of the House aware that my team, Huddersfield Town, will offer a season ticket for just £179 next season, or £7.80 a game, which is great value in the championship? Will he allow time for a debate on the cost of football tickets, which is so important for fans across the country?

Chris Grayling: I absolutely applaud what Huddersfield Town are doing. The point about clubs such as Huddersfield Town is that they play such an important community role as well. I know Huddersfield Town are very involved in charitable activities across the town. I pay tribute to everyone at the club for ensuring that they play such a role in the community and for doing what they can to give fans the opportunity to go to see the team play on an affordable basis—and may it succeed on the pitch as a result.

Kevin Brennan (Cardiff West) (Lab): May I wish my daughter Siobhan a happy birthday next Tuesday? On the matter of Wales against England, I hope that the better team—not the “best” team—wins, and let it be Wales.

On EVEL, I have had an idea while sitting in the Chamber. Could we not use the Annunciator to have subtitles while we go through the EVEL procedure, which we did last night, so that Mr Deputy Speaker would not have the impossible task of explaining what in EVEL’s name is going on?

Chris Grayling: I think that the process is fine. We will review it after 12 months. If the hon. Gentleman has ideas about how to improve it, I will be very happy to listen to him. What I will not do is reverse the gesture we have made to the English of saying, “You have a part of the devolution package as well.” I do not think a position under which the Scots, the Welsh and the Northern Irish can have devolution while the English are left out is remotely acceptable. We have no intention of going back on it.

Richard Benyon (Newbury) (Con): West Berkshire Council is a very well run authority, but it has been forced by a bizarre funding formula to do the very un-Conservative thing of raising taxes and cutting services for people in need. Alongside that, there are the perverse actions of the Valuation Office Agency. At the click of a bureaucrat’s button, it can wipe millions of pounds of business rates on large sites away from a small unitary authority. May we have a debate about the actions of the Valuation Office Agency to try to get some common sense on how small local authorities are funded?

Chris Grayling: My hon. Friend makes an important point. I will draw his concerns to the attention of my right hon. Friend the Secretary of State for Communities and Local Government. My hon. Friend may also wish to raise that matter in the Budget debate next week. As I said earlier, it is likely that the issue of business rates will be raised then.

Greg Mulholland (Leeds North West) (LD): On 2 December, the Prime Minister promised the House that he would make quarterly statements on the involvement of British military forces in Syria. There should therefore have been a statement by 2 March, but there has not been one. May we please have an urgent statement? When are we going to have the first of these vital quarterly updates?

Chris Grayling: The hon. Gentleman was clearly not in the Chamber last week, because I said that there would indeed be such a statement before the Easter recess.

Mr David Nuttall (Bury North) (Con): May I add my voice to the calls for a debate on having genuine English votes for English laws? Despite the recent reforms, yesterday proved that the votes of Scottish MPs can still stop my constituents enjoying the same freedoms that their constituents enjoy.

Chris Grayling: My hon. Friend makes an important point. We should remember that, when we debated English votes for English laws, the Scottish National party said, “You don’t need this. When there is an England-only measure, we don’t take part anyway.” Yesterday, we discovered that that promise was paper-thin.

Christina Rees (Neath) (Lab): On Tuesday, we celebrated International Women’s Day with a superb debate in the Chamber. I pointed out the grave inequality that only fathers’ names, not mothers’ names, appear on marriage certificates. The Prime Minister agrees that mothers’ names should be added, but does not have legislative time to do so. I have a nifty little private Member’s Bill to add mothers’ names to marriage certificates at little cost, which is up for its Second Reading again tomorrow. May I urge the Government to adopt my Bill or to give it the heave-ho into Committee, where they can amend it, or please can we have a debate in Government time?

Chris Grayling: I am afraid that the hon. Lady is running into a long queue at the end of the Session for private Member’s Bills, but the Government’s commitment stands.

Nigel Huddleston (Mid Worcestershire) (Con): This week is English Tourism week, so will my right hon. Friend find time for a debate on the important contribution made by tourism to the UK economy? A record 35.8 million
Chris Grayling: We absolutely want more tourism in Worcestershire, and although hon. Members will spend much of the recess hard at work in their constituencies, I hope there will be a moment for them to pay a visit to Worcestershire and take advantage of the fine hospitality that they will find. I am sure my hon. Friend would be delighted for the whole House to visit.

Vicky Foxcroft (Lewisham, Deptford) (Lab): The leader of the House will know that I have been calling for support across the House to address the root causes of serious youth violence. We had a Backbench Business Committee debate on that issue last week, and earlier this week the Justice Secretary confirmed that he will report back to the House on progress made by his Department. Will the Leader of the House explain how that will happen, and when we can expect that report?

Chris Grayling: My right hon. Friend makes an important point. Many young people who struggle at school do so because they are dyslexic. I have already discussed that with the Secretary of State, who assures me that part of the training module for teachers now contains work to help them to build an understanding of dyslexia. My hon. Friend will no doubt continue to ask questions on that subject, and ensure that we do whatever we can to enhance that work to help those young people.

Henry Smith (Crawley) (Con): May we have a debate on the importance of raising the profile of dyslexia teacher training, which many people are concerned is not getting the focus that it needs?

Chris Grayling: My hon. Friend makes an important point. Many young people who struggle at school do so because they are dyslexic. I have already discussed that with the Secretary of State, who assures me that part of the training module for teachers now contains work to help them to build an understanding of dyslexia. My hon. Friend will no doubt continue to ask questions on that subject, and ensure that we do whatever we can to enhance that work to help those young people.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): I am sure that the Leader of the House will join me in welcoming the Government’s two other debates last night in the other place on the Immigration Bill. Will he encourage the Immigration Minister to confirm in a statement whether the Government will use last night’s vote as motivation to start treating asylum seekers with the respect and dignity that they deserve?

Chris Grayling: That is a first—I cannot remember the last time that I heard the Scottish National party praise what has happened in the House of Lords. I think that our record of treating asylum seekers bears comparison with any in the world, and I will not hear anybody say otherwise.

Richard Drax (South Dorset) (Con): May I congratulate my right hon. Friend on his excellent contribution on Radio 4, and his excellent speech? May we have a speech in Government time on the merits of leaving the EU, which I suggest be entitled “Project Hope”?

Chris Grayling: My hon. Friend tempts me, but he must bear in mind that the Government’s formal position is to recommend that Britain stays in the European Union. We will, of course, have lively debates in the House and the country about what should happen, and in June the British people will decide.

Barry Gardiner (Brent North) (Lab): The Leader of the House will be aware that, three days ago, the Institutional Investors Group on Climate Change, which represents £13 trillion of assets under management, wrote to the Chancellor to press for regulation to ensure mandatory corporate disclosure of climate risks. May we have a debate in Government time on the mandatory reporting of climate risks, so that there is transparency about the financial health of our corporate sector, and so that the confidence of such an enormous body of investment funds can be increased?

Chris Grayling: The hon. Gentleman is another person for us to wish a happy birthday. This country is at the leading edge of combating climate change, and we have adopted targets that stand comparison with any in the world. However, there is a point at which simply putting additional reporting requirements endlessly on to business leads to us having fewer jobs in the country, rather than more, and that is not something I support.

Alex Chalk (Cheltenham) (Con): Last year, £10 million of funding for essential upgrades to Cheltenham Spa railway station was announced. As tens of thousands of people arrive in Cheltenham for the superb jump racing festival, we are reminded how necessary those upgrades are. May we have a debate on the delivery of railway station funding pledges, to establish what more can be done to get work started?

Chris Grayling: We have just missed Transport questions, which took place earlier this morning, but I am sure my hon. Friend will be able to secure an Adjournment debate to press that issue if he wishes to do so. May I wish him and his constituents well for what is one of the best racing events in the country, although it is perhaps not quite as good as the Epsom Derby.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Tomorrow, I will be visiting my constituent Walter Brown from Dukinfield, who is 90 years of age and has just been awarded the Légion d’honneur by the Government of France in recognition of his role in the liberation of France in 1944 as a Royal Marine Commando. We are supposed to request a debate in this part of our proceedings, so may I simply request a debate on what a privilege it is to represent somebody such as Walter Brown in the House of Commons? May I also request that the whole House puts on the record its thanks and congratulations to him?

Chris Grayling: I absolutely agree with what the hon. Gentleman says; I have a gentleman in my constituency who is in the same position, and it is a real tribute to the Government of France that they have seen fit to honour in this way a group of people who risked their lives to try to save France from the Nazis and did so successfully.
[Chris Grayling]

We should always remember them and be grateful to them, and I am very glad the French have recognised that.

Bob Blackman (Harrow East) (Con): You will be aware, Mr Speaker, that on previous occasions I have raised the issue of hundreds of casual labourers congregating outside B&Q in Queensbury, on the border between my constituency and that of the hon. Member for Brent North (Barry Gardiner). I am pleased to say that Harrow Council and Brent Council have introduced a public space protection order, under which anyone who picks up those casual labourers will be liable for a fixed rate penalty of £100. Can we find time to debate the matter in this House, because we find this problem across the country and public space protection orders could be put in place to stop that unauthorised activity?

Chris Grayling: That is an important issue. The Business Secretary will be here on Tuesday and I will ask him to be prepared to address it then. All too often, the people who are to be found looking for work in these places are operating within a gangmaster culture that is below the radar and not within the legal framework of work in this country, and it is likely that they are being exploited.

Peter Kyle (Hove) (Lab): Last year, Sir Nicholas Macpherson said that he would not hesitate to call in the police if the Budget were leaked. Should any stories about this year’s Budget appear in the papers this weekend, will the Leader of the House join this most senior of officials in calling for the police to investigate, and will he give time for this House to debate it?

Chris Grayling: I am sure that, if the civil service and the permanent secretary at the Treasury think anything untoward and illegal has been done, he will take appropriate action.

Andrew Stephenson (Pendle) (Con): Last Saturday, I joined hundreds of residents at the only municipal golf course in Pendle, Marsden Park, to protest against plans by Pendle Borough Council to close the facility. The Labour and Lib Dem-run council claims that shutting the course would save £50,000 a year and blames cuts in central Government funding. However, in the same month the council voted through that cut, it spent an estimated £300,000 buying the former—now unused—Colne health centre, which needs a further few hundred thousand pounds spending on it. The council has admitted that it has no plans for what to do with it. May we have a debate on the shocking mismanagement by my local council?

Chris Grayling: As ever, my hon. Friend is a very articulate representative of his constituents and a very appropriate critic of his local Labour council. The truth is that around the country, where difficult decisions are having to be taken by councils, one finds Conservative ones taking a thoughtful approach and finding new ways of delivering services well, while Labour councils are taking dumb decisions such as the one he has just mentioned.

Justin Madders (Ellesmere Port and Neston) (Lab): As my hon. Friend the Member for Dewsbury (Paula Sherriff) and for Heywood and Middleton (Liz McInnes) have mentioned, the Chancellor’s decision on retail rate relief is causing great consternation, with small businesses now having to find an extra £1,500 a year. In the Cheshire West and Chester area alone, some 1,472 businesses will have to find an extra £1.8 million next year. Given the Chancellor’s warnings of impending storm clouds, can the Leader of the House assure us that there will be sufficient time over the next few weeks to debate whether this is really the right time to start clobbering small businesses with more taxes?

Chris Grayling: I can absolutely assure the hon. Gentleman that time will be available, because there will be four days for the post-Budget debate. He talks about clobbering businesses. I just remind him that for 13 years businesses suffered at the hands of a Government who did not understand them and regulated in a way that caused them deep problems, halving our manufacturing sector.

Tom Pursglove (Corby) (Con): Ministers have been very willing to engage on the steel issue, but, in advance of the Budget next week, will there be an opportunity to put the case for a business rates holiday for the industry to the Chancellor on the Floor of the House?

Chris Grayling: There will be an opportunity to put that to the Chancellor. However, the Business Secretary, who has been working very closely with the steel industry, will be here on Tuesday. I suggest my hon. Friend raises that point with him then. I will make sure his concerns are drawn to the attention of both Departments today.

Alan Brown (Kilmarnock and Loudoun) (SNP): I apologise for leaving the Chamber earlier on, Mr Speaker. It was somewhat ironic when I came back. I am now the only SNP Member who has actually got a cheer from Conservative Members in the past two days.

Will the Leader of the House make a statement outlining why his title is not a complete misnomer? The Enterprise Bill was farcical from almost start to finish. On Second Reading, the House was asked to vote on amendments that had not been seen. The Government took an assumed view on the SNP position, which we now know was wrong. A late manuscript amendment was tabled but not taken. Then the Government Minister pleased with the House to vote with him, because he was not going to implement what was in the Bill. As I say, it was a farce from start to finish. May we have a statement outlining when leadership was shown by the Leader of the House and the Government?

Chris Grayling: I am sorry, but the only farce around here is the approach the SNP has taken to all of this. SNP Members did not vote against the measure in Committee, but then decided to vote against it later. They tell us that that was for reasons of principle, but we know it was for reasons of opportunism.

Mr Stewart Jackson (Peterborough) (Con): May we have a debate on openness and transparency in the disbursal of EU funds to local government? My right hon. Friend may know that this week we had a serious outbreak of Stockholm syndrome in the east of England, as eight local authority leaders backed the EU remain campaign in the pages of the Eastern Daily Press. Is it not important that voters know what level of funding,
from all forms of the European Union, has induced this self-interested plea to hand more powers and money to Brussels?

Chris Grayling: In this country, we have well-established principles of transparency in our political system. In the coming months it will be important that people who have a financial link to the European Union, whichever side of the argument they may be on, make that clear as they make their arguments.

Apprenticeships

11.57 am

The Minister for Skills (Nick Boles): With permission Mr Speaker, I would like to make a statement about apprenticeships. As you know, Mr Speaker, I am evangelical about apprenticeships. We do not always agree with each other on every question, but I know that to a woman and to a man, all my right hon. and hon. Friends share this passion.

We believe in apprenticeships, because they are one of the most powerful motors of social mobility and productivity growth. An apprenticeship represents opportunity, aspiration, ambition—things that we Conservatives cherish. Apprenticeships make our companies more competitive. Some 70% of employers report that apprentices help to improve the quality of their product or service. They offer people a ladder to climb, with both higher pay and a sense of personal fulfilment at the end of it. A level 2 apprenticeship raises people’s incomes by an average of 11% three to five years later. A level 3 apprenticeship delivers a 16% boost.

Apprenticeships improve the diversity of the workplace: 53% of the people starting an apprenticeship in 2014-15 were women; 10.6% were from a black or other minority ethnic background, up from 8% in 2009-10; and 8.8% had a disability or learning difficulty. An apprenticeship can take you anywhere. Sir Alex Ferguson did one. So did Jamie Oliver. And Karen Millen. And Sir Ian McKellen. So, too, did the chairmen of great businesses such as Crossrail, WS Atkins and Fujitsu.

The Government have great ambitions for our apprenticeships programme. In the previous Parliament, 2.4 million people started an apprenticeship; by 2020, we want a further 3 million to have that opportunity. We do not just want to see more apprenticeships; we want better apprenticeships in more sectors, covering more roles. The first thing we need to do is persuade more employers to offer apprenticeships. At the moment, only about 15% of employers in England do. In Germany, the figure is 24% and in Australia 30%.

We are therefore introducing a new apprenticeship levy that will be paid by all larger employers—those with an annual payroll bill of £3 million or more. This will help us to increase our spending on apprenticeships in England from £1.5 billion last year to £2.5 billion in 2019-20. Employers who pay the levy will see the money they have paid for English apprenticeships appear in their digital account. They will be able to spend it on apprenticeship training—but only on apprenticeship training—and as my right hon. Friend the Chancellor has emphasised, employers will be able to get out more than they put in.

We are also making sure the public sector pulls its weight and follows the fantastic example of our armed forces, which, between them, employ 20,000 apprentices at any one time. We plan to introduce a new target for public sector organisations employing over 250 people in England. They will be expected to ensure that at least 2.3% of their staff are apprentices. We are using the Government’s power as a customer too. Procurement rules now stipulate that bidders for central Government contracts worth more than £10 million and lasting over 12 months must demonstrate their commitment to apprentices.
[Nick Boles]

We are not only committed to greater quantity; we want to see better quality too. We have already stopped the short-term, low-quality, programme-led apprenticeships developed by the last Labour Government. They made a mockery of the concept and tarnished the brand. We are now asking groups of employers to develop new apprenticeship standards that will help them fill the skills needs created by new jobs and new industries. Some 1,300 employers are involved in this process, and we have published 210 new standards so far. A further 150 are in development. We are also establishing a new employer-led institute for apprenticeships to approve these new standards and ensure that quality is maintained.

Sixty of these new standards are higher and degree apprenticeships. We want everyone making a choice about their next steps after the age of 16 or 18 to know that the decision to do an apprenticeship is not a decision to cap their ambition or turn down the chance of a degree. It is simply a decision to progress in a different way—to learn while they earn and to take a bit more time, to bring home a wage and avoid large student loans. Next week is National Apprenticeship Week. I hope that the House of Commons will today speak with one voice. Apprenticeships are for everyone and can take you anywhere. I commend this statement to the House.

Mr Gordon Marsden (Blackpool South) (Lab): I thank the Minister for limited advance sight of the statement. I suppose we should all be grateful, after the turmoil of yesterday, that it did not just turn up in manuscript.

What has turned up—if I can put it this way—is a dance of the seven veils. The Minister’s statement is simply a rehash of much of what was already said in the “English Apprenticeships” document. That is what concerns the sector: fine words butter no parsnips. The procurement rules he mentions are a pale shadow of what Labour developed by the last Labour Government. They made a mockery of the concept and tarnished the brand. We want to see better quality too. We have already stopped the short-term, low-quality, programme-led apprenticeships developed by the last Labour Government. They made a mockery of the concept and tarnished the brand. We are now asking groups of employers to develop new apprenticeship standards that will help them fill the skills needs created by new jobs and new industries. Some 1,300 employers are involved in this process, and we have published 210 new standards so far. A further 150 are in development. We are also establishing a new employer-led institute for apprenticeships to approve these new standards and ensure that quality is maintained.

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The Minister has told us that he is evangelical about the National Apprenticeship Week and the National Apprenticeship Service, and stop sounding like some old Soviet five-year planner on his tractor targets.

With concerns about the quality of these apprenticeships, will the Minister tell us who will supervise the operation of the apprenticeships levy? Will it be the Apprenticeships Delivery Board or the board of the institute for apprenticeships? What has he to say to the Chair of the Business, Innovation and Skills Committee, my hon. Friend the Member for Hartlepool (Mr Wright), who, I am told, said this morning, “No one knows what the apprenticeship levy is going to look like. It’s coming in a vacuum of darkness, and I am concerned that it’s just a numbers game.”

What will the Minister tell the Public Accounts Committee, which is so concerned about the direction of his Department that it has recalled the Secretary of State and the permanent secretary for a second grilling before Easter? Finally, perhaps he would like to tell us how he expects to deliver the 3 million target and implement the levy over a very short period with the resources or simply an Osborne payroll tax?

Will the Minister confirm how much he expects the levy to raise, and whether it will be more or less than the £1 billion he said he hoped to add to spending on apprenticeships in England? The Department was supposed to respond to the consultation on the targets for apprenticeships in public sector bodies by 4 March. Has it done so? When will he do so? There is confusion and concern among local government and others about who will be affected. Will he spell out in far greater detail how small and medium-sized enterprises will benefit from the process, and what does he have to say to the Chartered Institute of Taxation, which worries that smaller businesses will be unable to use their full £15,000 allowance?

The Minister has told us that he is evangelical about apprenticeships, but Members and the business sector want to know whether he will be too catholic in the definition. Perhaps he should avoid tarnishing his own brand by cheap politicking about the Labour Government, who set up both National Apprenticeship Week and the National Apprenticeship Service, and stop sounding like some old Soviet five-year planner on his tractor targets.

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Nick Boles: It is amusing to be accused in a relatively short statement from the hon. Gentleman of being a Catholic, a Soviet planner and a dancer with seven veils. I will want to put that in my epitaph.

I will try to answer the hon. Gentleman’s questions. First, to be clear, in the last year of the last Labour Government, public spending on apprenticeship training was £1 billion. It is now £1.5 billion. By the end of this Parliament, it will be £2.5 billion in England. That is extra money in anyone’s book. Not a single education budget or, indeed, other public service budget is increasing as fast.

The apprenticeship levy will raise £3 billion in 2019-20, and £500 million will be needed to make adequate and fair contributions to the Scottish Government, the Welsh Government and the Northern Ireland Executive to fund, I hope, their apprenticeship programmes, but that is, of course, for them to judge. All the remaining £2.5 billion will be spent on English apprenticeships.

The hon. Gentleman asks how small and medium-sized businesses, which will not pay the levy, will nevertheless benefit from Government funding for apprenticeships. We expect them to carry on receiving Government money for apprenticeships in the same way as they do now. We do not expect all companies that pay the levy to use up all the money in their digital accounts, and there will be a great deal more money to go around, so we are absolutely determined that the level of apprenticeships provided by SMEs will continue as now.

The operation of the levy as a tax is obviously in the hands of Her Majesty’s Revenue and Customs. The operation of the digital system used to give employers control of the apprenticeship levy that they have contributed will be the Skills Funding Agency’s responsibility. The institute for apprenticeships will, as I have described, have complete responsibility for overseeing standards and quality control.
The hon. Gentleman and, indeed, the Chair of the Business, Innovation and Skills Committee—I look forward to hearing from him, no doubt—would like answers to many more questions. They will have to wait just a little. The Chancellor will make his Budget statement next week, after which more technical details will be provided, so that everyone knows well in advance how the levy will work.

Wendy Morton (Aldridge-Brownhills) (Con): I welcome the Minister’s statement today. Since the election, more than 4,000 apprenticeships have been created in my constituency, Aldridge-Brownhills. Will the Minister join me, particularly in the run-up to National Apprenticeship Week, in thanking all the businesses, organisations and our local colleges that have helped to deliver those apprenticeships? Will he assure me that we will continue to ensure that the public sector plays a greater role in giving new opportunities to young people and women?

Nick Boles: It is excellent news to hear how many apprenticeships have been created in my hon. Friend’s constituency. She is right that the public sector to date has not been pulling its weight—its proportion of apprentices is not the same as that among employees as a whole—so we will impose the target on larger public sector employers. Public sector organisations will discover what private sector ones know: apprentices help them to do a better job.

Ronnie Cowan (Inverclyde) (SNP): I thank the Minister for an advance copy of his statement. I am a little surprised at the timing, given that apprenticeship week in Scotland was last week rather than next week, so it would have been beneficial for us to have the statement then. The Scottish Government have recognised the importance of apprenticeships for some time. Indeed, the Scottish Government are committed to creating 25,000 modern apprenticeships a year, which encompasses 80 different types of modern apprenticeships.

With that in mind, I would be interested to hear what consultation has taken place with the Scottish Government on this important issue. I do not doubt the Minister’s good intentions to create apprenticeships—we should all welcome that—but I question the method used to raise the money and its sustainability. The introduction of an apprenticeship levy remains a matter of fundamental concern for us. It encroaches on our devolved responsibilities and is causing concern for employers; it has also come under criticism from a wide number of organisations, including the CBI and the Chartered Institute of Taxation.

The levy will have a knock-on effect for apprenticeships in Scotland, so we call on the UK Government to consider the economic impact that this measure will have.

I would like the Minister to reflect on the fact that Police Scotland will have to pay out up to £4.5 million a year on the UK Government’s plans for an apprenticeship levy, prompting warnings that finding extra cash savings will be “virtually impossible”. The UK Government have still to provide clarity on how Scotland’s share of the levy raised will be calculated and transferred to the Scottish Government. When will we get that clarity from the UK Government?

Nick Boles: It is, of course, great news to hear about the Scottish Government’s commitment to apprenticeships. Because they will now receive substantial extra revenue from their share of the revenue raised by the apprenticeship levy, I hope they will be able increase from 25,000 apprenticeships a year to a rate that is more equivalent to the one that we have an ambition for in England. The hon. Gentleman mentions the problems faced by Police Scotland. On the whole, it would be fair to say that the level of the apprenticeship levy is not the greatest problem facing Police Scotland.

Richard Drax (South Dorset) (Con): I thank my hon. Friend for agreeing to come down to Weymouth shortly to open our third apprenticeship fair at Weymouth College. The new principal, Nigel Evans, has just been appointed, and I greatly look forward to seeing him. May I add one slight note of caution? As a Conservative, I do not like levies—instinctively—so let us call it a tax. Has the Minister had any response from big business about its fears for the future if, heaven forbid, a socialist Government ever took over, because this could be an area of taxation that they might want to increase for other reasons?

Nick Boles: Any excuse to go to Weymouth—and I am your man, Madam Deputy Speaker. I am grateful to my hon. Friend for inviting me. Like him, I feel an innate scepticism about a new levy on business, but if we talk to large businesses, particularly the ones that are investing in apprenticeships, we find that they say that some of their competitors do not, which restrains the overall level of investment in apprenticeships, because some are taking a free ride on the rest. We are introducing this levy to ensure that all large employers are making this investment, but we are giving them control of the money, so that they can spend it on the apprenticeships that benefit them. If we have to have a new levy—I agree that we should do so only as a last resort—it is best to have one that employers control and from which they can benefit.

Mr Iain Wright (Hartlepool) (Lab): It is always nice to see the Minister and it is always welcome to discuss apprenticeships in this place. The Enterprise Bill mentions the public sector apprenticeship targets. Given that we discussed that Bill both yesterday and the day before, why was not the public sector apprenticeship target mentioned then? Will there be a need for new legislation? The statement referred to the need to persuade more employers to offer apprenticeships, and the levy will be the means by which this happens. Will the Minister provide more information—any information—about the 98% of employers who will not pay the levy? In a previous response, he seemed to suggest that nothing would change or that large employers would somehow benevolently give away this levy receipt. Clarity is crucial for the success of the 3 million apprenticeship target. Will he provide more clarity, and if not, what is the point of his statement?

Nick Boles: First, I am grateful to the hon. Gentleman for returning to the subject of the public sector target, because it gives me an opportunity to respond to one of the questions asked by the hon. Member for Blackpool South (Mr Marsden). It was not the case that we were due to respond to the consultation on the public sector
target by 4 March; rather, it was that the consultation closed on 4 March. The hon. Gentleman will understand that it takes more than six days to go through all the consultation responses and decide on our response.

We do not need legislation—I mean primary legislation—to create that target, which is why it was not necessary to include provisions in the Enterprise Bill. I understand the hon. Gentleman’s impatience—to some extent I share it—to get the details on how exactly the levy will work and the new digital accounts system will work as it goes out to all employers. I can assure him that more than 12 months’ notice will be given to everyone. We will publish very soon, but he will be aware that there is a Budget next week and he will also know that it would be a career-limiting move for me to anticipate the Chancellor in his Budget statement.

Chlöe Smith (Norwich North) (Con): The Prime Minister came to my constituency last August to launch the consultation on the apprenticeship levy. I would like to support the Minister in looking to increase quality by asking employers to make their own choices through the Digital Apprenticeship Service. Will he update us on progress towards making that system ready?

Nick Boles: Yes, and this provides an opportunity to put on record my thanks to my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi), who is unfortunately not able to be with us today, but who is the Prime Minister’s adviser on apprenticeships. He has a great deal of experience in business of leading major technology projects. He has been immensely helpful in working with the Skills Funding Agency and officials in my Department to create a system that will be simple and user-friendly for businesses, providing them with absolute transparency over how much money they have contributed and what they can spend it on. This will also enable training providers to continue to take responsibility for ensuring that the training they have promised to deliver is in fact delivered.

Andrew Gwynne (Denton and Reddish) (Lab): As the Member responsible for the Apprenticeships and Skills (Public Procurement Contracts) Bill in 2013, let me welcome the Government’s conversion to using the benefits of public procurement to secure additional apprenticeships. I note that it was Conservative Back-Bench Members who talked out my Bill when it was going through the House of Commons. The Minister said in his statement that the public procurement rules now stipulate that bidders for Government contracts must demonstrate their “commitment to apprenticeships”. Precisely what does that mean?

Nick Boles: I would like to pay tribute to the hon. Gentleman’s leadership on this issue. Sometimes Government Members take a while to be persuaded of the merits of an intervention, but once persuaded, we are absolutely determined to fulfil it. The hon. Gentleman is right to ask about the mechanics. We have been advised—not least by Terry Morgan, the chairman of Crossrail, who led the way by instituting a similar sort of expectation for all subcontractors to Crossrail—that given the variety of public procurement such as infrastructure projects and services, it was dangerous to impose a single mechanism of either a number of apprentices per £1 million-worth of spend or a percentage of employers on a project. We thus decided to mix and match to make the right requirement depending on what the procurement process is. We will be transparent about how we are going to achieve that.

Jack Lopresti (Filton and Bradley Stoke) (Con): I congratulate my hon. Friend on his statement and I agree with him. I, too, am an evangelical supporter of apprenticeships. We in the office have an apprentice, young Jake Carruthers, who is doing an amazing job. Does my hon. Friend agree that apprenticeships perform a valuable role in protecting our country, not only in maintaining and enhancing our sovereign defence capability, but through the large number offered throughout the armed forces?

Nick Boles: The armed forces really are leading the way on this, and they have done so for a very long time. I would like to put on record my thanks to my right hon. Friend the Secretary of State for Defence, who takes a particularly keen interest. The armed forces are confident that, between them, they will be able to create 100,000 apprenticeships in the life of this Parliament, contributing massively to our target. As so often, where the armed forces lead, we should follow.

Stephen Timms (East Ham) (Lab): The Minister should have the grace to acknowledge that it was a Labour Government that saved apprenticeships from the oblivion to which his party’s previous Governments had consigned them. Apprenticeships are certainly an example of the kind of intervention whose value his party has been slow to acknowledge, and I am glad that he is now doing that. He will be aware of the concern among employers that his 3 million target will be achieved only if the quality of what is on offer is reduced further. Can he give the House some reassurance on that point?

Nick Boles: I am happy to place it on record that it was, mainly, Lord Mandelson who reintroduced the idea of modern apprenticeships, but I will not shy away from pointing out that some of Labour’s policy measures led to programme-led apprenticeships in which the apprentice did not need to have an employer and which lasted only a few months. That rather undermined the quality and the brand of the programme, but we have got rid of those apprenticeships. We have now introduced some simple minimum standards. An apprenticeship must be a job: the apprentice must have an employer. It must last for at least 12 months, and it must have at least 20% off-the-job training content. That is why in some categories we had a short-term dip in the number of apprenticeship starts at the beginning of the last Parliament: we were getting rid of some of the slightly Mickey Mouse apprenticeships that had been on offer.

Mr David Nuttall (Bury North) (Con): When will the Institute for Apprenticeships be up and running, and will it have a role in resolving any problems that might arise with apprenticeships?

Nick Boles: The Institute for Apprenticeships will come into being in a kind of shadow form this spring, after which it will have 12 months to start taking over its
responsibilities before formally taking over in April 2017. Specific complaints about training provision, which sometimes occur, will continue to be dealt with in part by Olsted through its inspections and in part by the Skills Funding Agency, which will manage the relationship with training providers. However, broader complaints about employers or particular apprenticeship standards will indeed be the responsibility of the Institute for Apprenticeships.

Jim Shannon (Strangford) (DUP): Last month, it was announced that 1,080 jobs were to be lost at Bombardier and that its three-year modern apprenticeship programme would suffer as a result. That programme involves a level 3 NVQ and it is one of the most impressive apprenticeship schemes in Northern Ireland, if not in the whole of the United Kingdom. The Minister has indicated that some money has been set aside. Can he tell me what discussions he has had with his Northern Ireland counterpart on establishing some kind of co-operation between Northern Ireland and the mainland UK on apprenticeships in the engineering and manufacturing sectors?

Nick Boles: This is a devolved matter, as the hon. Gentleman knows, but I am happy to reassure him that I have had meetings with the Ministers responsible for apprenticeships in all the devolved Administrations. We have made a commitment to meet every six months to talk through the issues, to learn from each other what works and what does not work, and to ensure that the introduction of the levy actually boosts apprenticeship activity in all parts of the United Kingdom, not just in England.

Henry Smith (Crawley) (Con): I commend my hon. Friend for his statement. Last Friday, I was pleased to host an apprenticeship and jobs fair in my constituency. Will my hon. Friend join me in thanking employers based in Crawley, including Virgin Atlantic, CGG and B&CE, the People’s Pension, for sponsoring the apprenticeship fair and for all that they do in this sector?

Nick Boles: I am delighted to do that, not least because the employers that my hon. Friend has mentioned demonstrate that apprenticeships are no longer narrowly confined to the traditional industries of construction or engineering. People can be apprentice lawyers, apprentice accountants or apprentice digital creators. Some day, they will probably even be able to be apprentice politicians.

Dr Roberta Blackman-Woods (City of Durham) (Lab): The Minister will know that 96% of apprenticeships are delivered at levels 2 and 3. Clearly it is very good that young people and others are getting those qualifications, but is he confident that enough apprenticeship opportunities exist at level 4 and above, to provide clear apprenticeship progression routes for the young people who want them?

Also, I want briefly to point out to the Minister, whom I have some time for, that a lot of us on this side of the Chamber—not least my hon. Friends the Chairman of the Select Committee and the hon. Member for Blackpool South (Mr Marsden)—have made a commitment to meet every six months to talk through the issues, to learn from each other what works and what does not work, and to ensure that the introduction of the levy actually boosts apprenticeship activity in all parts of the United Kingdom, not just in England.

Martin Vickers (Cleethorpes) (Con): I thank the Minister for meeting me and colleagues from the Humber region, along with my hon. Friend the Member of State, Department of Energy and Climate Change, to discuss the establishment of a national wind college in the region. Will he reaffirm the Government’s commitment to giving our young people in the region the maximum opportunities to take advantage of the jobs that are being created in the offshore wind sector?

Nick Boles: Absolutely. One of the reasons that we have established the national college programme is to have colleges that can teach the higher and degree apprenticeships, in particular, for which we are so ambitious. The only reason that there is not already a national college for wind energy in my hon. Friend’s region is that the partners were not quite ready, but we are very happy to work with them on bringing a proposal to the Chancellor once they are ready.

Tom Brake (Carshalton and Wallington) (LD): I should like to start by paying tribute to my apprentice, Callum Morton. If the Minister is doling out praise for those who have contributed to apprenticeships, I hope that he will add Vince Cable to the list, because he played a fantastic role in government. This Government have decided to include in the definition of payroll the bonuses paid to employee owners, although dividend payments to shareholders are not covered. Will this mean that companies such as John Lewis and other employee-owned companies will end up paying more in the levy? If that is the case, will it not act as a disincentive to that model of enterprise?

Nick Boles: I am happy to pay tribute to the work of the former Secretary of State, with whom I worked. He managed to increase the budget for apprenticeship training at a time when most other budgets were not increasing, and that was an admirable feat. I can give the right hon. Gentleman a general answer to his specific question, but I do not want to tread on the territory of Her Majesty’s Revenue and Customs so I will write to him...
with further details. The general answer is that the levy will be applied to all PAYE pay, but I will get a further answer to him, either from me or from an HMRC Minister.

Kelly Tolhurst (Rochester and Strood) (Con): I welcome the Minister's statement this morning. I am a big fan of apprenticeships and I am extremely proud of the fact that in Rochester and Strood we have produced 7,410 apprenticeships since 2010, the fourth highest figure in the south-east. This week, I was at MidKent College, which has had more than 100 new engagements with employers since last September. Can the Minister assure me that the Government will continue to work with our colleges, especially in places such as Rochester and Strood, to ensure that we have the correct provision in place and that we continue to develop it in order to keep up with the demand in constituencies such as mine?

Nick Boles: My hon. Friend makes a very good point. I had a meeting with college leaders just the other day. At the moment, colleges secure only one third of the money that is spent on apprenticeship training. As we have heard, that money is going to increase substantially. I have challenged college leaders on this and I will do everything in my power to help them to secure two thirds of that funding, because a great further education college can be the heart of a community that is investing in young people and local employers.

David Simpson (Upper Bann) (DUP): I welcome the statement from the Minister. We need to encourage companies to take on more apprentices. I am sure that he will welcome the fact that the further education colleges in my constituency are moving to a level 3 apprenticeship right through to diploma level, which is very welcome. Will the Minister tell us just how often his Department meets business and FE colleges to encourage more apprenticeships across the UK?

Nick Boles: Obviously I meet English business, employers and colleges a great deal, but many of those employers are also employers elsewhere in the United Kingdom and want to be able to have integrated apprenticeship programmes, so it is extremely important—I give a commitment to the hon. Gentleman about this—that I work with the devolved Administrations to ensure that apprenticeship standards are recognised in all parts of the UK and that we learn from each other.

Rishi Sunak (Richmond (Yorks)) (Con): I welcome the Minister's clear passion for using apprenticeships to spread opportunity and to raise aspiration in our nation. Tomorrow I am attending an event hosted by the ancient company of fellmongers, which has had more than 100 new engagements with employers since last September. Can the Minister assure me that the Government will continue to work with our colleges, especially in places such as Rochester and Strood, to ensure that we have the correct provision in place and that we continue to develop it in order to keep up with the demand in constituencies such as mine?

Nick Boles: One of the curious things about this job is that one discovers occupations that one has literally never heard of. I have to admit that I still do not know what a fellmonger is. I am sure that I will find out, and perhaps one day I can join an apprentice fellmonger and understand the trade that he has learned.

Peter Kyle (Hove) (Lab): I thank the Minister for his statement. May I point him to a survey that was released not so long ago by the Department for Business, Innovation and Skills that showed that only 9% of young people doing a level 2 qualification were doing so for the first time? He said that most of his agenda was about social mobility, but how can that be compatible with the fact that so few people are doing that level qualification for the first time, and that so few of them are coming out with a higher level qualification than they went in with in the first place?

Nick Boles: The hon. Gentleman is right to point out that there is a problem with people starting courses and not completing them, fundamentally because those courses were inappropriate for them. It is something that we need to tackle, but it is more a subject that we are tackling through the panel that Lord Sainsbury is chairing, which is looking at establishing much clearer and more directive routes through technical education so that a person at 16 starts a course that is right for them, that they will complete and that will lead them—I hope—on to a great apprenticeship.

Amanda Milling (Cannock Chase) (Con): A total of 370 new apprenticeships were started between August and October last year in Cannock Chase, which put us at the top of the tables in Staffordshire and shows that local businesses are really embracing apprenticeships. Does my hon. Friend agree that involving employers in the design and standards of apprenticeships will mean that apprentices get the skills that businesses are looking for? Will he confirm that the employers involved are from a broad range of sectors so that everyone’s requirements are met?

Nick Boles: My hon. Friend is absolutely right about this. It is extremely important not only that employers are in charge of developing standards to ensure that those standards are directly relevant to current occupations, but that we do not involve just the large employers that have human resources departments and senior managers who can go to meetings to help to develop those standards. Before every standard is approved, we insist that small and medium-sized employers in the industry support it.

Ms Margaret Ritchie (South Down) (SDLP): I welcome the Minister saying that he meets his colleagues in the devolved Administrations on a six-monthly basis. Can he provide us with an estimate of how much money is likely to be allocated to the Northern Ireland Executive on a proportionate basis as a result of the increase in the apprenticeship levy?

Nick Boles: The hon. Lady tempts me towards the edge of the abyss, but I can point out to her, because it is a matter of public record, that the apprenticeship levy is due to raise £3 billion in 2019-20, £2.5 billion of which will be spent on English apprenticeships, with the rest going to the devolved Administrations. I cannot tell her how that divides up, but the Chancellor will have more to say on the subject quite soon.
Rebecca Pow (Taunton Deane) (Con): I wholeheartedly support the Government’s promotion of apprenticeships. I have been in discussions with many local businesses, schools and colleges about the value of apprenticeships and the opportunities that they offer young people. Although many businesses, such as the huge accountancy firm Albert Goodman, get it, many really do not. To address the lack of understanding about the matter, I am holding an event, to which I invite the evangelical Minister so that he can spread his passion to help the economy.

Nick Boles: I would be delighted to come. This afternoon, I am going to Keighley so that I can attend an equivalent event tomorrow morning that has been organised by my hon. Friend the Member for Keighley (Kris Hopkins). I would be delighted to return to the west country, where I am from.

Liz McInnes (Heywood and Middleton) (Lab): As part of my apprenticeship as an MP, I have just discovered that a fellmonger is a dealer in hides and skins. Is that right?

Rishi Sunak indicated assent.

Liz McInnes: On to the serious stuff. The Minister said that deciding to take on an apprenticeship was a way of avoiding large student loans. Given that it is his Government who have imposed these large loans, would not another way of helping our young people to avoid them be for the Government to rethink replacing student maintenance grants with loans, or will he simply accuse me of shroud waving?

Nick Boles: Now that I know what a fellmonger is, I trust that my hon. Friend the Member for Richmond (Yorks) (Rishi Sunak) will be able to procure a sheepskin coat for me when I come to visit his local fellmongers.

On the hon. Lady’s question, we want young people to have the choice of taking a full-time university course, with the understanding that they will have to fund that through student loans, which they have to pay back only if they earn more than £21,000, but they get all the university experience and the enrichment that comes from that. We want to place no cap on the number of people who decide to go down that route, but we also want another route for those people who find that they earn a wage and who do not want that full-time university experience. This is about not telling people what to do, but offering them a choice.

Nigel Huddleston (Mid Worcestershire) (Con): I, too, welcome the great progress that has been made on apprenticeships to date and the overall positive tone from across the parties in support of them. The Minister mentioned broadening out apprenticeships. Can he tell me what progress has been made in encouraging apprenticeships in highly seasonal industries, such as farming and tourism?

Nick Boles: I am grateful to my hon. Friend for that question, not least because I have been working with him and others on the possibility of establishing a pilot. Our minimum requirement that an apprenticeship has to last 12 months poses problems for very seasonal businesses, which will employ people for perhaps six or nine months, but not a continuous 12-month period. With the tourism industry, in which he is particularly interested, we are looking at establishing a pilot whereby an apprentice may be employed for 12 months out of a 15-month period. Hopefully, such an approach would encourage more apprenticeships in that and other sectors.

Gavin Robinson (Belfast East) (DUP): When the contracts were agreed for the £97 million Titanic signature project in east Belfast 10 years ago, social contracts and clauses for apprenticeships were novel—and welcome—but it quickly became increasingly clear that while the developer was happy to satisfy the required number of apprentices, it did nothing to sustain them. When apprentices became less inclined to remain in their apprenticeships or fell away, their numbers were not refilled, so the end result was that the apprenticeships were not completed as promised. How will the Minister ensure that, although an apprenticeship must last 12 months, those who enter the system go through and complete the process?

Nick Boles: The hon. Gentleman raises an important concern. The truth is that most industries are telling us that they have a huge skills need, so unless an employer loses a big contract or does not find a new contract to replace one that comes to an end, it is relatively unlikely that they would want to lose an apprentice in whom they had invested quite a lot of training. Most apprentices do not reach their maximum productivity until after they complete their apprenticeship. I am hopeful that employers, and particularly those that are paying the levy every year, will want to create apprenticeships and invest in them, because they will want to use these skills for the long term.

Karin Smyth (Bristol South) (Lab): Bristol South sends the fewest young people to university in the country, so I view apprenticeships as the key to aspiration and share the Minister’s evangelicalism. On his way back from Taunton in the west country, if he wants to stop off in Bristol South to see some of the work that we are doing, he will be most welcome.

Yesterday I asked the Prime Minister whether he had a delivery plan or was making up the policy as he went along: others have described it as iterative and agile. We await the details of the levy, of how the targets will work in practice, and of how colleges and other providers will be supported in their important work. Given that there is a desire to speak with one voice across the House on this subject, will the Minister please say a little more about when the delivery plan will be forthcoming?

Nick Boles: The hon. Lady is right that we have many questions to answer, because we are making substantial policy interventions to try to ensure that we meet our targets for both numbers and quality. If those questions are not fully answered in April, I will be severely disappointed.

Andrea Jenkyns (Morley and Outwood) (Con): The Government are doing fantastic work in promoting apprenticeships. The Minister has been supportive in my constituency, having visited apprenticeship providers in the area, and he is welcome to come back. I am facilitating a meeting with local businesses to set the ambitious target of creating 50 new apprenticeships in
50 days. Apprenticeships represent a fantastic opportunity for young people to earn while they learn and make it far more likely that they will secure future employment. Will the Minister support me in my ambitious plan to get more people into good apprenticeships locally?

Nick Boles: I congratulate my hon. Friend on embracing the cause and on setting herself and local businesses the target of creating 50 new apprenticeships in 50 days, which will be of vast benefit to the people of Morley and Outwood.

Royston Smith (Southampton, Itchen) (Con): I am probably fairly unusual in this place in that I am a former apprentice. Indeed, I am now also a current apprentice, along with some of my new colleagues. I therefore welcome the Government’s commitment to creating another 3 million apprenticeships during this Parliament, in addition to the 2 million created in the previous Parliament. Businesses in my constituency are doing their bit. Will the Minister join me in congratulating and thanking some of the businesses that are creating opportunities for my constituents, such as Redroofs nursery, Rosegarth nursery, the Royal Southampton Yacht Club, and Crest Nicholson?

Nick Boles: I am delighted to do that. My hon. Friend’s list included a house builder, which gives me the opportunity to point out that there are some fantastic apprenticeships at all levels of construction—not only bricklaying and site carpentry, but project management, architecture and the like—as well as in childcare and a whole range of industries. Apprenticeships are a solution to almost every skills need.

Madam Deputy Speaker (Mrs Eleanor Laing): Finally, I call Mims Davies.

Mims Davies (Eastleigh) (Con): Thank you, Madam Deputy Speaker—and then there was one.

I welcome the Minister’s statement ahead of National Apprenticeship Week. Does he agree that it is vital that we encourage the participation of young women in traditionally male-focused apprenticeships? Will he join me in commending the 800 employers that are already working with Eastleigh College, which we have both visited and where I will be this evening? Such businesses are employing talented young women such as Maisie, who visited Parliament this week and is undertaking an advanced apprenticeship in construction and the built environment.

Nick Boles: That is a great note to end on: a young woman who has decided that the opportunities for her future career lie in the construction industry and an advanced set of skills. Last week, when I visited Doosan Babcock, I was introduced to two young apprentice riggers who were moving unbelievably heavy pieces of power plant equipment, and both those young women were absolutely delighted with what they were doing.

Madam Deputy Speaker: I thank the Minister for his evangelical statement.
deal with that and to ask whether the IRA and the army council are still inextricably linked to Sinn Féin, which is in government in Northern Ireland.

Amendment 1 relates to the appointment of two members to the independent reporting commission by the First Minister and Deputy First Minister. I accept that the “Fresh Start” document states that the Executive will appoint those two members, but we are seeking a move away from political appointments because it would be helpful if the appointments were made by a more independent body. When Northern Ireland parties were progressing aspects of the Stormont House proposals last year, it was suggested that the appointment of the proposed historical investigations unit director would also be done by the First Minister and Deputy First Minister. During the many discussions on that process, there was some level of agreement that there could be other, better ways of making that appointment. The Ulster Unionist party put forward suggestions for an independent process, but given others’ concerns about that, the option of the director being appointed by the Northern Ireland Policing Board carried some weight among all the parties involved in the talks.

**Lady Hermon** (North Down) (Ind): The hon. Gentleman will be well aware that the Policing Board was established by the Police (Northern Ireland) Act 2000. In tabling amendment 1, I am sure that the hon. Gentleman has checked that it would be within the Policing Board’s powers to make appointments to the independent reporting commission.

**Tom Elliott**: I thank the hon. Lady for that helpful intervention. We discussed the matter at length during the talks last year, into which all parties had input, including officials from the Northern Ireland Office and the Department of Justice. We felt that the Policing Board could be such a mechanism. I suppose that, in fairness, some people might say that it is still semi-political, and it is, but it has independent members so it can cross the political divide towards independents and lay people.

That is why we felt that it was a good option for making appointments in this process, particularly given the fact that the Deputy First Minister has, by his own admission, said in the past that he was a senior member of the Provisional IRA. Obviously, there is still a question mark over whether he is still a member of the IRA army council.

**Sammy Wilson** (East Antrim) (DUP): Will the hon. Gentleman accept that on the Policing Board there will be members such as Gerry Kelly and Caitríona Ruane who have terrorist backgrounds as well? The situation will therefore be no different from the one he is describing with the Deputy First Minister.

**Tom Elliott**: I thank the hon. Gentleman for that intervention, and I agree with the first aspect of it. Yes, there are members of Sinn Féin and members who were former terrorists on the Policing Board, but the difference is that it is an organisation with a much broader base.

**Lady Hermon**: There are independents, and it is likely that there will be only one member of Sinn Féin on an appointment panel with seven, eight or even nine lay members. Obviously, as things stand, there would be just the First Minister and the Deputy First Minister. There is a significant difference, I think, but I take the point.

**Sammy Wilson** (East Antrim) (DUP): Will the hon. Gentleman also accept that when the decision rests with the First Minister and Deputy First Minister there is a power of veto by one of the Ministers, which would not be the case if members were appointed by the Policing Board?

**Tom Elliott**: I have not seen the option of veto exercised to a great degree with other appointments, so I would have concerns about whether that would work in this case.

By and large, there was a degree of support for the historical investigations unit director possibly being appointed by the Policing Board, but if that appointment was to be made by another independent body, we would be quite happy to consider that. In fact, the Ulster Unionist party initially proposed that the decision should be made by an independent body, not the Policing Board. The proposal to use the Policing Board came from another political party and we said as a compromise that that could be an option, which seemed to engender support.

That is our view. I should have thought that it would have received broad support, but perhaps that is wrong. In general, I think it is important that we try to move away from that political appointment process into a more independent one, because clearly we are dealing with very sensitive issues and material, so it is important that we have people of the right ability and calibre. The Policing Board has a track record. I know, and although I take the point made by the hon. Member for South Antrim about members of Sinn Féin being on the Policing Board, it has appointed the past three Chief Constables, the past three Deputy Chief Constables and a significant number of Assistant Chief Constables. Clearly, the board has done a lot of work on the appointment process for significant police officers and high-profile police officers, so I would argue that as they are well-versed in making such appointments the process might have been better and more independent if they made the decision rather than just the First Minister and Deputy First Minister.

**Mr Jeffrey M. Donaldson** (Lagan Valley) (DUP): We are unable to support the proposition behind amendment 1. We are not against the concept of moving towards greater independence for such appointments, but in the context of getting a political agreement that was not possible, as the hon. Member for Fermanagh and South Tyrone (Tom Elliott) rightly acknowledged. The Stormont agreement therefore gives the responsibility for making the appointment to the Office of the First Minister and Deputy First Minister. I listened carefully to what the hon. Gentleman said and would echo the comments of my hon. Friend the Member for East Antrim (Sammy Wilson)—East Antrim, not South. We have not yet redrawn the boundaries in Northern Ireland, although we are going to.

We have two difficulties with the proposal to use the Policing Board. May I say that having served on the Policing Board, I fully support it as an institution. It does a good job on the whole question of accountability in policing. Our objection is not on the basis that the Policing Board is somehow deficient, but the hon. Member for Fermanagh and South Tyrone revealed his true objective and motivation when he talked about the
suitability of the Deputy First Minister to be involved in this appointment because of his alleged past in the IRA.

I have a lot of sympathy with what the hon. Gentleman is saying, but the difficulty I have is twofold. First, as my hon. Friend the Member for East Antrim rightly pointed out, we have three Sinn Féin members on the Northern Ireland Policing Board: Gerry Kelly, Pat Sheehan and Caitríona Ruane. At least two of those members have past convictions for IRA terrorism, so passing responsibility to the Policing Board does not resolve the difficulty the hon. Gentleman refers to, in terms of victims and survivors of the conflict in Northern Ireland having a problem with anyone from Sinn Féin being involved in the appointments process—a concern I have much sympathy with.

I depart from the hon. Gentleman on the second point made by my hon. Friend, on the question of the veto. The current arrangement that gives us a veto in the office of the First Minister over who is appointed is surely a far stronger safeguard to ensure that the people who are appointed to this very sensitive role are people that the victims and survivors community can have confidence in. If we go to the Policing Board, there is no such veto. Indeed, the political influence on the Policing Board is outweighed by the independent influence. I emphasise that I have nothing against the current structure of the Policing Board; I am merely making the point that if you want to exercise a degree of accountability on this issue and ensure that the people who are appointed to this very sensitive role are appropriate for that role, having a veto gives you the leverage to ensure that that happens, whereas if you pass it to the Policing Board you lose that veto.

For those reasons, we will not be able to support the amendment.

Ms Margaret Ritchie (South Down) (SDLP): I am pleased to serve under your chairmanship, Mr Crausby. I rise to speak in support of amendment 7.

On Second Reading, I said that we must cast our minds back to the reasons for the independent reporting commission. This all emerged in the violence and terrorism of last year when two people lost their lives: Gerard Davison at the beginning of May, in the Lower Ormeau and Markets area of south Belfast; and Kevin McGuigan, somewhere in that same location. As a result of those deaths and the breakdown of relationships around the Executive table, we had negotiations on the Stormont House agreement. During those negotiations, the SDLP circulated papers to the three Governments and all parties on a whole enforcement approach, and a whole community approach. We believe that the answers and the solution must come not only from Government and from political parties but from the wider community. There must be a buy-in to a solution, to the eradication of terrorism, violence and antisocial behaviour and to an upholding of democratic principles. We also believe that, although “Fresh Start” was designed and managed to be a two-party deal, there should have been all-party work on the membership of the independent reporting commission. How can the work of that commission and its mandate, which includes the Irish Government and Dublin representatives, be reconciled with that approach by Sinn Fein?

During the Second Reading debate, I asked the Secretary of State to say precisely what new moneys would be made available to the National Crime Agency and the Police Service of Northern Ireland, when those moneys would be released and what the split between the two would be. That set some of the background for our amendment. Like the Ulster Unionist party, we feel that the credibility of the independent reporting commission would be enhanced if it involved the Executive more widely rather than just the First and Deputy First Ministers. We believe that it is not a Policing Board matter, which is why we have specified that the two members will be appointed by the Justice Minister in consultation with the First and Deputy First Ministers, subject to Executive approval, hence providing the transparency and accountability that are required in this particularly vexatious issue. All of us on these Benches are agreed on one point. We want to see an end to violence, paramilitarism and terrorism. Above all, we want to see the upholding of democratic principles of government and in the wider civic community.

I support our amendment 7 in this group.

1 pm

Mark Durkan (Foyle) (SDLP): In following my hon. Friend the Member for South Down (Ms Ritchie) in speaking to our amendment, I want to deal with a few of the points that have been made about this group of clauses on the independent reporting commission.

At the original Stormont House talks in late 2014, the SDLP proposed that the agenda should include paramilitarism and organised crime. It did not take the murderers that subsequently happened to tell us that that was still a serious issue that should not be ignored in any serious negotiations. Unfortunately, we were not supported by other parties, who seemed to believe that that would somehow not be a problem. So we are now addressing an issue that other parties chose to ignore. Whenever the murders happened last year, a political crisis was created over issues that parties chose to ignore and then dramatically tried to advertise.

Mr Jeffrey M. Donaldson: The hon. Gentleman will forgive us if we take his comments as tongue in cheek, given that we were told after the Good Friday agreement in 1998 that these problems were all being dealt with, and the agreement was a comprehensive approach to resolving the issues relating to our conflict in Northern Ireland. We are still dealing with them 18 years later so he should not point the finger at those of us who warned in 1998 that the agreement was deficient in that regard.

Mark Durkan: Without getting drawn too far away from the subject of the Bill, none of us pretended that the 1998 agreement would absolutely solve the problems or dissolve any of the paramilitary organisations. We committed to a framework for decommissioning and a number of other changes. We consistently supported the existence of the Independent Monitoring Commission to deal with the questions of ongoing paramilitary activity. In this House, whenever the previous Secretary of State, the right hon. Member for North Shropshire (Mr Paterson), announced that the IMC was being wound up, some of us said, “You are taking away the monitoring commission because Sinn Fein has made a
political issue of it, but the issue of paramilitarism has not gone away, and it will come back." We pointed out that something like the IMC would end up being needed. That is exactly what happened last year.

Some of us have been consistent about recognising where there are problems and that they need to continue to be addressed. We were right about the questions arising when the IMC was wound up with no procedure to deal with ongoing concerns. We were right to say that the issue needed to be addressed in the Stormont House agreement. We were right in the proposals that my hon. Friend the Member for South Down has described when we said that we needed an enforcement approach and a whole community approach to secure an end to paramilitarism, as well as all the other changes that were needed to achieve a wholesome society. We were the only parties that advocated such proposals. To an extent, some of the sentiment of that is reflected in the agreement, but in a highly edited, partial and incomplete way, and that is why we have tabled our amendments.

We used to have an Independent Monitoring Commission that reported. Now we have an independent reporting commission. The legislation does not seem able to say "monitor". The "Fresh Start" agreement refers to the term "monitoring", but for some reason "monitoring" is not in the Bill. It is as though the legislation has carefully avoided saying anything that the commission will actually do. So we have to look at the "Fresh Start" agreement to see what the commission might actually do. For some reason, it is avoided in the lengthy clauses of the Bill.

The right hon. Member for Lagan Valley (Mr Donaldson) said that under the "Fresh Start" agreement the appointments, as well as the one appointment by the British Government and the one by the Irish Government, were to be made by the First and Deputy First Ministers. They were not. The hon. Member for Fermanagh and South Tyrone (Tom Elliott) is correct. The "Fresh Start" agreement said that the Executive shall nominate two members. Therefore, our amendment is consistent with what is in the "Fresh Start" agreement. It says that the appointment should be made, rather than by the First and Deputy First Minister, by the Justice Minister after consultation with the First and Deputy First Minister and in agreement with the Executive. So our amendment is more consistent with the "Fresh Start" agreement than the clause or the right hon. Gentleman's amendment.

Tom Elliott: The right hon. Gentleman is right that the "Fresh Start" document says that the Executive are supposed to make the appointment. Perhaps the Secretary of State or the Minister of State will tell us why the legislation did not say that the Executive as opposed to the First and Deputy First Minister were to make the appointment so that there could be a collective decision by the Executive rather than a decision by just two Ministers.

Mark Durkan: I fully accept the point, and I hope that the Secretary of State and the Minister have heard it. It would be useful if they addressed it.

It is unfortunate that, every time something is referred to as a role of the Executive it ends up becoming an appointment by the First and Deputy First Minister. With all that can be said about their acting jointly, people know that the habit has been that distinct and separate appointments have been made. There is not the trust in the appointments system. It is very like what Macaulay said about Disraeli and Gladstone. One of them is a charlatan and knows it; the other is a charlatan and doesn't know it. So people do not have full confidence in the appointments system when something wider is required.

The "Fresh Start" agreement specifies that a number of things will be done by the Executive. The work towards an end of paramilitarism and a lot of other commitments in the "Fresh Start" agreement are put in the name of the Executive. I will be addressing the limitations of that in subsequent amendments and new clauses. We are meant to have an approach that is about all the parties, and all the parties may not be on the Executive. If this is about an all-party approach, we should be creating mechanisms that involve all the parties and we should not pretend that these issues will become the sole responsibility or property of the Executive. Nor should we pretend that the due responsibility of the Executive is discharged simply by the First and Deputy First Minister making appointments. I do not believe that any of that is adequate.

The fact that we needed to be back in Stormont House for talks on the negotiations after the crisis showed it was not sufficient that things were done between the First and Deputy First Minister. We had a crisis and needed all-party talks to bring us back from the brink. The First and Deputy First Minister's positions and parties had brought us to the brink. Now we seem to be ending up with mechanisms that mean that everything will be done by the First and Deputy First Minister in future. So none of the lessons has been learned. None of the mistakes in the scoping of past negotiations, the scoping of the agenda or the politics of how these things are managed has been learned from.

I know that the amendment has been tabled by the Ulster Unionist party in respect of the role being conferred on the Policing Board. As the party which argued most in the Stormont House negotiations that the key roles in the Historical Investigations Unit should be appointed by the Policing Board, I do not agree with the amendment. After all, the HIU has a role which will involve constabulary powers. If there is a policing element to it, the evidence can be gathered, investigated and referred for prosecution. The role of the reporting commission is quite different. Nobody saw that there would be huge tension—apart from dealing with some of the cases that have already been looked at by the Historical Enquiries Team—between the role of the Chief Constable and the PSNI, and the role of the HIU.

There could, arguably, be difficulties between the reporting commission and the Chief Constable. For example, last year in the aftermath of the two murders, when the Chief Constable made an assessment that shared publicly the police's working theories in relation to that murder, something of a political crisis was created and a panel was set up to look at those issues, including to say whether it accepted what the Chief Constable had said. It would be odd if the reporting commission, which was in part appointed by the Policing Board, had to look at issues that had been the subject of comment by the Chief Constable. That might be a dilemma for the Policing Board and might raise tensions. I do not believe that the Policing Board appointment answers the question.
Tom Elliott: Does the hon. Gentleman accept that his party was to the fore in proposing that the Policing Board would be instrumental in the appointment of senior members of the HIU? There could easily be a conflict between the HIU director or directors and the police. If the proposed arrangement will work for the HIU, I do not see why it should not work for the reporting commission.

Mark Durkan: I do not think the potential conflict would be the same. Obviously, there is the issue that was considered in the talks that some of the cases that had already been dealt with by the HET are currently the subject of PSNI investigation. Whether they will be referred to the HIU or reopened by the ombudsman is a factor in that. The prospect of any potential tension around the Chief Constable’s role was among the reasons why we said that appointment by the Policing Board would be a sensible way forward.

A different issue arises in relation to the role of the reporting commission. If we take the example of the controversies last year, the panel, which was a proto make-do version of the reporting commission, had to examine issues on which the Chief Constable had rightly spoken. Obviously, there was argument and tension about that.

Nigel Mills (Amber Valley) (Con): I think the hon. Gentleman was arguing that in future the Executive may not consist of all five parties and there will be parties in Opposition. In that situation, would it not make sense for the commission, whose job is to hold the Executive and the two Governments to account, to have its members appointed by the Assembly and the Parliaments, rather than the Executive?

Mark Durkan: There is a wider possibility in that, which may take us further away from what was said in the Stormont House agreement. The hon. Gentleman is right. We need to ensure an all-party approach and we will address that problem in future amendments and new clauses, which I will not venture into now.

We believe that the way in which the Government have taken matters forward and the way in which the “Fresh Start” agreement has been framed do not recruit and keep engaged the span of cross-party interest that there should be both in the Assembly and beyond. It mistakenly shorthands too much to the Executive, then translates that as meaning simply First and Deputy First Ministers, with all the limitations and difficulties that that brings.

Furthermore, with the Commission appointed in that way by the Assembly, the process for doing that would become more complicated, and it is complicated enough at the Policing Board level. We think that appointment by the Justice Minister, following consultation—properly to give them their due—with the First and Deputy First Ministers, in agreement with the Executive, would be a way of reflecting some of the wider interests without creating difficulties for the Policing Board, adding to the list of appointments that it makes, and maybe creating tensions with some of its other appointment roles.

It should be recognised that the issues that have been highlighted by both the Ulster Unionist party and ourselves in respect of the appointments are not the only questions that should be asked in respect of the ill-defined role of the reporting commission, and how well that sits with the wider responsibilities that the hon. Member for Amber Valley (Nigel Mills) referred to. If we are serious about the whole community approach alongside the enforcement approach, there needs to be something much more collective and better defined than the Government have provided for in the Bill.

Stephen Pound (Ealing North) (Lab): It is appropriate that I place on record at the outset our appreciation for the independent reporting commission, the creation of which is important. I think I speak for the whole Committee in welcoming it.

Our debate on amendments 1 and 7 illustrates one of the great problems faced by any of us involved in the politics of Northern Ireland: the search for independence. With a population of 1.7 million, where, as is often said, everybody knows everybody, it is almost impossible to find anybody who is completely Simon-pure and separated from any accusation of community bias. The search for that person who is completely independent has in the past taken us to Finland, to South Africa, to Canada, and back to Canada, and it will probably continue to do so.

It is intensely important that we realise that we are dealing with a conflict between aspiration and actuality. Everybody wants a completely independent nominating system, but nobody whom I have yet heard can come up with a mechanism to achieve that beyond peradventure and beyond criticism.

Lady Hermon: In his comments, I am sure that the hon. Gentleman did not mean to cast any sort of aspersions on the composition of the Independent Monitoring Commission, which did monitor and did report. The proposed body will do both and will be called the independent reporting commission. We had Lord Alderdice, John Grieve, a retired senior member of the Garda Siochana and a retired American police officer, who did a fantastic job on the Independent Monitoring Commission. I am sure the hon. Gentleman meant to add a sentence to say that we had full confidence in their independence in the IMC.

Stephen Pound: That is precisely what I was about to say. The point I was making is that we may succeed. Quite often we succeed, but sometimes it is against the odds. The search for that additional independence continues. The hon. Lady is, as ever, completely right in this matter.

When the hon. Member for Fermanagh and South Tyrone (Tomm Elliott) introduced amendment 1, he was right to mention some of atrocities—not just the recent atrocities, but the murders of Paul Quinn and Robert McCartney. I spent a great deal of time with Paul Quinn’s parents, and it is important that we never forget that horrific murder. Even though it was some years ago, the memory is still raw.

The right hon. Member for Lagan Valley (Mr Donaldson) focused the debate by talking about the veto safeguard that exists in the current system. It is immensely important that we realise the significance of that. If we are trying to find a mechanism for a nomination process, the
proposed process is about as close as we are going to get. I will listen with interest to what the Government say, but we also need to pay attention to amendment 7, which was tabled by the SDLP. The hon. Member for Foyle (Mark Durkan) pointed out, rightly, that the predecessor to the current Secretary of State had some of these issues pointed out to him at the time. It would have been better if we had considered them then, instead of now.

Just as these amendments illustrate one of the problems of finding people to appoint who are beyond criticism, they also illustrate one of the great strengths of Northern Ireland politics. Even when politicians are elected from a particular community, and may even be from a particular community, there has never been, in my hearing, any suggestion that they have failed to represent every aspect of their community. That is noteworthy, and we say it far too rarely on the Floor of the House. That aspect of life in Northern Ireland gives me great hope for the future.

The Opposition support the Government on this issue, which is an unusual position for me to be in. My hon. Friend the Member for Gedling (Vernon Coaker) and I would like to hear more about these issues, and particularly about the points made in amendment 7, but for the time being, we think that the clause is about as good as we are going to get.

The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): It is a privilege to serve under your chairmanship, Mr Crausby. I thank hon. Members for their contributions and for the suggestions that they have made in the amendments.

As we have discussed, the first five clauses of this short Bill concern the independent reporting commission. This new body is one of a raft of measures set out in November’s “Fresh Start” agreement to tackle the ongoing impact of paramilitary activity. The commission, which is to be established through an international agreement between the United Kingdom Government and the Irish Government, will have an overriding objective to promote progress towards ending paramilitary activity.

Although the IRC has different functions from the Independent Monitoring Commission, it builds on the precedent set by that commission, which was in operation between 2004 and 2011, monitoring activity by paramilitary groups and overseeing implementation of security normalisation measures.

I will now speak about the clauses and related amendments. Clause 1 makes reference to the functions of the new independent reporting commission, as set out in the “Fresh Start” agreement. Those will be: to report annually on progress towards ending paramilitary activity; to report on the implementation of the measures of the Government, the Northern Ireland Executive and the Irish Government to tackle paramilitary activity; including overseeing implementation of the Executive’s strategy to end paramilitarism; and to consult a wide range of stakeholders, including law enforcement agencies, local councils, communities and civic society organisations.

The reports of the commission will inform the Executive’s programme for government through to 2021. The commission will be independent of the sponsoring Governments and will have significant discretion in fulfilling its functions. That independence will help to ensure the credibility of its reports and its success in engaging with the necessary range of stakeholders. The Secretary of State may provide the commission with such resources and funding as she considers appropriate.

Finally, in line with the “Fresh Start” agreement, the commission will be made up of four members—one nominated by the UK Government, one by the Irish Government and two by the Executive. Clause 1(4) confers on the First and Deputy First Ministers the power to jointly nominate the Executive members.

Two amendments have been tabled to that subsection. In amendment 1, the hon. Members for South Antrim (Danny Kinahan) and for Fermanagh and South Tyrone (Tom Elliott) propose that the power to nominate two members be conferred on the Northern Ireland Policing Board instead of the First and Deputy First Ministers. The “Fresh Start” agreement provides that two members of the new commission will be nominated by the Executive. The Northern Ireland Policing Board is not, however, part of the Executive, and the amendment would therefore not be consistent with the terms of that agreement.

In amendment 7, the hon. Members for Foyle (Mark Durkan), for South Down (Ms Ritchie) and for Belfast South (Dr McDonnell) propose that the power to nominate be conferred on the Northern Ireland Minister of Justice, following consultation with the First Ministers, and subject to the approval of the Northern Ireland Executive Committee. While the Government recognise the interest that the Justice Minister, in particular, will have in the nominations, it is our view that the First and Deputy First Ministers, acting jointly, are the most appropriate office holders to nominate members on behalf of the Executive as a whole, in view of the objective and functions of the commission.

We would of course encourage the First and Deputy First Ministers to consult their Executive colleagues—in particular the Justice Minister—before making nominations. It is also open to the First and Deputy First Ministers to refer the nominations to the Executive Committee and, indeed, to consult more widely. For example, amendment 1 proposes a role for the Northern Ireland Policing Board, and that could certainly provide helpful recommendations regarding candidates for nomination. I also noted that the hon. Member for Foyle highlighted the difference between the HIU and the IRC—two different bodies with very different functions. His point is well made when it comes to the reference to the Northern Ireland Policing Board.

Nigel Mills: Does the Minister think the appointment by the UK Government should be subject to a pre-appointment hearing by the Northern Ireland Affairs Committee?

Mr Wallace: I am all for parliamentary transparency and scrutiny of the Government’s decisions. We will take my hon. Friend’s suggestion on board and reflect on it—that is the best way to proceed. All four stakeholders will hopefully be serious and respected figures to ensure that the public believe that the commission’s reports are credible and that the commission really is a proper step towards reducing paramilitary activity in Northern Ireland.

Nigel Mills: I am grateful to the Minister for considering the idea, but as we are appointing somebody who needs to be seen to be impartial and whose role is to hold the
Government to account, having that independent oversight of the appointment to show that Parliament has confidence in it would help the credibility of the post.

Mr Wallace: The Northern Ireland Affairs Committee is certainly not prohibited from examining the appointment by the UK Government, and it will no doubt be able to make recommendations or to make its views known. As to whether that is formally part of the process, the best thing, as I said, is to reflect on that. If my hon. Friend would like, I will write to him with a response or, hopefully, get back to him before the Bill’s stages are completed.

I turn now to clauses 2 to 5. Clause 2 deals with the exercise of the functions of the new commission. The clause provides that the objective of the commission is to promote progress towards ending paramilitary activity connected with Northern Ireland. The commission will be required to exercise its functions in the way it considers most appropriate for meeting that objective.

The commission will also be under the duties not to: prejudice the national security interests of the United Kingdom or Ireland; put at risk the life or safety of any person; have a prejudicial effect on the prevention, investigation or detection of crime; or have a prejudicial effect on any actual or prospective legal proceedings. With the exception of the duty not to have a prejudicial effect on the prevention, investigation or detection of crime, those were all duties to which the Independent Monitoring Commission was subject. The new duty is now considered necessary given the shift in investigative responsibility for paramilitary activity in Northern Ireland. Its intention is to ensure that the Police Service of Northern Ireland can engage fully and meaningfully with the commission.

Lady Hermon: The Minister cites clause 2, which says the independent reporting commission’s objective is to “promote progress towards ending paramilitary activity connected with Northern Ireland.”

For the record, will the Minister confirm that the commission is absolutely free—actually, that it will be called on—to report that paramilitary activity connected with Northern Ireland may well be initiated, instigated or supported from within the Republic of Ireland?

Mr Wallace: The IRC, obviously in conjunction with the duties I mentioned, will be free to report on anything of that nature. It is not only the UK Government who are keen to pursue this, but the Government of the Republic of Ireland. I think that both Governments recognise that this cannot be done in a vacuum, with Northern Ireland entirely carved out of paramilitary activity on the island of Ireland.

In respect of the duties not to prejudice national security interests and not to put at risk the life or safety of any person, the Secretary of State must issue guidance to the commission about the exercise of its functions in so far as the commission’s functions touch on the disclosure of information that might be prejudicial to those duties.

Mr Wallace: Parliament will certainly have an opportunity to scrutinise the guidance as published. As for the timescale, that will be dictated by how quickly the nominations of the commissioners are made. However, we do not take this lightly. The guidance is very important and everyone needs to know where they stand with it, which is why I welcome the fact that it is going to be published. I will get some clarity for the hon. Gentleman on whether the guidance will be done by regulation.

The guidance referred to in clause 2(5)(a) is intended to assist the commission in the discharge of its duty under clause 2(3)(a), which is not to do anything that would prejudice national security. However, we recognise that, while many of the same principles may apply to the protection of national security interests in Ireland as in the United Kingdom, it is not appropriate for the Government to issue detailed guidance about national security matters in another jurisdiction, and it was never the Government’s intention to attempt to do so.

1.30 pm

To avoid any doubt about the matter, we propose to remove the reference to Ireland in clause 2(5)(a). The practical effect of the amendment will be that the Secretary of State will be required to issue guidance to the commission in respect of its functions in relation to information that, if disclosed, might prejudice national security, but the guidance will not deal with information that might prejudice the national security interests of Ireland. The guidance will continue to cover information that might put at risk the life or safety of any people.

As provided in the Bill, the commission will still be required to have regard to the guidance, and the Secretary of State will remain able to amend or replace the guidance as necessary. The guidance will still be published when issued. I can also confirm that the guidance will be published and a copy will be placed in the Library of each House. The guidance will be made available to the commission before it begins its operation.

Clause 2, as amended, seeks to secure an appropriate balance between the provision of important safeguards in relation to the exercise of the commission’s functions, and ensuring that the commission has the independence and discretion it needs to deliver effectively on those functions.

Clause 3 confers on the independent reporting commission immunity from suit and legal process, and inviolability of its official archive and premises. In practice, that means that the commission will not be subject to legal challenge or process, including civil claims and judicial review. It also means that its premises and archive cannot be subject to search of requisition, as is the case with a diplomatic mission.

Those legal privileges are routinely given to international organisations and, indeed, there are a number of recent examples in the Northern Ireland context, including the Independent Monitoring Commission, the Independent Commission for the Location of Victims’ Remains and the Independent International Commission on Decommissioning.
The legal privileges serve two key purposes. First, they ensure that the commission cannot be compelled to disclose material it holds, including the identities of those who have provided information. That is crucial to ensuring that the commission is able to reach out to a wide range of sources in pursuit of information on paramilitary activity and thus fulfil its role in promoting the ending of it. IMC commissioners recognised that point in their final report, stating:

“These immunities were fundamental to our ability to operate.”

In addition, the legal privileges are essential to protecting the independence of this new body. They ensure that it cannot be challenged by those who may be the subject of its reports, or by the sponsoring Governments.

Clause 3 also enables the commission to waive its legal privileges where it deems appropriate. That is key to the proportionality of the provisions.

Jim Shannon (Strangford) (DUP): The Minister has been very specific in what he has said about archives. For the sake of clarification and Hansard, will the provision affect access to the Boston tapes, on which there is some very significant information, and the important evidence that could put away for a very long time IRA terrorists who have been involved in activities?

Mr Wallace: It does not affect that at all. The independent commission will be able to draw on sources from wherever it needs to in order to construct its report and carry out its monitoring purposes. There is nothing more I can say about that, other than that we hope that it will be a proactive body that uses open source and every other area of information possible to come up with robust and respected reports.

On the appropriateness of the legal privileges, if a staff member wished to make a claim to an employment tribunal, the commission could waive its immunity from legal process to allow that person to pursue the claim.

Finally, clause 3 also confers on the Secretary of State the power to confer by regulations certain further privileges on the commission itself, commissioners and staff, and members of their households. Conferring such immunities in secondary legislation will allow flexibility in making decisions on the exercise of this power on a case-by-case basis. In line with similar provisions in the Acts establishing the IMC and ICLVR, the power is subject to the negative procedure.

Clause 4 is a short clause setting out the key terminology used in the Bill for the new independent reporting commission. It includes a reference to the “agreement relating to paramilitary activity”, which is the international agreement between the UK and Irish Governments that will establish the commission. Work on the agreement is at an advanced stage, but hon. Members will understand that the timing of the Irish general election has meant that it is not yet formally agreed. The agreement will, of course, be laid before Parliament for scrutiny, in accordance with the Constitutional Reform and Governance Act 2010.

Danny Kinahan (South Antrim) (UUP): The Minister said in our previous debate that the definition of “paramilitary activity” would be determined by the commission, but does he have any idea what the Republic of Ireland’s definition is of that term?

Mr Wallace: I cannot answer for the Irish Government; we have to leave that up to them. Our purpose is to allow the commission to come up with a definition and to prosecute it in the pursuit of making its reports.

It is our clear intention to lay the treaty before Parliament before, or at the same time as, the regulations to be made under clause 4. As will be clear, the Bill sets out the broad framework for the commission. It references the functions in the “Fresh Start” agreement and sets out the key duties to which the commission will be subject.

Further details will be required in secondary legislation to give full effect to the international agreement. Clause 4(2) therefore provides such a power, which may be used to make provision about accounts and audit, for example, or about majority decision making, or other key aspects of the agreement. I recognise that that is a relatively broad power and that the regulations to underpin the new commission are likely to be of interest to hon. Members. The regulations will, therefore, be subject to the affirmative procedure.

Clause 5 makes provision about the conclusion of the commission’s work. The “Fresh Start” agreement provides that the work of the commission will inform future Northern Ireland Executive programme for Government priorities and commitments through to 2021.

Mark Durkan: The Minister said earlier that the Government would encourage the First and Deputy First Ministers to consult the Executive when they exercise appointments to the commission. Clause 5 states that “the Secretary of State must consult…the First Minister and deputy First Minister in Northern Ireland…the relevant Minister in the Government of Ireland, and…any other person the Secretary of State considers appropriate.”

Will the Minister give a guarantee that all the parties that were meant to be involved in the negotiations that brought about the creation of the commission will be consulted, rather than leaving it to just the First and Deputy First Ministers yet again?

Mr Wallace: I am sorry to disappoint the hon. Gentleman. We have decided that the First and Deputy First Ministers are the most appropriate officers to make the final decision. It is, of course, up to them, as the leaders of the Executive, to consult all their members, and more broadly, if necessary. The Government decided that the most appropriate officeholders are the First and Deputy First Ministers.

Mark Durkan: Clause 5(2)(c) mentions “any other person the Secretary of State considers appropriate”, so what is wrong with the Minister giving an assurance that that should include other party interests? That is hugely important if we are going to maintain the broad span of support to confront paramilitarism.

Mr Wallace: The clue is in the word “appropriate”. We want to set up the commission and make sure that it carries the momentum of public opinion to resolve the issue of paramilitary activity in Northern Ireland. Our view is that the best way to do that is to assign to two officeholders—the First and Deputy First Ministers—
the authority to nominate two members of the four-member commission. That is the decision the Government have taken.

I have read the hon. Gentleman’s amendment 7. The First and Deputy First Ministers do not operate in isolation in the Executive; they consult and speak to Ministers on a daily basis. That may not be his experience, but it has certainly been mine since I was appointed. I want to place on the record my admiration for the current Justice Minister, David Ford, and what he has done over the past few years, and I am sad that he has said that he will not continue in that role. He is incredibly well respected in the Executive, and it is our view that the First and Deputy First Ministers do speak to him and regularly consult him. Perhaps they do not do so as much as the hon. Gentleman might like, but they would be unwise to not consult that office in any future debate.

Lady Hermon: It might assist the Minister if he took the Bill off the Dispatch Box and looked at the clause that we are discussing. The point that the hon. Member for Foyle (Mark Durkan) is making is a good one. I am not talking about the amendment about who appoints whom to the Independent Monitoring Commission—I mean the independent reporting commission; it is hard to think that it is not a monitoring commission. I am talking about clause 5, on the conclusion of the commission’s work, about which the Minister has been speaking. The hon. Gentleman has made the point that before the Secretary of State makes the regulations that the Minister has referred to, clause 5(2)(c) specifies not only that the Secretary of State must consult, quite rightly, the First Minister and Deputy First Minister, but that she must consult “any other person the Secretary of State considers appropriate.”

As the hon. Gentleman said, it would be helpful if the Minister put on record this afternoon, in Hansard, the fact that “any other person...appropriate” includes the other Executive Ministers.

Danny Kinahan rose—

Mr Wallace: I will give way to the hon. Member for South Antrim (Danny Kinahan).

Danny Kinahan: On the same point, the definition of “appropriate” should be expanded. It should be appropriate to talk to anyone in opposition, because we have Opposition legislation going through the Assembly. If we change it in future, that should also be added as an appropriate person to speak to.

Mr Wallace: Before I move on, I refer hon. Members again to the word “appropriate”. The winding up of the commission is some years hence. What the commission looks like, how it behaves and the importance that is attached to it at the time of winding up will dictate the most appropriate people, office holders and agencies to consult in that winding up. I do not intend to restrict the Government to commitments about specific individuals other than those set out in the subsection about whom we must consult. It is clear that we would consult the First Minister and Deputy First Minister, and the relevant Minister in the Government of Ireland, because of the nature of the international treaty with the Irish Government. Indeed, the leaders of the Executive in Northern Ireland, the First Minister and Deputy First Minister, would have to be involved, given that they are involved in the set-up of the body.

However, when it comes to what is appropriate at the time, I do not think I should hold to hostage a future Government, a future Minister or anybody else on something that may or may not happen in five, six, seven, 10 or however many years’ time. That is why the Bill states quite clearly: as “appropriate”. If I were winding up the commission right now, I would consult a range of stakeholders, including the Justice Minister, but I am not going to prescribe in legislation individual people whom it may not be appropriate to consult in a few years’ time.

Mark Durkan: Will the Minister give way?

Mr Wallace: I want to move on. We have fought a bit, and I know that hon. Members are keen to get on to the next group of amendments. Clause 5 provides that the Secretary of State may make regulations to wind up the commission, as I have said. Before making such regulations, we will confer with all the stakeholders. The clause provides that regulations to wind up the commission may amend, repeal or revoke an enactment. Similar provision was included in the Act that founded the IMC, the Northern Ireland (Monitoring Commission etc.) Act 2003, which granted the Secretary of State the power to provide, by order, that key provisions of that Act would cease to have effect. That power was exercised in 2011, effectively winding up the IMC. The clause also provides that such regulations may confer functions on the Secretary of State or any other person, and may make provision about the destruction of information or records held by the commission.

The new independent reporting commission will fulfil an important role in tackling paramilitary activity, in furtherance of the Government’s commitment to challenging all paramilitary activity and associated criminality. I hope that the hon. Member for Fermanagh and South Tyrone will withdraw the amendment.

1.45 pm

Tom Elliott: It is quite clear that neither the Government nor other parties support amendment 1, so it would be difficult for us to win a vote on it. I am disappointed that none of the parties has dealt with the implications of having a more independent appointment process, and moving away from the direct political appointment process. We are where we are with the Bill, however, and the UUP broadly supports it. We would like to have seen some changes, but by and large we want the process to move on.

Mark Durkan: Obviously, my hon. Friends and I believe that amendment 7 takes forward the terms of the agreement in a better spirit than does clause 1, but we do not want to press the point to a Division. I want to put it on the record that that does not mean that we are content with the proposals. Equally, we think there are some questions about the other clauses in the group, which the Government should continue to address. In his response to our points about the limitations of clause 5, the Minister did not reinforce the sort of encouragement that he has said the Government want to give the First Minister and Deputy First Minister...
about consultation. If the Minister had been more forthcoming, we might have believed in the worth of his encouragement to the First Minister and Deputy First Minister. On that basis, we do not intend to press the amendment to a vote.

Tom Elliott: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 1 ordered to stand part of the Bill.

Clause 2
EXERCISE OF FUNCTIONS
Amendment made: 3, page 2, line 17, leave out “or Ireland”.—(Mr Wallace.)

This amendment limits the Secretary of State’s duty to give guidance about the exercise of the Commission’s functions in relation to disclosures of information which might prejudice national security. As amended, the duty will cover only the national security interests of the United Kingdom.

Clause 2, as amended, ordered to stand part of the Bill.

Clauses 3 to 5 ordered to stand part of the Bill.

Clause 6
EXTENSION OF PERIOD FOR APPOINTMENT OF MINISTERS
Question proposed, That the clause stand part of the Bill.

The Temporary Chair (Mr David Crausby): With this it will be convenient to discuss the following:

Amendment 8, in clause 7, page 4, line 13, at end insert “including agreed support measures for those who are evidently making the transition away from paramilitarism;”

This amendment seeks to prevent a possible tension between two parts of the Pledge, which may be interpreted divergently.

Amendment 9, page 4, line 20, leave out paragraph (e)

See Member’s explanatory statement to amendment 8.

Amendment 10, page 4, line 22, at beginning insert “subject to paragraph (e)”

This amendment maintains the primacy of the requirement in the existing pledge of office in Schedule 4 to the 1998 Act to support, orally in full at a sitting of the Assembly.

Amendment 11, page 4, line 24, at end insert—

“( ) The First Ministers shall each make their pledge of office orally in full at a sitting of the Assembly.”

This amendment provides for the First Ministers to make their pledge of office in full at a sitting of the Assembly.

Amendment 12, page 4, line 24, at end insert—

“( ) The Northern Ireland Commissioner for Complaints—

(a) will receive any complaints of any breach of the pledge of office, and take whatever action in regard to that complaint the Commissioner considers appropriate, which may include investigating, resolving or publishing conclusions on the outcome of any complaint.

(b) may appoint, in consultation with the Lord Chief Justice for Northern Ireland, a Pledge Adjudicator to duly consider and examine any complaint of a breach of the Pledge of Office and report relevant findings or recommendations to the Commissioner.”

This amendment makes provision for the Northern Ireland Commissioner for Complaints to receive any complaints regarding breaches of the Pledge of Office by Ministers and to take any action the Commissioner deems fit in regard to the complaint. The Commissioner may also, after consultation with the Lord Chief Justice for Northern Ireland, appoint a Pledge Adjudicator to examine any given complaint and report on relevant findings or recommendations.

Clause 7 stand part.

Amendment 13, in clause 8, page 4, line 37, at end insert “including agreed support measures for those who are evidently making the transition away from paramilitarism;”

This amendment seeks to prevent a possible tension between two parts of the Undertaking, which may be interpreted divergently.

Amendment 14, page 5, line 1, leave out “to support those who are determined to make the transition away from paramilitarism;”

See Member’s explanatory statement to amendment 13.

Amendment 15, page 5, line 16, at end insert—

“(5) Standing orders must provide for a process for investigating any alleged breach of the undertaking by any member of the Assembly and for determining whether the undertaking has been breached.

(5A) Standing orders must provide for sanctions that shall apply to any member of the Assembly who has been found to breach the terms of the undertaking.”

This amendment requires the Northern Ireland Assembly to have an enforcement process, comprising investigation, determination and penalty, in order to ensure compliance with the terms of the statutory undertaking by members of the Assembly.

Amendment 16, page 5, line 16, at end insert—

“(2) In Northern Ireland, the precepts and commitments of the Undertaking by Members shall be deemed to be additional to, and having the same status as, the Nolan principles (or such successor principles as may be adopted).

(3) ‘The Nolan principles’ means the seven general principles of public life set out in the First Report of the Committee on Standards in Public Life (Cm 2850).’”

This amendment seeks to make provision for embedding the terms and spirit of the Undertaking by Members within the standards in public life in Northern Ireland and thus applicable to councillors, MPs and non-elected public offices.

Amendment 17, page 5, line 16, at end insert—

“( ) The Northern Ireland Assembly Commissioner for Standards—

(a) will receive any complaints of any breach of the undertaking by members, and may take whatever action in regard to that complaint deemed appropriate, which may include investigating, resolving or publishing conclusions on the outcome of any complaint.

(b) may engage the services of a Pledge Adjudicator, as appointed by the Northern Ireland Commissioner for Complaints, to duly consider and examine any complaint of a breach of the Undertaking by members and to report any relevant findings or recommendations to the Northern Ireland Assembly Commissioner for Standards.”
This amendment makes provision for the Northern Ireland Assembly Commissioner for Standards to receive complaints regarding breaches of the Undertaking by Members and to take any action he deems fit.

Clause 8 stand part.

That schedule 1 be the First schedule to the Bill.

Government amendments 4 and 5.

That schedule 2 be the Second schedule to the Bill.

Mr Wallace: I will speak to clauses 6, 7 and 8 and the related schedules, which extend the time available for the formation of the Executive after an election and provide for important commitments by Ministers and Members of the Legislative Assembly on tackling paramilitarism. I will also make a few remarks about the amendments in this group and I look forward to hearing the statements of the hon. Members who have proposed them.

Clause 6(1) amends the Northern Ireland Act 1998 to allow 14 rather than seven days for the allocation of ministerial positions in the Executive after the first meeting of the Assembly following an election. The proposed extension will allow the parties more time to agree a programme for government on a cross-party basis prior to the allocation of ministerial positions. That commitment first appeared in the 2014 Stormont House agreement and was reaffirmed in the recent “Fresh Start” agreement.

Schedule 1 makes transitional provision for the upcoming Assembly elections in May. Ordinarily, Assembly Standing Orders would require that ministerial posts are filled within seven days of the creation of a new Department. Schedule 1 makes it clear that where the event coincides with the period following the forthcoming election before the allocation of Ministers to Executive positions, the 14-day time limit for the formation of the Executive takes precedence. That will ensure that the period for the appointment of ministerial offices following the next Assembly election will not be inadvertently shortened as a result of changes flowing from the Assembly’s Departments Bill. I hope that the extension in time for ministerial appointments will provide helpful flexibility to all political parties in Northern Ireland involved in the formation of the Executive on the basis of a shared programme for Government following the upcoming elections and all future elections.

Clause 7, in line with the “Fresh Start” agreement, amends the pledge of office that all Northern Ireland Executive Ministers are required to affirm before taking up ministerial office. The clause inserts seven new commitments into the pledge. These were set out in the “Fresh Start” agreement, and the wording for the pledge faithfully reflects the agreement. The commitments build on existing principles of support for the rule of law and reflect a collective political determination to achieve a society free of paramilitarism. In the “Fresh Start” agreement, the parties agreed not simply to a passive acceptance of the values set out in the amendment to the pledge, but to an active fulfilment of them. The clause enshrines these political commitments in the pledge of office for Northern Ireland Executive Ministers through an amendment to the Northern Ireland Act 1998.

I now turn to amendments 8 and 9. My remarks apply equally to amendments 13 and 14, which seek to make the same changes to clause 8 on the new undertakings for MLAs. I will say more about them shortly. The pledge as drafted faithfully reflects the wording of the “Fresh Start” agreement. I understand there is some concern about a perceived contradiction in the wording of the pledge and the undertaking as drafted. I hope to assure hon. Members that that is not the case. I do not think the wording needs to be changed. I agree that there can be no excuse for supporting paramilitary activity, but a transition away from paramilitarism can be achieved only with effective political engagement in communities. I do not believe there is any contradiction between taking a firm stance against paramilitary activity and supporting groups transitioning away from that activity.

To encourage such a move is consistent with the other commitments required from Ministers and MLAs under clauses 6 to 8, such as the commitment to challenge paramilitary attempts to control communities and associated criminality.

Politicians need, as ever, to ensure that their engagements are in line with the responsibilities of their office, and those engagements must be in keeping with the commitments contained in the agreement and in the Bill. Furthermore, the “Fresh Start” agreement represents a collective political agreement by the Northern Ireland Executive and the UK and Irish Governments. The wording that was agreed was carefully constructed, and it demonstrates an important and symbolic political commitment to ending the influence of paramilitarism in Northern Ireland. Changing the structure and substance of the commitments, as proposed in these amendments, would unpick that political agreement.

I understand from the explanatory statement that amendment 10 is intended to refer to paragraph (f), rather than paragraph (e), of the existing pledge of office in schedule 4 to the Northern Ireland Act 1998: “to support, and act in accordance with, all decisions of the Executive Committee and Assembly”.

I do not agree—nor do the Government—that there is any need to caveat one part of the pledge with another. The pledge will be read as a whole and, taken as a whole, the pledge represents a binding commitment by Executive Ministers to operate within the structures of the Executive Committee and the Assembly, and to accept no outside influence on their political activities. In any event, changing the substance of these commitments, as proposed in the amendment, would unpick the carefully constructed political agreement reached through the “Fresh Start” agreement.

On amendment 11, the arrangements for the First Minister and Deputy First Minister to affirm the terms of the pledge within specified time limits are set out in the Standing Orders of the Northern Ireland Assembly. The Bill, as drafted, makes no change to those arrangements. I agree that the pledge of office is of great importance, particularly for the Ministers who will lead the Executive, but I do not agree that there is any need to require the pledge to be read out orally in full in front of the Assembly. The Belfast agreement commits that the First Minister and Deputy First Minister will affirm the terms of the pledge of office, and that is exactly what the existing provision in the Northern Ireland Act 1998 requires. The changes to the ministerial pledge of office introduced by clause 7 flow directly from the “Fresh Start” agreement, but the proposed amendment would amend the process by which the terms of the pledge are affirmed by the First Minster.
and Deputy First Minister. In the talks that led to the “Fresh Start” agreement, there was no political consensus on making any additional changes to the existing process for affirming the terms of the pledge.

On amendment 12, the commitments in the pledge reflect the firm resolution of the Northern Ireland parties in the “Fresh Start” agreement to end the influence of paramilitarism in Northern Ireland. I am confident that Northern Ireland Ministers will uphold the terms of the enhanced pledge as they work collectively to achieve a society free of paramilitarism. There are already mechanisms in place that allow the Assembly to deal with breaches of the ministerial pledge by censuring a Minister, reducing their salary or even removing them from office. In addition, Ministers can be held accountable by judicial review in the courts for an alleged breach of the pledge of office. The Bill makes no changes to those existing measures.

The intended effect of amendment 12 was not dealt with under the “Fresh Start” agreement, and these are not therefore matters to be settled under this Bill. Should the Assembly wish to bring matters about alleged breaches of the pledge within the remit of the Northern Ireland Commissioner for Complaints, the Northern Ireland Assembly could do so, but that could clearly be done only on the basis of cross-community consensus on such a measure. Furthermore, it would be very unusual to make a change of the kind proposed in the amendment without cross-community consensus in Northern Ireland, and there is no such consensus at present.

Clause 8 and schedule 2, in line with the “Fresh Start” agreement, make provision for a new undertaking to be given by all Members of the Northern Ireland Assembly. The undertaking for MLAs is based on the same seven commitments on tackling paramilitarism that have been added to the pledge of office for Ministers. For the first time, Members will have to give the undertaking before they can participate in Assembly proceedings or receive any of the rights or privileges enjoyed by Members who have taken their seat. The Northern Ireland Act prohibits the Assembly from requiring its Members to make an oath or declaration as a condition of office. It would not be possible for the Assembly to implement this “Fresh Start” commitment without Westminster legislation to introduce the undertaking. Schedule 2 makes transitional provision for the procedure for giving the undertaking after the Assembly election in May 2016 only. After that, the procedure will be set out in the Assembly’s Standing Orders.

There are two minor Government amendments to schedule 2—amendments 4 and 5. Under existing law, the Speaker of the Northern Ireland Assembly remains in office after its dissolution and may chair the first meeting of the new Assembly, even if they are not a Member of it. The amendments ensure that an outgoing Speaker who has not been re-elected to the Assembly can determine the transitional procedure for the new undertaking for MLAs while chairs the first meeting of the new Assembly.

Amendments 6 and 17 propose changes to the way that the Assembly holds its Members to account for adherence to the new undertaking. Amendment 6 would require the Assembly to introduce a sanctions mechanism, and amendment 17 proposes that oversight should fall to the Northern Ireland Assembly Commissioner for Standards. The Assembly already has the power to introduce sanctions for breach of the undertaking by Members, should it consider that such sanctions are warranted. There are established mechanisms for holding MLAs to account for their adherence to the Assembly code of conduct through the Assembly’s Committee on Standards and Privileges and the independent Commissioner for Standards. There is considerable value in the Assembly, not this House, determining how MLAs should be held to account for any breaches of the new undertaking, in line with the present arrangements for the scrutiny of MLAs. Any changes would of course need to be built on cross-community support in the Assembly. I believe it is right that Assembly Members should be subject to scrutiny for their conduct, and I encourage the Assembly to consider carefully how that might be achieved.

On amendment 15, there was no commitment under the “Fresh Start” agreement for the pledge and the undertaking to bind any persons other than Ministers and MLAs respectively. While there may be merit in encouraging all those holding public office to follow the example set by Northern Ireland’s Assembly Members and abide by the spirit of the undertaking, any move to make a binding requirement on a wider group of public officials would require political and cross-community consensus. There is currently no such consensus.

Members of this House will be interested to note that local councilors in Northern Ireland are already required under law to make a declaration against terrorism before they can validly stand for election locally. They are also required to make a further declaration regarding the standards of conduct they will be guided by in office before they can so act.

On amendment 16, the undertaking as drafted in clause 8 faithfully reflects the wording in the “Fresh Start” agreement in a way that is sufficiently certain for the purposes of this legislation. On Second Reading, hon. Members pointed to the need for MLAs to work with a wide range of people, in addition to other Assembly Members, to achieve the disbandment of paramilitary organisations. I agree that this important task will require MLAs, and indeed political parties as a whole, to work with stakeholders as well as their Assembly colleagues, but the commitment as drafted does not limit the ability of MLAs to do so. The other commitments support an holistic approach to this task—for example, the commitment to support those who are determined to make the transition away from paramilitarism is likely, in practice, to require MLAs to work with other stakeholders. I understand the sentiment behind the amendment, but I do not believe that any amendment is necessary to achieve it. I believe it makes sense for an undertaking by MLAs, made as they are taking their Assembly seats, to refer to working with their Assembly colleagues.

I look forward to hearing hon. Members’ contributions on the issues. For the reasons I have set out, I urge them not to press their amendments.

Nigel Mills: May I ask the Minister a slightly complicated drafting question? I can see how the pledge and the undertaking in clauses 7 and 8 are restricted only to paramilitarism in relation to Northern Ireland. It may be a bit of an onerous duty to expect people to challenge all paramilitary activity anywhere in the world. If a
Member of the Assembly expressed support for the peshmerga or the Free Syrian Army, which are probably paramilitaries under any natural definition, they would face some kind of sanction. Can the Minister point to where it states in the Bill or in the Northern Ireland Act 1998 that the restrictions apply only to activity related to Northern Ireland?

Mr Wallace: I think the best solution is for me to write to my hon. Friend on that technical question. I do not think that anyone in the United Kingdom, or in any democracy, would propose supporting paramilitaries, be they here or abroad.

2 pm

Lady Hermon: It is good to serve under your chairmanship, Sir Edward, while we discuss this important Bill, and I will say now that unless the Minister gives me a satisfactory reply, I am minded to divide the Committee on amendment 6.

Amendment 6 strives radically to improve clause 8, and I cannot believe that the Minister does not think that that is necessary—the clause certainly needs to be radically improved. We have just spent at least an hour in a useful debate on the establishment of yet another commission in Northern Ireland, namely the independent reporting commission. I am delighted that under clause 2, the primary objective of that commission will be to “promote progress towards ending paramilitary activity connected with Northern Ireland.”

It is long overdue for the people of Northern Ireland to be rid of the scourge of paramilitary activity. They will be delighted with that commission when it is established, and will have confidence in it doing a good job.

On Second Reading, the Secretary of State said something important about the Stormont House agreement, which the Minister has cited regularly in his opening remarks. She stated that that agreement “places fresh obligations on Northern Ireland’s political representatives to work together with determination to rid society of paramilitary activity and groups.”—[Official Report, 22 February 2016; Vol. 606, c. 70.]

I say “hear hear” to that.

As the Minister rightly explained, clause 8 introduces an undertaking that all MLAs must give before they can participate in any of the Assembly’s proceedings, and as drafted, it goes to great lengths to set out the terms of that undertaking. Among other things, it means that before an MLA can participate in any Assembly proceedings, they must pledge to support the rule of law and to challenge all paramilitary activity and associated criminality. Those are two of the detailed provisions in that new undertaking.

Having gone to such extraordinary lengths to draft that new undertaking to comply with the Stormont House agreement, the glaring omission—we cannot possibly allow this to get through the Committee unamended—is that no provisions refer to Standing Orders that will investigate alleged breaches of that undertaking, and no Standing Orders will impose sanctions on MLAs who are found to be guilty of such a breach. Let us hope that no MLA would ever stoop so low as to breach their own undertaking, but if such an allegation is made it must be investigated, and if the MLA is found to be guilty, there must be sanctions.

The current drafting of clause 8(1)(2) is interesting, because we are already quite happy that: “Standing Orders shall provide for the procedure for giving the undertaking.”

We are a sovereign Parliament—how often have I heard in recent weeks that sovereignty belongs to this Parliament—and the beauty of my amendment is that it simply adds to what we already have. Standing Orders will be introduced by the Assembly to investigate alleged breaches of the undertaking by MLAs, and to impose sanctions on MLAs who are in breach of that undertaking.

When I made that suggestion on Second Reading, the Secretary of State said in response to an intervention about sanctions: “In terms of internal matters of discipline within the Assembly, that really is a matter for the Assembly itself to determine.”—[Official Report, 22 February 2016; Vol. 606, c. 72.]

Sammy Wilson: Does the hon. Lady accept that the only sanction in the Bill is that those who do not give the undertaking in the first place cannot participate in the Assembly? There is not even a limit on how much time can pass before they can be expelled. In the light of some of the comments recently made by Sinn Féin, which said that republicans could use violence at another time, it is important that MLAs make that undertaking in the Stormont House agreement and are kept to it. If they make subsequent statements, there should be a process for investigating that and deciding what punishment should be imposed.

Lady Hermon: That is absolutely correct. The glaring omission—I am repeating myself, but it is worth repetition—is that although we have introduced a new undertaking for MLAs, that is not the same as the Minister’s pledge of office. That has been extended, and the Minister rightly read out the sanctions for Ministers who breach their pledge. This undertaking is completely new for all MLAs, and it is the duty of this Committee to ensure that when the Bill leaves this place, it is fit for purpose. The Bill has been introduced to get rid of paramilitary activity and associated criminality, which has been the scourge of Northern Ireland for years and years. For goodness’ sake, let us do it right!

The beauty of my amendment is that it does not interfere with the domestic arrangements and internal workings of the Assembly. It simply ensures that Standing Orders will be introduced by the Assembly, and that there will be a process of investigation and sanctions for a breach of the undertaking. That is not interfering with the Assembly’s internal discipline. That is my amendment, and if the Minister is unable to give me a satisfactory reassurance on that issue at the end of the debate, I will push the amendment to a vote.

Sammy Wilson: Does the hon. Lady accept that there could be general frustration, because the Bill requires MLAs to give an undertaking, but if they breach that undertaking and there are no sanctions, people will say, “What is the point of MLAs giving those undertakings?” If anything, it will generate more anger, rather than assuring people that those who are elected and serve in the Assembly are supporting democratic means.

Lady Hermon: The hon. Gentleman is absolutely right about that. In introducing this group, the Minister referred to the fact that we currently do not have
cross-community support for various Standing Orders. It is therefore the duty of this House today to make sure that when this legislation leaves this place, it is fit for purpose, and so it must include a requirement that Standing Orders are introduced to address both sanctions and the investigation of alleged—

**Tom Elliott:** I support the hon. Lady’s amendment and her thought process on this matter. Does she agree that it seems to have been a gap in the “Fresh Start” agreement that none of this was dealt with in that process?

**Lady Hermon:** I am grateful to the hon. Gentleman for that. One has to ask why any references to sanctions were left out of the “Fresh Start” agreement. The fact that sanctions were not mentioned in that may well suit a political party—Sinn Féin. I am so weary of having spent my entire life having to deal with paramilitary activity. He made reference at the beginning of his contribution on the earlier group to Lisa Dorrian, the young lady in my constituency who was murdered and disappeared by those with loyalist paramilitary connections. Both loyalist and republican paramilitaries are a scourge for the rest of the community. I am very pleased that he is supporting my amendments this afternoon, because as an independent, I am totally reliant on other colleagues to provide an additional Teller at the vote and I may be calling on him later.

**Jim Shannon:** Lisa Dorrian disappeared from Ballyhalbert in my constituency. Searches took place in Comber, also in my constituency but unfortunately nothing as to where she might have been buried was found. But there are people in society who are very aware of where she is, and some of those people have been named in the press. May I encourage the hon. Lady to make this statement, which I will also be making: there are people who have information about this, so let them come to the police, tell them where the body is and give Lisa Dorrian's family the peace of mind that they need?

**Lady Hermon:** I am grateful to the hon. Gentleman for that intervention, as he is right in everything he has said. Lisa Dorrian, a young lady in her early 20s, was disappeared and murdered 11 years ago, and her family have never had the peace of mind that comes with a Christian burial. Her remains have never been found, despite the valiant efforts of the PSNI—and I put that on the record. There are others who were disappeared by the IRA, such as Columba McVeigh, a young man from Donaghmore whose remains have never been found. There is pain and grief on all sides. As I say, paramilitarism has been a dreadful scourge across the face of Northern Ireland for far, far too long. I have the highest regard for this Minister, so when he gets up I do not want to hear the Stormont House agreement cited as a reason why we cannot put into this Bill this afternoon a requirement that Standing Orders are introduced by the Assembly.

**Mr Wallace:** That is excellent and I will give way.

**Lady Hermon:** Is the Minister about to concede? That is excellent and I will give way.

**Mr Wallace:** I wouldn’t hold your breath. I hear what the hon. Lady is saying, and I am not going to refer to the “Fresh Start” agreement, but I must ask why she feels it is appropriate for this House to impose on a devolved institution and prescribe to it Standing Orders within that institution? We would not be doing that for Holyrood or for Cardiff, so why does she think it would be appropriate in this case for Westminster to impose that on the Assembly, given that under Standing Order 69B it could make provision to deal with all of this?

2.15 pm

**Lady Hermon:** May I just ask the Minister to pick up the Bill and turn to page 5? As I have mentioned, the Bill already sets the precedent here, as in clause 8 it clearly states:

“Standing orders shall provide for the procedure for giving the undertaking.”

The Bill has therefore set the precedent; we are quite prepared to oblige the Assembly to introduce Standing Orders to provide for a procedure for this undertaking. That is why my amendments are so persuasive and why I am hopeful that Her Majesty’s Opposition—I am looking to them—will be supporting me this afternoon. I know that other colleagues are going to support me on this. The precedent has already been set, it is in black and white in the Bill and my amendments simply add further Standing Orders, without any detail about the sanctions or about the investigatory procedure.

**Sammy Wilson:** Does the hon. Lady accept that the Bill states not only that Standing Orders “shall” do some things, but that they shall not do some things, as they “may not specify a day or period of time after which members are prohibited from giving the undertaking”? This House is already telling the Assembly what it can and cannot put in Standing Orders, so why not include something about sanctions?

**Lady Hermon:** I am grateful for that helpful intervention, as ever, from the hon. Gentleman. I am sure the Minister and the Government would not like to be accused of being inconsistent. We have to be consistent here. A consistent approach has to be taken to the eradication, once and for all, of paramilitary activity and all its criminality in Northern Ireland. The Minister will have read this Bill many times and when he carefully reads it, he will know that the precedent has already been set. We in this House are the sovereign Parliament, thank goodness, and just as a show of sovereignty the Standing Orders are already provided for in several clauses. My amendments simply extend further Standing Orders, without any detail about the sanctions or the investigatory procedure.

On that, I will bring my remarks to a close, having warned the Minister that I will push my amendment to a vote at the end, with the help of volunteers to be Tellers.

**Ms Ritchie:** A number of Members, including the hon. Member for North Down (Lady Hermon), who raises this issue again through her amendment, have asked questions about the content and policing of the
pledge and undertaking. That was done on Second Reading by my hon. Friend the Member for Foyle (Mark Durkan), as well as by the hon. Lady, who has enunciated her views on the principle again today.

I shall speak to my party’s amendments. Amendment 10 refers to paragraph (e) in schedule 4 to the Northern Ireland Act 1998 and clarifies that Ministers are already subject to a requirement to act in accordance with all decisions made by the Executive and the Assembly. Amendment 16 deals with clause 8, inserting the words “others, including” in the reference to MLAs. The provision might seem small, but it is central to the whole-community approach that will be needed to tackle paramilitary activity. It would compel Members of the Assembly to work with civic society in Northern Ireland, reflecting our approach during the Stornont House agreement of having that community approach to ridding Northern Ireland of paramilitarism.

I agree with the hon. Lady that paramilitarism has been a scourge and a cancer in our society, right across the community, and we want rid of it, but we also believe that there must be adherence to the best democratic principles within our elected institutions. Our reference in amendment 15 to the Nolan principles would ensure that this progress and political action on paramilitarism extends to MPs, councillors and all in public office. Having the First Ministers make their pledge orally at a sitting of the Assembly would publicise a cross-executive commitment to a society free from the blight of paramilitarism. In our papers for the Stornont House talks, we advocated a community approach, stating:

“Political parties ought to be showing coherent and consistent shared standards which recognise and repudiate nefarious paramilitary interests and involvements. This should reflect a shared approach which is about rooting out paramilitarism and its trace activities, not just singling out particular groups or given parties.”

Our amendments would clarify the terms of the pledge and undertaking and avoid further misinterpretation or a tension between different parts of the pledge and undertaking. As I have said previously, the duty in the Bill to “support those who are determined to make the transition away from paramilitarism” is vague and could be misinterpreted as supporting someone or a group that is determined to someday move away from paramilitarism. The SDLP is in favour of support for transition away from paramilitarism, but wants to ensure that that cannot be used to cover tolerance for paramilitary activity, for which there should be no tolerance. Combining what are currently two distinct precepts of the pledge and undertaking into one would reduce that risk.

I have direct experience of this issue. As a former Minister in the Northern Ireland Executive, on Tuesday 16 October 2007—I remember the date exactly—I cut off funding to the conflict transformation initiative following advice from the then Chief Constable, deputy Chief Constable and others that the Ulster Defence Association was engaging in criminality. Maintaining that funding would have been construed as supporting paramilitarism, not transition, however determined the UDA was to do that someday.

Like the hon. Member for North Down, we have concerns about the policing of the pledge and undertaking. Any progress on tackling paramilitary activity is undermined by any suggestion that there are no consequences for non-compliance. I note that the hon. Member for East Antrim (Sammy Wilson) was making soundings in our question. I hope he will see fit to table amendments on sanctions in relation to the pledge and undertaking.

We envisage that the Northern Ireland Commissioner for Complaints and the Northern Ireland Assembly Commissioner for Standards would receive any complaints relating to breaches of the pledge and undertaking. Both could avail themselves of the services of a pledge adjudicator on a case-by-case basis, if that was felt to be appropriate. The whole purpose of our amendments is to ensure best compliance and conformity with good democratic principles, and that we have a total move away from the scourge of paramilitarism that has been in Northern Ireland society for far too long.

Mr Jeffrey M. Donaldson: We support amendment 6, which was tabled by the hon. Member for North Down (Lady Hermon). There is much merit in what she says. When we ask Members of a legislature to give an undertaking that they will behave in a certain way and abide by certain principles, surely there should be some sanction when they breach those principles and their undertaking. We are not asking hon. Members—neither is the hon. Lady—to prescribe what the sanctions should be. We merely want to ensure, as is our duty as the sovereign Parliament, that the Standing Orders of the Northern Ireland Assembly reflect the need for such sanctions. It is our duty to legislate for this element of the Stornont agreement, and we believe that what the hon. Lady has proposed is sensible and prudent. This is a question of not just the politics of all this, but public confidence in the Northern Ireland Assembly, its operation and those who are elected to it.

We talk about a fresh start. We have Assembly elections on 5 May. The Members who will be elected to the Assembly for the first time after that election will be required to make this undertaking. I think that that is the appropriate moment when the Assembly should be saying that we can have no more of a situation in which some people may have been ambivalent in their attitude towards paramilitarism in the past. Everyone has to be very clear about where they stand and it is important to have the undertaking. It is also important, for public confidence and for the accountability of our public representatives, to have a sanction. It is for the Assembly to prescribe that sanction, but it is for this House to ensure that the requirement for that is in Standing Orders. We will support the hon. Lady’s amendment.

Mark Durkan: As my hon. Friend the Member for South Down (Ms Ritchie) said, the SDLP has tabled several amendments on this issue. I take on board what the Minister said in an attempt to give a “prebuttal” of our amendments, and I will come on to amendment 6, which was tabled by the hon. Member for North Down (Lady Hermon), when I speak to clause 8.

We have tabled amendments 8 to 12 to clause 7. The Minister tried to say there would be no tension in interpretation between different parts of the proposed pledge of office. Proposed new sub-paragraphs (cf) and (cg) of schedule 4 to the Northern Ireland Act 1998—

“to work collectively with the other members of the Executive Committee to achieve a society free of paramilitarism”
and
“to challenge all paramilitary activity and associated criminality”—
could well find themselves in tension with another Minister’s
understanding of proposed new sub-paragraph (cj), which is to
“support those who are determined to make the transition away
from paramilitarism.”
My hon. Friend the Member for South Down described
the situation in which she found herself. She tried, as
stated in proposed sub-paragraph (cf), to
“work collectively with other members of the Executive…to
achieve a society free of paramilitarism”,
and she was told at that time, “No, it’s in your Department.
You do your own thing. You make that decision.” She
then acted on the basis of, as in proposed sub-paragraph
(cg), challenging
“all paramilitary activity and associated criminality”
only to find herself undermined by other members of
the Executive, who said that they were actually discharging
the requirement of proposed sub-paragraph (cj) as supporting
“those who are determined to make the transition away from
paramilitarism”.
That issue ended up in the courts, so there is already
proven experience of exactly the contradictions and
tensions that can exist between these things when they are
different bullet points that can be quoted separately.
This is a recipe for confusion, nonsense and obfuscation.
We also need to recognise that people will interpret
various parts of the pledge differently. Will the Minister
tell us whether denying something as paramilitary activity
breaches the line in the pledge to
“challenge all paramilitary activity and associated criminality”? When someone turns around and says, “Oh no, so and
so is not engaged in paramilitary activity or associated
criminality; they are a good republican,” does that
mean they are in breach of proposed sub-paragraph (cg)? Is that a failure to challenge? Is denial a failure to
challenge, or can denial exist alongside the commitment
to challenge all paramilitary activity and associated
criminality; they are a good republican,” does that
mean they are in breach of proposed sub-paragraph (cg), challenging

2.30 pm
Amendment 8 would ensure better reconciliation between
paragraphs (cf) and (cj) so that the pledge would read:
“to work collectively with the other members of the Executive
Committee to achieve a society free of paramilitarism...including
agreed support measures for those who are evidently making the
transition away from paramilitarism”.
That recognises that the agreed support mechanisms
would be those agreed by the Executive. It would not be
people making up their own minds about what they
were doing or how they were to interpret the words. The
amendment seems solid and cogent.
The Minister pointed out an error in our printed
amendment 10, in that it refers to “paragraph (e)”, but
that is because we went back to the original 1998 Act,
which of course was changed, including by the St Andrew’s
agreement legislation. The aim of the amendment was
to ensure that the commitment in the pledge of office,
taken by Ministers, to act in accordance with all decisions
of the Executive Committee and the Assembly was not
trumped or qualified by paragraph (ck), which reads:
“to accept no authority, direction or control on my political
activities other than my democratic mandate alongside my own
personal and party judgment”.
Anyone could easily say that, in defying or failing to
abide by a decision of the Executive, they were acting,
in good conscience, in accordance with paragraph (ck). Why leave ourselves with such a difficulty? Our amendment
would simply qualify paragraph (ck) so that it could not
be read in absence of the overall commitment to respect
the decisions of the Executive Committee and Assembly.
I cannot see where the Minister gets his argument
against that.
Our amendments to clause 8 seek to make good
issues similar to those addressed in our amendments to
clause 7 on the pledge. There is no provision for how an
alleged breach would be investigated, just as, currently,
there is no clear mechanism for dealing with alleged
breaches of the ministerial code, or any other breaches
of the pledge of office. As the person who drafted the
first terms of the pledge of office when we were negotiating
the Good Friday agreement, I recognise that that has
been a consistent dereliction ever since.
It has been recognised several times since by various
First Ministers and Deputy First Ministers that something
needs to be done to make good that gap, but we keep
tripping over issues and concerns that only reopen the
gap, so we never actually fill it. Our amendments might
not be the perfect filler, but Members should not pretend
that a serious gap does not exist. What does adding
these fine but confusing, inconsistent and arguable words
achieve, given that there is no mechanism to investigate
or to recommend that action be taken as a result of an
investigation?
Our amendment 12 tries to make that good by providing
that the Northern Ireland Commissioner for Complaints—
more frequently known as the Ombudsman—would
receive any complaints and by giving them the power to
appoint a pledge adjudicator. It might well be that some
of the breaches need somebody with more legal competence
or experience, so the amendment would provide for the
commissioner to make such an appointment, in consultation
with the Lord Chief Justice for Northern Ireland.
In respect of the pledge, we see the gap that the hon.
Member for North Down talked about in respect of the
undertaking in clause 8, and it was clear that the hon.
Member for East Antrim (Sammy Wilson) agreed with
that logic. If we recognise the gap in the undertaking,
we should also recognise the serious gap in the pledge.
There are people who have their own version of what
constitutes paramilitary activity. Hon. Members have
referred to past murders, such as those of Robert
McCarrtney and Paul Quinn.
There were people who ended up as Ministers or senior MLAs after the Executive was restored who tried to tell us that the IRA had no involvement in Robert McCartney’s murder and that it was an unfortunate example of knife culture. They were in complete denial. We also had the denial of the IRA’s involvement in Paul Quinn’s murder, as well as all the other denials. Let us recognise that there are issues. We hope that such issues and concerns do not arise again, but we cannot pretend that they will not; otherwise, why would we be passing the Bill in the first place? Why would we be having these pledges and undertakings if we thought the issues had disappeared?

Our amendment 11 to clause 7 would require the pledge of office to be taken orally in front of the Assembly by the First Minister and Deputy First Minister, as was the original intention when we negotiated and wrote the agreement. It was intended that the First Minister and Deputy First Minister, who were then to be elected jointly by the Assembly, would take the pledge of office together. That was why some parties supported the concept of the pledge of office—they liked what might be called the constitutional liturgy of their taking a joint pledge of office that referred unambiguously to serving all the people of Northern Ireland equally, along with the other principles.

It was for some other convenience—more a bureaucratic or procedural convenience—that a version was drawn up with words that allowed the First Minister and Deputy First Minister simply to affirm the terms of the pledge of office, as in the 1998 Act. I see no reason why there should not be a wider commitment. It would be more helpful, particularly given that we keep adding terms to the pledge of office. It would do no harm if they were actually vocalised. If that happened, people might remember and register them more and have more input.

The amendments to clause 8 take up parallel issues to those raised in our amendments to clause 7. They address and try to resolve the inconsistencies between the wording of different parts of the undertaking, not least between the sixth part and some of the other parts. Consistent with the whole community approach, we have tried to extend the wording so that the undertaking applies not just to working together with other Assembly Members but to working with others. Assembly Members need to work with councillors, MPs and other representatives in the community if we are serious about confronting paramilitarism, working together and supporting those making a transition. The idea that that falls to Assembly Members alone is nonsense. Again, our amendments are consistent with what we have said.

It is a bit much for the Minister to say, “We cannot have any amendments, because there was a consensus in the Fresh Start negotiations”. There was not a consensus for what we have ended up with in the “Fresh Start” agreement. He tells us that something on which there was no consensus was agreed as though there was a consensus. We are trying to fill in gaps that even DUP Members, who support the “Fresh Start” agreement, now see in the Bill. Perhaps the Bill does need to be improved. There is a consensus on these Benches that remedial work is needed, but still the Minister waves his hands and says, “No, there is no consensus for it”, while ignoring the consensus emerging on at least some of these points.

Our amendment 17 would provide for the Assembly Commissioner for Standards to be the point of reference for complaints about the undertaking and allow the commissioner, if they want, to appoint somebody with particular experience to deal with complaints and to use the facility of the pledge adjudicator, as appointed by the Commissioner for Complaints. If there were complaints about the undertaking or the pledge, there would probably be parallel or rival complaints, and this facility would allow that to be taken care of and avoid separate and rival investigations into issues deemed to be relevant or paired.

That would help us to go forward. It is about making good the gap that the hon. Member for East Antrim talked about when he intervened on the hon. Member for North Down. There is no way of ensuring a standard of adherence to the undertaking, no way of investigating breaches, nowhere to take a complaint or anything else. That is where I have some difficulty with the proposal made by the hon. Member for North Down that the answer lies in Standing Orders. If there is a Division, I will support her proposal purely to show the deficiency of the Bill and the clause, but I do not believe that the answer lies in Standing Orders.

Standing Orders are about the conduct of business and proceedings in the House. They are not normally about investigating things that have happened outside the House or allegations of various activities or consorting with people engaged in various activities. I am not sure that dealing with investigations and sanctions is normally the stuff of Standing Orders. It is about dealing with investigations and sanctions that is normally the stuff of Standing Orders, so I do not think that the proposal best answers the issue. That is why we have tried to answer it differently in our amendments.

Sammy Wilson: Does the hon. Gentleman accept that, where Standing Orders set standards, the Assembly commissioner has something to work on, so if a complaint is made about whether someone has breached the pledge, there is at least a basis on which an investigation can take place?

Mark Durkan: Yes, I fully accept that, and the clause says that Standing Orders will lay down provision on how the undertaking is made. That is why it was nonsensical of the Minister to argue that we should not set things down in the Assembly’s Standing Orders, when that is precisely what the clause will do. The hon. Member for East Antrim seems to assume that the Assembly Commissioner for Standards would deal with the complaint, so perhaps he sees merit in our amendment that would ensure that someone could receive, consider and assess a complaint. Certainly, the more that those standards are explicit either in the Bill or in Standing Orders, the better; that is fine.

Of course the Assembly Commissioner for Standards does, among other things, address standards of public life. That is one reason why we have tabled amendment 15, to make it clear that the precepts and commitments in the undertaking would in effect be read alongside the Nolan principles, as part of the general standards of public life in Northern Ireland, so that MPs and councillors would be held to that standard. Let us remember that the commissioner deals with those issues separately and that we do not want to create inconsistencies where parties face allegations that their members said one thing at a council meeting and did something else as
MLAs and MPs. We would then get into all sorts of confusion about who is amenable to what standards. Let us create consistency and clarity of standards.

In previous debates, Members have raised issues about what councillors from my party have done in different instances, and we have raised instances about what other people have said or done, or who they have consorted with in other situations. This is about trying to get us all beyond that and trying to ensure that everyone in all parties knows what standards are required of them and then adheres to those standards. That is why we have tabled that series of amendments to make good serious deficiencies.

The other rich argument that came from the Minister was that he said that there should be no question of our trying to deal with breaches either of the undertaking or the pledge. In one instance, he said that, after all, the Assembly has the power to censure Ministers; but of course any attempt to censure Ministers on any grounds in the Assembly so far has ended up being vetoed under the petition of concern. He therefore points us to an alternative that is something of a dead end.

If we are serious about trying to resolve these issues and about trying to ensure that no untoward incident triggers the sort of crisis that had the institutions teetering on the brink, as they were in the later part of last year, we need to do better than the Bill, and the Minister needs to do better than come up with humbug, shallow arguments about the degree of consensus about the “Fresh Start” agreement, when it is already clear, even from what has been said from these Benches, that everyone knows that that is very limited.

Danny Kinahan (South Antrim) (UUP): I will try to be as quick as possible because we are trying to get through a lot. As a party, we fully support trying to move the Stormont House agreement forward and we support the principles in the Bill, and we totally abhor the paramilitaries, so we know where we are trying to go; but although we want to get there as quickly as possible, we have rushed this too quickly. We have two major problems that run through the amendment. The one that we have discussed at great length is the lack of sanctions, and the other is the lack of a definition of “paramilitaries”.

To answer the question that the hon. Member for Amber Valley (Nigel Mills) asked about other paramilitaries worldwide, when we go to the Falls Road, look at a wall there and see Basque and Colombian terrorists, Palestinians and others all being feted, we realise that this is larger than the sovereignty of this Parliament, and that this Parliament needs to use its sovereignty to do its best. We need to look at those matters.

2.45 pm

On sanctions, we fully support the very good amendment tabled by the hon. Member for North Down (Lady Hermon). We really do need sanctions, and that is absolutely the right way to deal with the issue. I have notes—I will not go into them—on some five breaches by Ministers in Stormont and another four by MLAs breaking the regulations. Although they were deemed to be breaches, there were no sanctions. We need sanctions in place in time. Therefore, if we pass the Bill today, how do we get the Standing Orders written in time, so that someone taking the pledge knows what the Standing Orders say? We need to be very quick; otherwise, this seems slightly pointless.

We sympathise with most of the amendments on paramilitaries. We would like to see those amendments made, because there are other tensions, most of which I went through when I spoke on Second Reading, about how to define a paramilitary. We want our MLAs to be able to work and have influence on paramilitaries, without being seen as supporting them or being challenged from either side. Of course, within that are the flag issues and all sorts of other things, so I am very concerned about where we are going on that.

I shall move on to an amendment that no one seems to have spoken about: the Government amendment that will get the Speaker to carry on in position. I find that slightly rich. We have a system where the Father of the House is normally the person who carries out that role and can do it perfectly well. The Government are arguing that we are sovereign but we must not impose things on the Assembly, but they are doing exactly that in trying to put the Speaker in charge. I would like to know more about why we are going down that route.

We want to see the Bill work. We want to see things get better in Northern Ireland, and I think that hon. Members have probably heard enough from me.

Nigel Mills: I will make a couple of brief remarks. I think the whole Committee wholeheartedly supports any effort to tackle paramilitarism. I think we would all agree that anyone who engages in or supports paramilitarism has no place in a democratic assembly, making and enforcing laws. I absolutely agree that all the sentiments in the oaths make sense.

Where I get a little concerned is when we start talking about investigating and sanctioning breaches. We must be careful about exactly what some of these words could involve. What we have in these undertakings are not entirely pledges not to do things. They are pledges to do things, so we get phrases such as, “to challenge all paramilitary activity and associated criminality”. I could be accused of breaching that undertaking because I have not sufficiently challenged something. What does challenge mean? Does it mean that I should verbally dispute the validity of something? Should I say that paramilitary activity is heinous and I have therefore met that pledge, or should I be out on the streets of Belfast, physically challenging that activity where I see it?

Equally, MLAs will undertake, “to challenge paramilitary attempts to control communities” and “to work collectively with other members of the Assembly”. I am not sure how we can have a sensible situation where someone is investigated because they have not quite worked collectively enough with other Members on something. That would happen because they had been working independently, not collectively, and therefore that would not count, or because they had been working a bit collectively but not collectively enough? I am not sure how we go from an oath that sets out undertakings and beliefs to something that we could try to investigate and enforce.

The Oath we take in this place is to be loyal to Her Majesty the Queen and her successors, but I do not think that Members get taken to the standards board
because we have not quite been loyal enough to the Queen, or because something we have said has not been entirely consistent with the Oath. There is a separate code of conduct that we have to follow where the investigation of standards applies. We would not try to follow that from an oath. I am just not sure how the Members proposing the amendments could make the investigations and sanctions link to positive activities.

Sammy Wilson: First, we accept that if a pledge is made, there must be some way of measuring whether or not it has been lived up to. If it has not, there must be some way, by definition, of sanctioning someone for not doing so. Examples have been provided here today of how it is quite easy to work out whether or not someone has lived up to their pledge. If, for example, they make excuses for paramilitary activity or make excuses for people who have engaged in acts of violence, they are clearly not keeping to the pledge of office.

Nigel Mills: I entirely agree. Where someone says or does something that clearly contravenes the undertakings they have given, we should be able to investigate it and sanctions should be available. My slight worry is that the amendments might allow a complaint to be made that somebody had not sufficiently challenged all paramilitary activity—that they had not said enough times how heinous such activity is, or they might not have taken any physical action in the community, for example. I am not sure how it can be proved or enforced when somebody has not done something. That is my point. If we wanted a code of conduct that could be followed, it would have to be clear that people were prohibited from speaking or acting in any way in support of paramilitaries.

Sammy Wilson: Does the hon. Gentleman accept that if that were the case, the Assembly Commissioner, or whoever was making the adjudication, would be able to make a judgment about whether a complaint about the pledge of office was valid or not? It could be simply said, “Look, that is not what is meant by the pledge: it is not about the quantity; it is about whether someone should be condemned on the basis of support for paramilitary activity.”

Nigel Mills: I am sure that that could be said, but I am not sure whether that is set out in the amendments. We all know that such processes can be abused for partisan reasons, by people making scurrilous complaints that we know will never go anywhere, but which take up time and cause anxiety and spending.

Let me provide a further example. There is another pledge to support those who are determined to make the transition away from paramilitarism. There could be a complaint that somebody had not given sufficient support to those who wanted to move away from paramilitarism. That would be a nonsense, because there could be many reasons why an individual might not have given that degree of support in that situation. What kind of support are they meant to be providing as an individual MLA? I think we need to be cautious about moving from a set of extremely well-meaning and well-intentioned objectives, such as enforcing acceptable pledges and undertakings, and making them into a code of conduct that I believe we would struggle to enforce sensibly in this form.

Stephen Pound: The debate on this group all started so well. The Minister’s initial moves on timetabling were sensible and proportionate, and I believe would have been supported by the whole House. I think the key comments—these should be the leitmotif of this afternoon’s entire discussion—were about the creation of a society “free of paramilitarism”. That is the point we start from. That is where we want to go. It is the route to that desired state that we are discussing this afternoon.

We heard a tour de force from the hon. Member for North Down (Lady Hermon). Sometimes I gain the impression that hers is a multi-Member constituency, because it seems almost impossible that one person could sway the Committee so effectively—and not for the first time, either. I hope that the hon. Lady will allow me, on behalf of my colleagues and, I am sure, all of us, to say what an immensely impressive case she made.

Come what may, the Government have to reflect and consult and reconsider. We have heard too much evidence this afternoon for us simply to allow this matter to slide through. We have heard some immense detail. The hon. Member for North Down talked about the conflicts that arose during her ministerial period. This provides yet another reason why we need to examine the case somewhat further.

The right hon. Member for Lagan Valley (Mr Donaldson) described the amendment tabled by the hon. Member for North Down as sensible and prudent, while also touching on a vital point. The right hon. Gentleman talked about public confidence, which I believe is very much at the heart of the matter. We can argue about the niceties, about interpretation and about angels dancing on the head of a pin. We can go through this catechism and ask whether people adhere to this precisely or not, but ultimately, the issue of public confidence is immensely important. There cannot be an area in the politics and daily life of Northern Ireland where there is a greater need for public confidence than in the transition away from paramilitarism and violence towards the desired state that I referred to earlier.

The right hon. Member for Lagan Valley also talked about identifying an ambivalence in attitude, and that feeds into some of the comments made by the hon. Member for Amber Valley (Nigel Mills). There is a need for further finessing and interpretation. When the hon. Member for Foyle (Mark Durkan) went through the clauses of the Bill in detail, he put his finger on the fact that we are still not entirely clear about what many of them mean. The hon. Member for Fermanagh and South Tyrone (Tom Elliott) also referred to that.

On behalf of my colleagues on the Opposition side of the Chamber, I call on the Government to take cognisance of the strength, the power and the logic of the arguments that they have heard on the Floor of the House today, not just because of the strength of those arguments but because of the impact that the proposals will have on civic life in Northern Ireland. What has been said today cannot be unsaid, and what has been done cannot be undone. We have to recognise the impact of what we have heard this afternoon. The Government have our
entire support in this transition towards a good society and, as the SDLP put it when we debated an earlier amendment, a wholesome society.

**Jim Shannon:** I assume from what the hon. Gentleman is saying that we can rely on Labour’s support for the amendment tabled by the hon. Member for North Down (Lady Hermon).

**Stephen Pound:** Labour Members will not be voting with the Government. We will be abstaining on this question, in the hope that the Government will be able to reflect and consult further and more widely. In this case, more than any other, there is a need for further discussion and consultation. We cannot simply rely on this one being forced through on a majority. The argument that we have heard today is far too powerful and far too relevant to be voted away.

**Lady Hermon:** I have to register my deep disappointment in Her Majesty’s official Opposition; I had expected better of them this afternoon. This is a very important debate for the people of Northern Ireland, who have had to live with paramilitary activity for so long. We would have it called terrorism, but we now define it as paramilitary activity. There is no difference between those people, however; they are terrorists by another name. I am deeply disappointed, and I would like the hon. Gentleman to explain the rationale for this decision by Her Majesty’s Opposition. He gave the House some good reasons earlier, and there is consensus on these Benches, so will he tell us what legitimate justification he has for sitting on his hands? Forgive me for putting it like that, but that is effectively what he and his colleagues are going to do this afternoon, and it is quite disgraceful.

**Stephen Pound:** I accept the lash that the hon. Lady applies, and to a certain extent I deserve it. However, the point that my colleagues and I would make is that we have to look at this matter further and in greater depth. More consultation needs to be done and more discussion needs to be heard. We have heard ambivalence on both sides of the House today, and questions have been asked about interpretation. It is essential that we proceed with the Government’s assessment of the interpretation and finish with the “Fresh Start” agreement and, as it is specified, we cannot go beyond that. I have heard what hon. Members have had to say, but unfortunately the Government will not accept the amendments placed before us today.

**Question put and agreed to.**

Clause 6 accordingly ordered to stand part of the Bill.

Clause 7 ordered to stand part of the Bill.

**Clause 8**

**Undertaking by Members of the Assembly**

Amendment proposed: 6, page 5, line 11, at end insert—

“(5) Standing orders must provide for a process for investigating any alleged breach of the undertaking by any member of the Assembly and for determining whether the undertaking has been breached.

(5A) Standing orders must provide for sanctions that shall apply to any member of the Assembly who has been found to breach the terms of the undertaking.”—(Lady Hermon.)

This amendment requires the Northern Ireland Assembly to have an enforcement process, comprising investigation, determination and penalty, in order to ensure compliance with the terms of the statutory undertaking by members of the Assembly.

**Question put,** That the amendment be made.
The Committee divided: Ayes 9, Noes 201.

**Division No. 212**

[3.2 pm]

**AYES**

Donaldson, rh Mr Jeffrey M.
Durkan, Mark
Elliott, Tom
Hermon, Lady
Paisley, Ian
Ritchie, Ms Margaret

Tellers for the Ayes:

Jim Shannon and
Danny Kinahan

**NOES**

Afriyie, Adam
Allan, Lucy
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barwell, Gavin
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, James
Boles, Nick
Bradley, Karen
Brazier, Mr Julian
Bruce, Fiona
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Carmichael, Neil
Cartidge, James
Cash, Sir William
Caulfield, Maria
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Costa, Alberto
Cox, Mr Geoffrey
Davies, Chris
Davies, David T. C.
Davies, Mims
Davis, rh Mr David
Dinenage, Caroline
Donelan, Michelle
Double, Steve
Doyle-Price, Jackie
Dreэ, Richard
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Mark
Fabricant, Michael
Fernandes, Suella
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy

Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
Merriman, Huw
Metcalfe, Stephen
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Morris, Anne Marie
Morton, Wendy
Mowat, David
Murray, Mrs Sherryll
Murrison, Dr Andrew
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Offord, Dr Matthew
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Penning, rh Mike
Percy, Andrew
Phillips, Stephen
Philip, Chris
Pincher, Christopher
Pow, Rebecca
Prisk, Mr Mark
Pritchard, Mark
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Rees-Mogg, Mr Jacob
Rosindell, Andrew
Rudd, rh Amber
Sandbach, Antoinette
Scully, Paul
Sharma, Alok
Shebbeekoе, Alec
Skidmore, Chris
Smith, Chlöe
Smith, Henry
Smith, Royston
Snaes, rh Sir Nicholas
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Thomas, Derek
Throup, Maggie
Tootluryst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Wharton, James
Whatley, Helen
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williamson, rh Gavin
Wilson, Phil
Wilson, Mr Rob
Wood, Mike
Wragg, William

Tellers for the Noes:

Georgie Hollingbery and
Stephen Barclay

Question accordingly negatived.

Clause 8 agreed to.

Clause 9

**DRAFT BUDGETS**

Mark Durkan: I beg to move amendment 18, page 5, line 42, at end insert—

'( ) Statements laid before the Assembly under this section must include information on—

(a) how the total figures in the statement have been calculated,

(b) the application of any funding formula used by Her Majesty’s Government in determining the amount of UK funding for that year as notified to the Minister by the Secretary of State,

(c) the extent to which Her Majesty’s Government’s spending plans, on which the funding formula is based, have been informed or affected by statutory requirements or obligations, including specific clarification on—

(i) the consequential budgetary effects of any primary legislation resulting from Bills brought before the House of Commons after 22 October 2015, which related exclusively (in whole or in part) to either England and Wales, or matters within the devolved competence of any or all of the Northern Ireland
Assembly, the Scottish Parliament or the National Assembly for Wales, with indications on how these have been factored into the funding formula.

(ii) any Regulations or other secondary legislation laid before the House of Commons after 22 October 2015, which related exclusively to either England or England and Wales, on matters within the devolved competence of any or all of the Northern Ireland Assembly, the Scottish Parliament or the National Assembly for Wales, with indications on how these have been factored into the funding formula.

(d) the ring-fencing of funding by Treasury for bespoke purposes,

(e) UK wide or non-devolved funding measures for which services, enterprises or persons in Northern Ireland may be eligible, and

(f) the impact of any relevant implications for Northern Ireland arising from the Charter for Budget Responsibility.

(1) The Minister of Finance and Personnel must lay before the Assembly further timely statements providing additional information on the effect on funding for the Northern Ireland Assembly’s budget of—

(a) other spending decisions or announcements by the Treasury or the Secretary of State which might have implications for the devolved spending remit by either adding to or subtracting from previously announced or approved plans,

(b) the ring-fencing of funding by Treasury for bespoke purposes,

(c) any legislative changes affecting the totals of spending by or on behalf of the UK Government and

(d) UK-wide or non-devolved funding measures for which services, enterprises or persons in Northern Ireland may be eligible.

This amendment requires transparency in statements laid with the budget, to show how figures were calculated, the application of the Barnett formula and the consequences of legislative changes made where EVEL applied and requires additional statements on the consequences for Northern Ireland of other legislation and spending decisions.

The Temporary Chair (Sir Edward Leigh): With this it will be convenient to discuss clause stand part.

Before I call Mr Durkan, I should say that these proceedings have to finish by 3.45. It is of course up to Members how they progress, but we do not have a great deal of time. Short speeches would be appreciated.

Mark Durkan: The Government have included clause 9 in the Bill in the name of transparency. I am certainly all for transparency in Budgets, be it here or in the Assembly, and I say that as a former Minister of Finance and Personnel in the Assembly.

Amendment 18 would make the transparency more articulate when the Minister of Finance lays a new statement before the Assembly to reflect the sum allocated to the Executive under the Barnett formula. It should not be just about a figure; it should explain how the figure was reached and the formula that was used to arrive at it.

The amendment is also about making good concerns expressed by parties not just in Northern Ireland but in other devolved areas that legislation passed in this House that conditions the overall plans in the Budget has consequential impacts on the Barnett formula. The Government deny that that is so. Many of us in the devolved parties believe that it is so. The best way of knowing is exactly by having the sort of transparency that amendment 18 would provide.

The transparency is also about avoiding the confusion around Budget announcements. Sometimes the Chancellor will talk about money that is available to Northern Ireland going directly to the Executive under the Barnett formula. Other times money will come from UK-wide funds or it is challenge funds that Northern Ireland is eligible for. Other money is also allocated to Northern Ireland on a purely ring-fenced basis. Often there is confusion about the different sums. Hon. Members are confused when we ask questions during Budget procedures. Members of the Assembly are confused and of course, the public, whose money we are talking about, are completely confused. So if there are to be benefits to transparency, let us make sure that the transparency is complete and articulate. That is what amendment 18 is about.

Mr Wallace: Clause 9 delivers the commitment, set out in the “Fresh Start” agreement, that the Government would legislate to promote increased transparency in the setting of Executive budgets. The clause amends section 64 of the Northern Ireland Act 1998. It requires the Northern Ireland Finance Minister to lay a statement in the Assembly specifying the amount of UK Government funding available for the financial year, as calculated by the Treasury and notified by the Secretary of State. The Finance Minister’s statement must be laid at least 14 days in advance of the introduction of a draft Executive budget.

Upon laying the draft budget, the clause also requires that the Finance Minister issues a further statement showing that the amount of Government funding required by the draft budget does not exceed that specified by the Secretary of State. The clause also makes provision for a similar process to be followed if there is any change in the level of Government funding provided to the Executive. If this occurs, the Secretary of State can notify the Finance Minister of the change in funding. Within four months, the Finance Minister must inform the Assembly of this notification and specify the revisions to expenditure proposals required as a result of the Secretary of State’s notification. In providing for greater transparency around Executive finances, this clause will encourage affordable and sustainable budgets going forward.

I do have some sympathy with the aim of amendment 18, which is to bring about further transparency in the budgetary process—that is what I think clause 9 already achieves. I understand there to be two main purposes behind the amendment to the provisions in the Bill which deal with the draft Budgets presented to the Northern Ireland Assembly.

To deal with subsections (a) and (b) in the amendment, the inner workings of the Barnett formula are sometimes unfairly characterised as opaque. In fact all of the information which underlies the calculations and therefore the calculation of the block grant is set out in the Treasury publication known as the “Statement of Funding Policy”.

As will once again be evident when the Chancellor presents his Budget next week, the Barnett consequentials for Northern Ireland relating to funding decisions taken by the Treasury will be communicated to the Northern Ireland Executive almost instantly upon the Chancellor taking his seat. It is the intention behind the provisions in this Bill to make it possible for Assembly Members—and parliamentarians in this House who take an interest—
Northern Ireland Executive.

out obligations for the UK Government, not for the funding, and the charter for budget responsibility sets does not generally include non-devolved elements of the proposed provisions. The Executive's block grant afraid that we are unclear precisely what is intended by to the Executive.

understanding of the various funding sources available detail is made available to permit proper scrutiny and understanding of the various funding sources available. The new statements will not, however, be any more able to deal with the questions of changes provoked by legislative provision at Westminster than as explained previously in relation to English votes for English laws. I urge hon. Members to withdraw their amendment.

Mark Durkan: I am not persuaded by any of the Minister's arguments in respect of the quality of the amendment, but I can assure him that I will not press it to a Division.

The Minister said he was not sure that paragraphs (e) and (f) were needed. Paragraph (e) relates to the Chancellor's own statement. Often there is confusion about whether the money made available to Northern Ireland is in the Northern Ireland budget or not. The aim was to ensure greater clarity for Members in this House, Members of the Assembly and the public.

Paragraph (f) refers to “the impact of any relevant implications for Northern Ireland arising from the Charter for Budget Responsibility.”

The charter for budget responsibility is becoming increasingly important. Like other measures, it was probably bubble-wrapped as a neutral budgetary tool originally, but neutral budgetary tools end up being cuts weapons in the hands of the Treasury. The aim of the amendment was to ensure that that is understood. Let us remember that the welfare cap is part of the charter for budget responsibility. We want to ensure three-dimensional transparency in relation to budgetary matters.

I am glad that there are some aspects of the amendment the Minister would want to see reflected in the further outworkings of clause 9 and that he feels confident they will be. I do not share that confidence, but I will not take the House with a Division, so I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 9 ordered to stand part of the Bill.

Clause 10

REGULATIONS

Question proposed, That the clause stand part of the Bill.

The Temporary Chair: With this it will be convenient to discuss the following:

Amendment 2, in clause 11, page 6, line 25, leave out “section 10” and insert “sections 10, (Victims and survivors), (Election of the First Minister)”

This amendment provides for NC1 and NC2 to come into force on the day on which this Bill is passed.

Clause 11 stand part.

New clause 1—Victims and survivors

In Article 3 of the Victims and Survivors (Northern Ireland) Order 2006, at the end insert—
(3) In this Order references to victim and survivor shall not include an individual appearing to the Commission to be any of the following—

(a) someone who is or has been physically or psychologically injured as a result of or in consequence of their undertaking a criminal act in a conflict related incident;

(b) someone who was in whole or in part responsible for an unlawful conflict related incident if that person took part in all or any of the planning or execution of that unlawful act.

This new clause provides that persons injured as a result of criminal acts in conflict related incidents cannot be treated as victims or survivors if they were themselves responsible for those criminal acts.

New clause 2—Election of the First Minister—

‘(1) The Northern Ireland Act 1998 is amended as follows.

(2) Omit sections 16A (appointment of First Minister, deputy First Minister and Northern Ireland Ministers following Assembly election), 16B (vacancies in the office of First Minister or deputy First Minister) and 16C (sections 16A and 16B: supplementary).

(3) Before section 17 (Ministerial offices) insert—

“A17 First Minister and deputy First Minister

(1) Each Assembly shall, within a period of two weeks beginning with its first meeting, elect from among its members the First Minister and deputy First Minister.

(2) Each candidate for either office must stand for election jointly with a candidate for the other office.

(3) Two candidates standing jointly shall not be elected to the two offices without the support of a majority of the members voting in the election, a majority of the designated Nationalists voting and a majority of the designated Unionists voting.

(4) The First Minister and deputy First Minister—

(a) shall not take up office until each of them has affirmed the terms of the pledge of office; and

(b) subject to the provisions of this Part, shall hold office until the conclusion of the next election for First Minister and deputy First Minister.

(5) The holder of the office of First Minister or deputy First Minister may by notice in writing to the Presiding Officer designate a Northern Ireland Minister to exercise the functions of that office—

(a) during any absence or incapacity of the holder; or

(b) during any vacancy in that office arising otherwise than under subsection (7)(a); but a person shall not have power to act by virtue of paragraph (a) for a continuous period exceeding six weeks.

(6) The First Minister or the deputy First Minister—

(a) may at any time resign by notice in writing to the Presiding Officer; and

(b) shall cease to hold office if he or she ceases to be a member of the Assembly otherwise than by virtue of a dissolution.

(7) If either the First Minister or the deputy First Minister ceases to hold office at any time, whether by resignation or otherwise, the other—

(a) shall also cease to hold office at that time; but

(b) may continue to exercise the functions of his or her office until the election required by subsection (8).

(8) Where the offices of the First Minister and the deputy First Minister become vacant at any time an election shall be held under this section to fill the vacancies within a period of six weeks beginning with that time.

(9) Standing orders may make provision with respect to the holding of elections under this section.

(10) In this Act “the pledge of office” means the pledge of office which, together with the code of conduct to which it refers, is set out in Annex A to Strand One of the Belfast Agreement (the text of which Annex is reproduced in Schedule 4).’’

This new clause provides for the First Minister and deputy First Minister to be elected jointly by the whole Assembly, provided that the joint candidates for those posts also have a majority among both the designated Nationalists and the designated Unionists voting in the election.

New clause 3—Appointment of First Ministers—

In Section 16A of the Northern Ireland Act 1998 (Appointment of First Ministers and Northern Ireland Ministers following Assembly election)—

(a) subsections (4) to (7) and (9) shall cease to have effect,

(b) after subsection (3) there shall be inserted—

“(4) Each candidate for the joint office of First Ministers must stand for election jointly with a candidate for the other office.

(5) Two candidates standing jointly shall not be elected to the two offices without the support of a majority of the members voting in the election, a majority of the designated Nationalists voting and a majority of the designated Unionists voting.”

(6) The First Ministers—

(a) shall not take up office until each of them has affirmed the terms of the pledge of office before the Assembly; and

(b) subject to the provisions of this Part, shall hold office until the conclusion of the next election for First Ministers.

(c) in subsection (3)(b) the reference to subsections (4) to (7) shall be replaced by a reference to subsections (4) to (6).’’

This new clause provides for the First Ministers to be elected jointly by the whole Assembly, provided that the joint candidates for those posts also have a majority among both the designated Nationalists and the designated Unionists voting in the election, rather than appointed by the nominating officers of the largest political parties of the largest and second largest political designations. This would revert to provisions of the Good Friday Agreement and the Northern Ireland Act 1998.

New clause 4—Implementation and Reconciliation Group—

‘(1) An Implementation and Reconciliation Group will be established to oversee progress on, and adherence to, commitments in the Stormont Agreement and Implementation Plan and other relevant agreements.

(2) The Implementation and Reconciliation Group, serving as a forum of joint purpose for reconciliation and normalisation involving Assembly parties and both governments, may receive and make reports and offer advice and recommendations.

(3) The Implementation and Reconciliation Group will have eleven members, including a chair.

(4) Publicly elected representatives will not be eligible for appointment as members of the Implementation and Reconciliation Group.

(5) The chair of the Implementation and Reconciliation Group must be a person of independent and international standing, nominated jointly by the First Ministers.

(6) The other appointments to the Implementation and Reconciliation Group will comprise eight members nominated to reflect the party proportions among the elected members of the Northern Ireland Assembly, one member nominated by the Secretary of State and one nominated by the Government of Ireland.

This new clause would establish a group comprising of nominees of Assembly parties, whether represented in the Executive or not, and nominees of both governments to appraise progress on agreed objectives and plans in pursuit of reconciliation and normalisation.

New clause 5—Equality duty—

‘(1) Section 75 (statutory duty on public authorities) of the Northern Ireland Act 1998 is amended as follows.

(2) In subsection (1), after paragraph (d) insert—

“(e) between those who are victims and survivors of the conflict and those who are not; and
(f) between those who have been members of Her Majesty’s armed forces and those who are not."

(3) After subsection (1), insert—

“(1A) A person is excluded from any benefit arising from this Act by virtue of (1)(e) if that person has been convicted of a serious criminal conviction.”

(4) In subsection (5), insert at the appropriate places—

“serious criminal conviction” means a conviction, whether the person was convicted in Northern Ireland or elsewhere, for an offence for which—

(a) a sentence of imprisonment of five years or more was imposed;

(b) a sentence of imprisonment for life was imposed;

“victim and survivor of the conflict” is defined as—

(a) any person who has suffered harm caused by an act related to the conflict in Northern Ireland, for which they are not wholly or partly responsible, that is in violation of the criminal law;

(b) any person who provides a substantial amount of care on a regular basis for a person as outlined in paragraph (a), where the harm suffered is a physical or psychological injury.”

This new clause provides for a change to section 75 of the Northern Ireland Act 1998 to add to the list of exemptions victims and survivors of the conflict and members of Her Majesty’s Armed Forces. It also provides a definition of victims and survivors of the conflict.

Mr Wallace: The next group covers general provisions and new clauses. Clause 10 provides for the parliamentary procedure to be used for the regulation-making powers in the Bill, while clause 11 provides for the short title, commencement and extent.

Amendment 2 is consequential to new clauses 1 and 2, which I will speak to in a moment. The amendment would change the commencement provisions so that those new clauses would come into force at Royal Assent.

New clause 1, tabled by the hon. Member for Fermanagh and South Tyrone (Tom Elliott), concerns the definition of a victim in relation to the role of the Commission for Victims and Survivors. When it comes to the past, it is clear that victims should be our first priority. I am aware that the definition of a victim is a matter of contention.

The legislation that currently deals with the concept of a victim in the context of legacy matters in Northern Ireland is for the purposes of the Commission for Victims and Survivors. The Victims and Survivors (Northern Ireland) Order 2006 was passed by the previous Labour Government. This is now a devolved matter and therefore the responsibility of the Northern Ireland Assembly. Accordingly, the Commission for Victims and Survivors is the responsibility of the First Minister and the Deputy First Minister.

Under the order, “victim and survivor” means a person appearing to the commission to be a person who was physically or psychologically injured as a result of a conflict-related incident, who regularly provides substantial care for such a person, or who is bereaved as a result of a conflict-related incident. It includes persons who are psychologically injured as a result of being a witness to an incident or of providing medical or emergency assistance to a person in connection with an incident.

Under that definition, it is possible for someone who was a perpetrator of violence, or a member of their family or their carer, to be defined as a victim, and to benefit from the commission’s assistance. We believe that there is a clear distinction between innocent victims and perpetrators, just as we have stated that we will never accept equivalence between those who sought to defend democracy and those who attempted to destroy it.

Members of the House will be aware of the significant progress made on legacy issues during the Stormont House talks towards the end of 2014. That included the Northern Ireland Executive agreeing to the recommendation from the Commission for Victims and Survivors of a new mental trauma service better to meet needs in that area. Advocate-counsellor assistance was also agreed for victims and survivors, to provide support and to help individuals to access relevant services.

I know that the definition remains highly controversial with not only the Northern Ireland parties, but many people in Northern Ireland and the rest of the United Kingdom. In my recent discussions, it has been very much a live concern for the parties, but it did not form any substantive part of the two rounds of talks that led to the Stormont House and “Fresh Start” agreements.

As a devolved matter, any change to the definition would require cross-community support in the Assembly, and I am sure Members will agree that the matter is best resolved by the political parties in Northern Ireland. The establishment of the institutions agreed under the Stormont House agreement still represents the best chance of making progress on these matters.

New clause 5 relates to members of the armed forces, victims and survivors. I do not think I need to clarify further for colleagues my empathy and respect for members of our armed forces. I welcome the support that the DUP and others are evidencing by raising these issues today. It is vital that they know their interests are represented here and at Stormont.

The dedication, professionalism and courage of the armed forces were key factors that ensured that terrorism did not succeed during the troubles. More than 1,000 members of the security forces lost their lives during Operation Banner, securing and maintaining the rule of law in Northern Ireland. Without those sacrifices, and those of a great many others who served in the armed forces during the troubles, the peace process would simply not have succeeded.

Section 75 of the Northern Ireland Act 1998 is about promoting equality of opportunity, and the need to ensure people are not disadvantaged. I have made it a priority in my time as Minister to listen and respond to the concerns of serving and retired members of our armed forces. They are concerned about a rewriting of the past and about a one-sided approach to resolving legacy issues. They are concerned that there should never be a repetition of the circumstances that occurred during the troubles.

There has been no indication that former or serving servicemen and women have been adversely affected by section 75, so the Government do not think it is right to alter it.

3.30 pm

The Government cannot support the proposal becoming law. We would not want the status of members of the armed forces in Northern Ireland to become the subject of political controversy, and the measure would give rise to a real risk of creating difficulties where none currently exist. The best way to deal with the concerns
that members of the armed forces have raised with me is for all parties to deliver on the commitments in the Stormont House agreement. That includes a historical investigations unit, which will address the perceived one-sided nature of the status quo by investigating all outstanding troubles-related deaths, in chronological order, unless there is a good reason not to do so. It includes the commitment by the Northern Ireland Executive to explore the idea of a victims’ pension. Many former servicemen and women feel that they are the forgotten victims of the troubles, and that provides an appropriate recognition of their status.

The commitments also include improved support services for those defined as victims, who often suffer from mental trauma. I was delighted to learn this week that Combat Stress has been awarded a grant of £500,000 from LIBOR funding to roll out mental health services in Northern Ireland and to make sure that those service personnel who may feel that they are not being prioritised or receiving the service they deserve do in fact get that delivered. I have pushed for that since I was first appointed and I am delighted that we can now, I hope, improve their lot.

Bob Stewart (Beckenham) (Con): Will that cover men and women in the uniform of the Ulster Defence Regiment?

Mr Wallace: The aftercare service is available to former members of both the Royal Irish Regiment and the UDR, and it has, in effect, been moved into a multi-initiative to carry on looking after them. I visited the service last year and it provides excellent support.

Members of the armed forces and, indeed, the security forces are, of course, at the forefront of our minds with regard to providing that support. It will be up to Combat Stress and the armed forces to decide how they divide the money and deliver the service.

Jim Shannon: I am pleased that Combat Stress has been allocated money, but many other organisations in Northern Ireland, including Beyond the Battlefield, SSAFA and regimental associations, do good work with veterans and former personnel. How can they take part in the process and access some of the LIBOR funding that has been set aside for one specific organisation?

Mr Wallace: People can access a range of veterans organisations, including regimental associations and the Royal British Legion, as well as the Government themselves through the Ministry of Defence and Veterans UK, and I encourage them to do so. Perhaps I should declare an interest: I lost 30% of my sight while serving in East Tyrone on a tour of Northern Ireland in 1994, so perhaps I will be covered by the definition of a victim. It is important that we help the victims and recognise that they are not equated with the terrorists and those who sought to spread murder and chaos.

I am afraid that the Government will oppose the measures that have been tabled, but we call on Members to continue to work with us on resolving the legacy issues. As well as people’s physical suffering, we must consider their mental health and how they deal with memories of the past. This is about not only drawing a line under what has happened, but allowing people to know as much as possible about what happened to their loved ones or, indeed, themselves. The narrative of, “It wasn’t the terrorists fault,” that is being pushed has the negative effect of preying on people’s bereavement by trying to come up with a ready excuse that it was not actually the terrorists who killed their husband or wife, but somebody else all along. That preys on people’s fears and their real pain, and those who seek to do that should be ashamed of themselves.

Tom Elliott: I hear what the Minister says about the definition of a victim being a matter for the Northern Ireland legislature, but does he agree that the definition is unfair in its present form, in which a perpetrator of violence is equated with those throughout society who were badly harmed, murdered and maimed?

Mr Wallace: I agree with the hon. Gentleman that it is totally wrong to equate the two. I believe that the remedy for that is in the Northern Ireland Assembly, which is where the power to amend the definition of victims lies. I urge the Assembly always to keep at the forefront of its mind the fact that the two are not the same, because that will go further than us, as a Government, imposing that change.

Mr Jeffrey M. Donaldson: I beg to differ with the Minister about this. Many victims and survivors who were affected by the troubles in Northern Ireland neither reside in nor came from Northern Ireland; in fact, they may even be the Minister’s constituents. Given that hundreds of soldiers who were injured or killed in Northern Ireland came from Great Britain, that police officers came from Great Britain and that civilians were injured in Great Britain in acts of terrorism committed in connection with the troubles, to suggest that the definition of victim and survivor is a matter to be dealt with by the Northern Ireland Assembly misses the point. Victims and survivors came from all over the United Kingdom, so it is for this Parliament to determine who is a victim and survivor.

Mr Wallace: I hear what the right hon. Gentleman says, and I do not dispute with a large part of it, but the Bill deals with the “Fresh Start” agreement— the Stormont House agreement—in so far as it applies in Northern Ireland. I am sure that there will be further opportunities to redefine “victims” as that term would apply in the United Kingdom. Under the previous Government, the Ministry of Justice did a lot of work to ensure that the criminal injuries compensation scheme did not extend to burglars, robbers and everyone else who had managed to claim against it when they had perpetrated a crime. Precedents in United Kingdom law, or certainly in English and Welsh law, make that difference clear. I hear loud and clear what the right hon. Gentleman says, and I hope that there will be opportunities to address that in future legislation, but today we are considering this Bill, which is a consequence of the “Fresh Start” agreement.

New clause 4 would establish the implementation and reconciliation group, which is one of four new bodies to be established as part of the Stormont House agreement. The others are, as we had hoped, the historical investigations unit, the independent commission on information retrieval and the oral history archive. Members will be aware that the Government continue to support the establishment of all those bodies and the other measures in the Stormont House agreement. However, for reasons that
[Mr Wallace]

I will set out, we do not agree that it would be a positive step to move ahead with the IRG in the absence of the other bodies and measures. The IRG and the other measures to deal with Northern Ireland’s past require cross-community support in Northern Ireland and must be dealt with as part of the package of bodies and measures proposed in the Stormont House agreement.

As I have mentioned, the IRG is an integral part of the four bodies proposed in the Stormont House agreement. The Government have committed £150 million towards the establishment of those bodies as part of our commitment to help Northern Ireland to deal with its troubled past. The design and implementation of the bodies was considered as part of the intense negotiations during the “Fresh Start” legacy talks, but the establishment of the IRG and the other legacy mechanisms could not be agreed at the time. The Government continue to work on making progress on the legacy strand of those negotiations. As is set out in the Stormont House agreement, the Government support much of what was proposed. The IRG should receive and commission reports; it should promote reconciliation; it should be appointed by Northern Irish political parties, the UK Government and the Irish Government; and it should have a chair of international standing who is nominated jointly by the First Minister and the Deputy First Minister.

As Members know, there have been a number of previous initiatives aimed at addressing the legacy of Northern Ireland’s troubled past, and they have all recognised that it cannot be reduced to a one-dimensional issue. No single approach or solution will work in isolation; a concerted and multifaceted approach is required. The Stormont House agreement makes it clear that the four legacy bodies are intended to constitute a package of measures to deal with the past, each addressing a different dimension of this difficult issue.

I suggest that establishing the IRG on its own would not ultimately promote reconciliation, although that is a key function of the body. I say that because the proposed new clause ignores many of the ingredients acknowledged by the political parties in Northern Ireland as integral to dealing with Northern Ireland’s past. Those ingredients must address the suffering of victims and survivors, facilitate the pursuit of justice and information recovery, and be balanced, proportionate, transparent, fair and equitable.

A significant criticism that victims have raised with us regarding the current approach is the piecemeal nature of how legacy matters are dealt with. I do not think that we wish to perpetuate that through a piecemeal implementation of the legacy institutions. The IRG, as an integral part of the Stormont House agreement, can realistically be implemented only in parallel with the other legacy bodies, and it is clear that progress on the whole package of legacy mechanisms must have cross-community support in Northern Ireland.

I recognise the views of UUP and SDLP Members about new clauses 2 and 3. Indeed, I sympathise with the sentiment behind the measures. On the face of it, reverting to the pre-St. Andrews agreement method of electing the First and Deputy First Ministers might be a welcome change, because that involved an overt demonstration of cross-community support. However, to accept the new clauses would be to turn back the clock to before the St Andrews agreement and the subsequent legislation, which is the basis on which devolved government was restored in 2007 and continues to this day. The reality is that such changes would need to be supported on a cross-community basis, but that has not happened. The purpose of the Bill is to implement the Government’s commitments under the “Fresh Start” agreement, and the proposals go beyond that agreement.

I am concerned that if we made changes to the institutions without cross-community support in Northern Ireland, we would risk destabilising the political process in Northern Ireland, damaging the substantial progress that we have made and diverting attention from the challenges and opportunities that Northern Ireland faces. Our priority in supporting devolved politics in Northern Ireland must be to implement the “Fresh Start” and Stormont House agreements, and we are taking another step towards that with this Bill. I recognise that this matter has been considered in the past. The same amendment was tabled in the other place during the passage of the Northern Ireland (Miscellaneous Provisions) Bill in early 2014, but the Government could not support it then. I am afraid that, for the same reason, we will not do so today.

I have outlined the reasons why the Government will not support new clauses 1 to 5 and amendment 2, and I urge hon. Members not to press them to a Division.

Stephen Pound: I will speak very briefly. Not for the first time, the right hon. Member for Lagan Valley (Mr Donaldson) has made a very pertinent and relevant point. As someone from west London who was close to the Harrods bombing, the Town House bombing and the BBC bombing—I am also aware of what happened in Guildford, Birmingham and Warrington—I would be the first person to agree with his point that there is no territorial definition of victimhood.

I thank the Minister—the hon. and gallant Gentleman—for his comments. Everyone in the House must associate themselves with his words—there can be no equivalence. We hear that loudly from this side of the House and from that side of the House, and I think it is also said across the nation. We must support our armed forces—that is absolutely right—and we must endorse and support the armed forces covenant. I think of the work of the hon. Member for Strangford (Jim Shannon) and many other people who have done so much work in that area.

Above all, we must never ever forget, in everything that we do in relation to this subject, that victims must be at the heart of our deliberations. Victims are the people we must consider above all. We have to work with those who are physically and psychologically scarred by their horrors.

I will not speak for long, because I must give other Members a chance to speak, but I want to support and endorse the comments made the Minister—the hon. and, if I may say so, gallant Gentleman.

Danny Kinahan: I know that we are tight for time, but I really want to push our new clauses. The main reason why we tabled new clause 1 is that legacy issues are bubbling away at the moment. We need to ensure that we have a level playing field, but we do not at the moment. We saw an example of that at the weekend: the ex-Army bomber of Osnabrück has been given his war
pension, yet the family of Lance Corporal Young of the Household Cavalry, who wanted legal aid, have not got that. There is an imbalance. If we are to go into all these issues in the future, particularly regarding victims—

3.44 pm

Three hours having elapsed since the commencement of proceedings in Committee, the debate was interrupted (Programme Order, 22 February).

The Chair put forthwith the Question already proposed from the Chair (Standing Order No. 83D), That the clause stand part of the Bill.

Question agreed to.

Clause 10 accordingly ordered to stand part of the Bill.

The Chair then put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83D).

Clause 11 ordered to stand part of the Bill.

Schedule 1 agreed to.

Schedule 2

UNDEARTAKING BY ASSEMBLY MEMBERS: TRANSITIONAL PROVISION

Amendments made: 4, page 8, line 10, leave out “member of the new Assembly” and insert “person”.

The Speaker of the Northern Ireland Assembly remains in office after its dissolution and may chair the first meeting of the new Assembly, even if not a member of it (for example because he or she did not seek re-election). This amendment ensures that, in those circumstances, the outgoing Speaker can determine the "transitional procedure".

Amendment 5, page 8, line 12, leave out “member” and insert “person”.––(Mr Ben Wallace.)

See the explanatory statement for amendment 4.

Schedule 2, as amended, agreed to.

The Deputy Speaker resumed the Chair.

Bill, as amended, reported.

Bill, as amended in the Committee, considered.

Third Reading

3.46 pm

The Secretary of State for Northern Ireland (Mrs Theresa Villiers): I beg to move, That the Bill be now read the Third time.

I thank all right hon. and hon. Members who have contributed to this debate and on Second Reading, as well as Members of the Northern Ireland Assembly and Executive who have engaged with me and my officials on the detail of the Bill's preparation. I extend my thanks to the hon. Member for Fermanagh and South Tyrone (Tom Elliott) and the hon. Member for North Down (Lady Hermon), but I remain clear that this is a matter not for this House but for the Assembly. It is crucial that we do all we can to ensure that those who make these undertakings are kept to those commitments, but these are matters for the Assembly and I am sure it will take note of the points made today.

I reiterate the Government’s commitment to placing a draft treaty relating to the new commission in the Library of the House as soon as possible, and certainly at the same time or before any regulations are placed before the House regarding the commission. As the Minister stated, any guidance would be published by us before the commission starts its work.

We also had a lively debate on the proposed amendments to the pledge of office for Ministers, and the undertaking for Members of the Legislative Assembly. Both of those reflect commitments in the "Fresh Start" agreement to give unequivocal support to the rule of law and to work collectively to achieve a society free of paramilitarism. It is good that the House has had today the opportunity to reiterate our strong commitment to those goals.

As we have heard, the Bill gives effect to key elements of the “Fresh Start” agreement of 2015 and the Stormont House agreement of 2014, which were agreed between the UK Government, parties representing a majority of Unionists and nationalists in the Executive, and the Irish Government. Building on important progress that has already been made on implementing a range of aspects of those agreements, the Bill marks an important step towards a more peaceful, prosperous and stable Northern Ireland.
and it became part of the Stormont House agreement, and I think it will play a part in contributing to the compilation of a more bipartisan programme for government, as there will be more time to conclude that before people take on their ministerial responsibilities.

I am delighted that the House has accepted the financial transparency clause, which I see as an important part of the Bill. A considerable amount of work was needed to ensure that we came up with a clause that not only worked but fully respected the decisions of the Northern Ireland Executive in relation to their own budget. Thanks to the helpful contributions made by the Department of Finance and Personnel, Her Majesty’s Treasury and the Northern Ireland Office, we have a sensible provision that will add transparency and workability to the way the Northern Ireland Executive and Assembly compile their budgets. That, too, is an important step forward, and it demonstrates that we are learning the lessons of the experience of recent years.

During the debate in Committee earlier, the Minister reaffirmed the Government’s commitment to the establishment of the bodies designed to address the legacy of Northern Ireland’s past. It is of course a matter of regret that we cannot include them in this legislation, but the reality is that we do not yet have the commitments that we need, on a cross-community basis, and the consensus that we need to be able to bring forward such legislation. We do recognise the importance of establishing these bodies, and I assure the House that we will continue with our efforts to build the consensus that we need to introduce them. We made real progress during the talks which led to the “Fresh Start” agreement, but sadly it was not quite enough to enable us to proceed with this legislation. I will continue my programme of engagement with the political parties and with victims groups to try to bridge those final gaps and thus enable us to get these bodies up and running. We believe that they would deliver considerably better outcomes for victims and survivors, and would represent the best way forward for seeking to address some of the painful legacies of the past and the troubles.

I also take on board the points made in the amendments and in the debate about the definition of a “victim”. As a Government, we sympathise with many of the points that have been made on these matters. We can see real problems with the definition, which includes those injured at their own hands in the course of the commission of criminal acts, but this is properly a matter for the Northern Ireland Assembly to decide, not for this House.

In conclusion, the Bill will be a step forward for Northern Ireland. It will help us to deliver those crucial two agreements—“Fresh Start” and Stormont House. It will take us towards a more successful, stable and prosperous Northern Ireland. Most important of all, it will take us a step closer to a Northern Ireland that is, once and for all, free from the pernicious influence of paramilitaries and terrorists of any sort. I ask hon. Members to support the Bill on its Third Reading.

3.55 pm

Mr Jeffrey M. Donaldson: We welcome the passage of the Bill. We are a signatory, as it were, to the Stormont agreement. We want to see its implementation. Equally, we want to see the implementation of the Stormont House agreement. I echo the sentiments of the Secretary of State, particularly in relation to the bodies that will deal with the legacy issues—the historical investigations unit being prime among them.

Every day, I talk to constituents, victims and survivors in Northern Ireland. There is a deep sense of frustration on their part that the media are full of the whingeing of Sinn Féin about what the state did and what the Government did. The stark statistics speak for themselves: 90% of the killings carried out in what we call the “troubles” were carried out by our own terrorist organisations. Some 60% of those killings were carried out by republican terrorists. There are 3,000 unsolved murders linked to the troubles in Northern Ireland, yet we have the absurdity of scores of police officers reviewing the killings known as “Blood Sunday” in Londonderry and not a single police officer looking at the equally bloody Sunday in the constituency of the hon. Member for Fermanagh and South Tyrone (Tom Elliott), when the Provisional IRA exploded a bomb at the cenotaph and murdered many innocent people. Today, not a single police officer is being deployed to investigate those responsible for that murder.

Looking at that situation, we can understand why ordinary people in Northern Ireland are left deeply frustrated. Ninety per cent. of killings get little or no attention, yet the focus is constantly on what the state did, constantly on what our brave soldiers did and constantly on what our brave police officers did. In many instances, the killings carried out by the state were entirely lawful and legitimate, and carried out against terrorists engaged in acts of violence and terrorism. They were often in self-defence.

We have inquests. We have investigations. We have inquiries. We have hundreds of millions of pounds spent on investigating what the state did. The innocent victims are not only not getting the attention they deserve; they have to accept—they do not accept it; “endure” is perhaps the word—a definition of “victim” that in law equates them with the perpetrators. That is something this House ought to address. There is no consensus in Northern Ireland on the definition of “victim”, and I do not think the Northern Ireland Assembly is likely to agree one in the near future. There was debate on this in the Stormont House discussions and it has been discussed at length in the past. I presented a private Member’s Bill in this House to change the definitions of victim and survivor. I tabled amendments to the Northern Ireland (Miscellaneous Provisions) Bill. My party has tabled an amendment to this Bill, as has the Ulster Unionist party. We still do not have a change to the definition of victim and survivor.

The hon. Member for Ealing North (Stephen Pound) is right to say that this matter goes beyond the people who live in Northern Ireland. It includes many who served in Northern Ireland, and the victims of the Birmingham, Manchester, Canary Wharf, Bishopsgate and Guildford bombings. There are many instances of terrorist atrocities carried out by republican terrorists here.

Gavin Robinson (Belfast East) (DUP): Does my right hon. Friend believe that the injustice was further compounded earlier this week, when the Legal Aid Agency refused to support the just quest of the families of the Hyde Park bombing for civil support in their pursuit against John Downey?
Mr Donaldson: My hon. Friend makes a valid point. The other day I was in the lift with Lord Tebbit and I asked after his wife. I think of the Brighton bomb—the Conservative party knows this all too well—which was a blow to the heart of British democracy if ever there was one. I think of Lord Tebbit’s wife. I think of others who died in that attempt by the Provisional IRA to blast British democracy.

As Lord Tebbit himself asked, why is the man who planted the bomb being equated with the victims of the Brighton bombing? With the greatest of respect to the Secretary of State and the Minister, I say that this is not a matter just for the Northern Ireland Assembly; it is a matter for every Member of this House of Commons. We all have constituents who served in Northern Ireland, and many of us have constituents who died or were injured there. They are all victims and survivors. The Minister himself would come under the category of “survivor”, yet he is equated with the very people whom he lawfully was seeking to bring to book and who were holding Northern Ireland to ransom.

My final point concerns an amendment of ours that unfortunately was not debated this afternoon. I disagree with the Minister. The military covenant is not being fully implemented in Northern Ireland. I will send him copies of responses I have had from Departments in Northern Ireland specifically stating that constituents of mine who have undertaken military service cannot benefit from the military covenant because of section 75. I will share that correspondence with him so that he can see our frustration at hearing Ministers deny there is a problem. We, as Members representing constituencies in Northern Ireland, have constituents who served in our armed forces who are not getting the full benefit of the military covenant because of section 75. I hope he will understand our frustration.

Mr Wallace: I share the right hon. Gentleman’s frustration. That is why, when I was appointed, instead of waiting on areas like mental health, I went around the problem, approached Combat Stress and said, “What’s important to veterans and victims is outcomes and getting a service. I’m not too fussed who delivers it. I just want to get the service delivered to them.” I hope that is partly why we have got where we have with Combat Stress, but I am happy to listen to other areas of frustration and see what we can do to deliver the service.

Mr Donaldson: I entirely accept what the Minister has said. I have nothing but admiration for his efforts to ensure that veterans of our armed forces living in Northern Ireland receive the support they deserve. However, I have had constituents say to me, “I have returned to live in Northern Ireland, and the military covenant tells me that I should have access to medical care on the same basis as other residents of Northern Ireland, as if I had lived in Northern Ireland, but I don’t”. The covenant says not that there should be special advantages, but that veterans should not be disadvantaged by virtue of their service. In reality, veterans in Northern Ireland who return to Northern Ireland are being disadvantaged by their service. They go to the bottom of the waiting list, instead of being placed in the list where they would have been had they been ordinarily resident. That is what the military covenant should be doing for veterans, but it is not currently delivering. We will be happy to meet the Minister to discuss how we can overcome this difficulty and ensure that the military covenant delivers.

We welcome and support the Bill and the Secretary of State’s ongoing efforts to conclude the other elements of the Stormont House agreement. We stand with her on issues such as national security, and we hope that we will see this matter through to a successful conclusion. We all owe it to the people of Northern Ireland to do so.

Mr James Gray (North Wiltshire) (Con): On a point of order, Mr Deputy Speaker. It might help the House to know that, because of the time available for the following debate and because of the great importance of the business being discussed by right hon. and hon. Friends from Northern Ireland, I do not intend to move the following motion, in the hope that the Backbench Business Committee will allow me to bring it back before the House when we have more time to discuss it.

Mr Deputy Speaker (Mr Lindsay Hoyle): The Back-Bench motion will not be moved. That is noted.

4.3 pm

Mark Durkan: Following the right hon. Member for Lagan Valley (Mr Donaldson), I want to make it clear that my party has not set out to oppose the Bill, but in the talks we worked for a better and fuller agreement than we have ended up with in the “Fresh Start” agreement. We also wanted one that was more competent and more cogent, and we feel similarly in terms of the legislation.

In opening Third Reading, the Secretary of State talked about the purposes of the pledge and the undertaking and said they were unequivocal commitments, but contrary to what she said, the debate on the amendments showed that the pledge and the undertaking are actually going to prove equivocal, ineffective and inert. So they will not even be fit for the purpose for which they have been offered, and that is bad legislation on our part. We regret the fact that Ministers remain tied to the idea that the terms of the “Fresh Start” agreement are themselves somehow adequate when it comes to legislation. The fact is that Ministers are pretending that the tyre is only flat at the bottom when they try to say that this is sufficient. The fact is that there are clear difficulties; there are clear gaps. This will not be fit to meet any of the bumps and challenges that we are going to meet in the road ahead, and we can point to experience to prove that.

On the new clauses that could not be fully debated, just as the right hon. Member for Lagan Valley has addressed new clause 5, which his party tabled, to answer some of what the Minister said, I want to make it clear that our aim was never to pre-empt the legislation that is necessary in relation to the past. That is why we would not have supported any amendment on the definition of victims or anything else.

On trying to make provision to establish an implementation and reconciliation group, our new clause did not venture into any of the possible roles that that group might have in respect of the past. It did not trespass on any of the understandings or discussions so far, but it tried to offer what we offered in the talks, consistent with our advocacy of a whole-community approach to achieving a wholesome society and of
having a tied-in approach by all the parties to taking responsibility for ending paramilitarism and overcoming sectarianism and for moving forward on flags, emblems and all those other issues that the agreement is meant to cover but that are not properly carried forward, unless people think that they are all just stuck in a sin bin to be parked at the office of the First Minister and Deputy First Minister.

One of the inadequacies of the latest version of the Stornet agreement is that too many of the issues that should have been the subject of cross-party approaches and commitments now end up named as Executive approaches and commitments at precisely a time when we are possibly looking at fewer parties being in the Executive. So the effort was made to get a cross-party agreement, but we end up with something that is expressed in the language of the Executive. We do not want a situation where parties not in the Executive in future can disown their leadership responsibilities on these key issues and somehow make a prosecution case against the First Minister and the Deputy First Minister or the parties that occupy that office for the failure to deliver on principles and precepts to which we were all meant to be setting our hand in the Stormont House talks and, indeed, the Haass talks before then.

Some of us have tried to offer broader bandwidth to the implementation and reconciliation group because we want a bigger, better, fuller and more meaningful agreement. We really do fear that some of the parties that support the limited terms of the agreement will be the very people who complain about its inadequacy, as we have heard today. More has been said on some of the issues today than I heard said in our negotiations during the weeks and weeks at Stormont House. It is really a bit much when parties use this place to table amendments to try to show their difference but condemn the rest of us whenever we are consistent with our arguments in the talks. We are being absolutely consistent with those arguments in our amendments today, and in telling the Government to listen to everything that they have heard and to try to show their difference but condemn the rest of us. I do not think we have followed the right course there. We need to find a new definition of victims and we need to reflect on how to choose the First Minister and Deputy First Minister into the future. We cannot just keep ducking everything. I am glad that we have spoken today, but I feel that we could have done things much better.

4.10 pm

Ms Ritchie: I rise to speak on Third Reading of a Bill that basically addressed the independent reporting commission, the pledge, the budget and, through our various amendments relating to joint Ministers, the election. We have sought through Second Reading, through Committee and on Report to ensure that the Bill was strengthened, made more meaningful and made more robust. I hope only that the Government have listened and will bring forward appropriate amendments in the other place to deal with these particular issues.

So far, I have not yet heard from the Secretary of State. Perhaps she will drop me a line to say how much money will be made available to the National Crime Agency and to the Police Service of Northern Ireland, when that money will be released and what will be the split between the NCA and the PSNI, particularly in relation to the Independent Reporting Commission.

We tried to raise national security issues on Second Reading, and paramilitarism and criminality are to be addressed, but the Government have invoked and can invoke through this legislation national security, which means the protection of agents. That can impede the very work that we are trying to do. It also means both the Government and the paramilitaries will never be willing to ensure that the full truth about many of those issues is brought to light.

Mr Wallace: Is the hon. Lady saying that we should not invoke national security to protect informers, agents and people who provide information to the security services?

Ms Ritchie: What we are saying, or what I am saying, is that there should be full disclosure of information to ensure that all those who were, shall we say, involved in paramilitary activities are made responsible to the due process of the law. I do not think anybody could disagree with that.

Let me deal with an issue that is not contained in the Bill, but to which reference has been made—the lack of a comprehensive legacy Bill. We have already heard the Lord Chief Justice speaking in Belfast this week about the issue of inquests, referring to the role of the Northern Ireland Assembly. We also heard references made today by the Director of Public Prosecutions to that particular issue. What we need to see—I hope the Government are listening—is a credible legacy Bill that is seen to be credible by victims and survivors alike.

Since the Eames-Bradley report, we have witnessed a dilution of the proposals on the past. I say again that national security cannot be used as a catch-all for lack
of transparency or to suppress the truth that victims demand and deserve. I just hope that the Government have listened today, and that they will be able—I say this with a level of humility to the Secretary of State and to the Minister—to bring forward amendments in the other place that reflect what was said here today about the pledge of office, the independent reporting commission and the new clause and related comments put forward by my hon. Friends the Members for Foyle (Mark Durkan), for Belfast South (Dr McDonnell) and myself about the implementation and reconciliation group. I note what the Minister said about those issues, but I believe that in the months and years ahead, the Government—in whatever guise—will have to return to those questions and address them. They will not wither on the vine; they will still exist.

4.15 pm

Jim Shannon: It is good to be able to make a contribution on Third Reading. I should like to start by paying tribute to all those who have made this “Fresh Start” agreement possible. Difficult political situations in Northern Ireland require not only strong leadership but selfless leadership, and I believe that many people on this side of the Chamber as well as many outside have contributed to this process. I want to give special thanks to the former First Minister, Peter Robinson, for his hard work in his roles as First Minister and as leader of our party.

I congratulate the Secretary of State and the Minister of State on the long hours that they have put in and the significant contribution that they have made. I do not know how they kept awake in all those meetings, but they did, and they made sure that the business kept moving forward as well. They struck the right balance between those of us who are more sensitive to the past and those of us who have found it easier to move on. I also commend my right hon. Friend the Member for Lagan Valley (Mr Donaldson) for his comments on section 75. The hon. Member for South Antrim (Danny Kinahan) also mentioned that important issue, and I am disappointed that we did not get it sorted out. The veterans who have approached my right hon. Friend the Member for Lagan Valley are the same people who have come to see me in my constituency to discuss the same issues. If we were to convey all those requests from our constituents to the Minister of State, he would have a very full postbag.

I see that the hon. Member for Beckenham (Bob Stewart) is in his place. I should like to put on record the thanks of the citizens of Northern Ireland for the hard work that he has done and the contribution that he has made. I am ever mindful of the Ballykelly bombing; that story resonates with me and it always will. I want to say how they kept awake in all those meetings, but despite always being at the forefront of our minds, it is far from being our only achievement. The Assembly has achieved many things, including introducing free travel on public transport for the over-60s and securing Northern Ireland’s single largest investment by supporting Bombardier’s development of the new C series. Heating prices escalated, and we made payments totalling some £22.5 million to 150,000 households, with each household receiving a £150 fuel payment. The list goes on. It is clear that devolution with the Democratic Unionist party at the helm has really delivered for Northern Ireland.

This is a hard-won deal that is good for stability; good for Unionism; good for all parties; and good for Northern Ireland. We now have a real chance to go forth and build on what has been achieved to date. We can continue to build a new Northern Ireland for all of our citizens and for everyone who lives in Northern Ireland. We have learned from our mistakes when it comes to deals. If the deal does not resemble anything close to what we want, we must walk away. We have not walked away this time, because we have a deal. The “Fresh Start” agreement gives us a deal and a basis from which we can move forward. It gives us an opportunity to find a way forward for everyone in Northern Ireland.

It is important that we make the transition from agreement to implementation as smooth as possible. In his last speech as leader to the party conference, our former First Minister, Peter Robinson, said: “Ulster is no longer at the crossroads—we’re on the motorway and on a clear path to a better future.”

We are very much in that position.

Building on the achievements of the Northern Ireland Executive, led by the DUP, we have secured the exemptions, subsidies and incentives we need to move forward. They include more than £500 million to help Northern Ireland move forward; and up to £2 billion from the UK Government to deal with welfare reform, corporation tax, legacy issues, and public sector reform. There are...
formal structures to deal with the scourge of paramilitarism so that we can confine that episode to the history books where it belongs. The devolution of corporation tax is a game changer. For too long, Northern Ireland has been at a competitive disadvantage with the Republic of Ireland, which has had a much lower rate of corporation tax. With Northern Ireland enjoying relative peace and a highly educated and motivated young workforce, it now has the power to overhaul and revolutionise the Northern Ireland economy, bringing in the real quality, world-class jobs that our young people too often seek on other shores.

The “Fresh Start” agreement does just what it says on the tin: it gives us a fresh start. Let us keep Northern Ireland on that motorway to a better future. Moving forward, we do not under any circumstances want Northern Ireland to be a special case. Indeed, building the new and leaving behind the old still remains the aim. It is hard-earned provisions such as corporation tax and other such measures in this deal that will facilitate the completion of the transformation of Northern Ireland society. We have a much better understanding among our communities, and a much better agreement on where we are going. We have a long-term vision for Northern Ireland that will benefit our children and grandchildren. That is what it is about. Let us get to work, finish the job, have a fresh start from here on in, and keep Northern Ireland moving forward.

4.22 pm

Stephen Pound: As we move from afternoon to dusk, there is a tendency to allow an elegiac mood to suffuse the House, which is why the optimistic and forward-looking comments of the hon. Member for Strangford (Jim Shannon)—I would like to call him my hon. Friend—are so, so important. What a fitting grace note to end this afternoon’s discussions. We have today discussed matters of great seriousness—sombre matters, dark matters and worrying matters—but to hear that note from my hon. Friend gives me hope, and I think we know what he is about. Let us get to work, finish the job, have a fresh start from here on in, and keep Northern Ireland moving forward.

Secondly, it is important that we have spent an afternoon discussing Northern Ireland. For too long we have tended to speak of Northern Ireland only on occasion of crisis. We tend to speak of Northern Ireland when there is an urgent question or a statement to be made. This is legislation moving forward. This is serious, sensible and sober legislation cementing the bricks in the architecture of a terrorist-free—a paramilitary-free—Northern Ireland. It will allow the innate genius of the people of Northern Ireland to flourish in a way that it has never had the opportunity to do. The fact that the people have succeeded in so many cases is a great tribute to their individual genius.

The right hon. Member for Lagan Valley (Mr Donaldson) quite rightly and seriously said that there was no consensus on the definition of a victim. We have considered the matter in great depth this afternoon and that discussion will continue. However, I was cheered and encouraged to hear him press the section 75 point, and I thought I saw the Parliamentary Under-Secretary of State indicate that he would look further at the matter. I would like to think that that is one of the positive things that we will take away from this afternoon’s discussion, but we have not heard the end of it. We have not heard the end of the implementation of the military covenant. When I look at the people sitting on the Treasury Bench opposite, I know that there are some powerful advocates for the covenant.

Tom Elliott: I hear what the hon. Gentleman says about the assertion of the right hon. Member for Lagan Valley (Mr Donaldson) about the definition of a victim, and he indicates that he has some sympathy with that. To be fair, the Parliamentary Under-Secretary of State and the Secretary of State also indicated their broad sympathy. However, as my late father used to say, “My pockets are full of that sympathy,” but it does nothing without action. I wonder when there will be action from the Government to do something about it.

Stephen Pound: We have heard advice on the Floor of the House from the Prime Minister’s mother, and we have now heard advice from the hon. Gentleman’s father. They are wise words. It is often said that warm words do not heat a cold house, and we need to see more action. The point that I was making is that I see people on the Treasury Bench who have a commitment to the implementation of the military covenant and experience of forces life, which gives me some cause for optimism.

The important, pertinent points made by the hon. Member for Foyle (Mark Durkan) resonated across the House and must be studied. When he talked about the nature of implementation within the Executive—obviously based on his own experience—he made some points that we cannot resile from and must discuss further. I love his expression about seeking a broader bandwidth. If he was an advertising copywriter, he would have made a fortune by now because he comes up with such wonderful expressions. I think we know what he is talking about and it is another thing to which we will have to return.

Forgive me for saying so, Mr Deputy Speaker, but the hon. Member for South Antrim (Danny Kinahan) made an emotional contribution, and quite rightly so. It came from the strength of emotion. He was absolutely right when he talked about people wanting to move on. He referred to the military being part of society. Let us not forget that, after all, the military are civilians in uniform. They are not a separate breed of people or race. They did not emerge from some test tube somewhere; they are civilians in uniform. Many of us have worn uniform and many of us might wear a uniform in the future. I hasten to add that Her Majesty would have to be very desperate to recall me to the colours. I believe that the Navy has moved on from sails since I left.
The hon. Member for South Down (Ms Ritchie) raised another point that we will have to consider again: national security. The sensitivity, particularly around the identification of agents, is intensely important, and I understand the strictures to which the Parliamentary Under-Secretary of State referred.

This has been a positive experience overall. Some considerable differences have been ventilated, particularly on the issue of the Oath, which may well be reconsidered in another place. I cannot speak for the Government—I never could even when we were in government—but I would like to think that, with good will and a fair following wind, there may be the possibility of the matter being considered. The Bill, in its totality and its generality, has the support of the House. We believe that the establishment of the independent reporting commission and the changes to the working of the Assembly, most of which were not contentious, are steps of progress that show a better way forward and should be supported.

It has to be said that further measures must be adopted to tackle paramilitarism, and we have done that this afternoon. Everybody in every speech that has been made has expressed a detestation of those who look back to the days of blood, to the bloody wars and to the paramilitaries’ ruling the streets of Northern Ireland. We all know what a wonderful, incredible place Northern Ireland can be, what a place of stunning beauty and great initiative, entrepreneurship, imagination and wonderful people. When the dead hand of the paramilitaries is taken off, who knows what the people of Northern Ireland will achieve? Who knows how they might flourish even more?

I know that we all wish the Secretary of State and the Minister well in the work that they are doing, but I would like to think that everybody in the House also recognises the incredible contribution, sacrifices and devotion, as well as the sometimes unhappy and unwilling compromises, of politicians in Northern Ireland. We can be proud of the people who represent the people of Northern Ireland. This afternoon we heard much about them at their best.

Northern Ireland is continuing progress towards what we all want to see. A peaceful, prosperous future has taken another small step forward this afternoon. Let the words of the hon. Member for Strangford ring in our ears as we go forward towards those sunlit uplands and that peaceful, prosperous future.

Question put and agreed to.

Bill accordingly read the Third time and passed.

PETITION

Newark Free School

4.31 pm

Robert Jenrick (Newark) (Con): The petition is from certain residents of Newark, in Nottinghamshire, in connection with the Newark free school. It refers to “many parents”, but in fact the number of signatures approaches that of most parents.

If ever one were to look for a more compelling case or site for a free school than this one, I doubt one could find it. I urge the Secretary of State and Lord Nash to approve the Newark free school as soon as possible. The petition states:

The petition of residents of Newark, Declares that the Torch Academy Group’s application for a free school in Newark should be accepted; notes that almost 50% of all secondary school pupils, resident in Newark, are currently being educated at schools outside of the town; further that many parents choose to educate their children at schools outside of the town because they are not satisfied by the academic standards routinely achieved by existing secondary schools in the town; further that over 400 children from Newark are currently being educated at Toot Hill school, Bingham, an outstanding Academy run by the Torch Academy Group; believes that the application provides a once in a generation opportunity to establish a benchmark outstanding secondary school in Newark which all parents of the town can have the confidence to send their children to; further notes that in excess of 200 children have already been registered as prospective pupils for Newark Free School; and acknowledges the outstanding leadership of Mr John Tomasevic, Chief Executive Officer of the Torch Academy Group which is leading the application.

The petitioners therefore request that the House of Commons urges the Government to approve the application for the Newark Free School as soon as possible.

And the petitioners remain, etc.

[505x288]
Flexible Ticketing: Rail Transport

Motion made, and Question proposed. That this House do now adjourn.—(Sarah Newton.)

4.34 pm

James Cartlidge (South Suffolk) (Con): It is a great privilege to be called to speak in my first Adjournment debate, Mr Deputy Speaker, and for it to arrive early, which is not something we can always say about trains on the great eastern main line.

The great eastern main line is a massive issue for people in my constituency. Our railways are a key strategic asset and the performance of the line has, frankly, not always been up to scratch. I want to focus on an important part of the line: the ticketing structure, and the annual, monthly or weekly season tickets that my constituents buy. I feel strongly about the availability of part-time season tickets.

I am the first to recognise that hon. Members on both sides of the House have raised this issue and my right hon. Friend the Member for Witham (Priti Patel) has done a lot of work on it. Pressure groups such as Transport Focus have campaigned for it. I am proud to say that it featured in the victorious Conservative manifesto at the last general election, which stated:

“We will also introduce smart ticketing and part-time season tickets.”

Why did I want to secure this Adjournment debate? It is basically due to lobbying from the focus group—the lobby group—that matters more than any other to me: the hard-working commuters and constituents of South Suffolk. To make my case, there is nothing better I can do than to follow the example of the Leader of the Opposition and read two emails from my constituents. I have had many emails about this, but two in particular cover the case for flexible ticketing.

The first is from—

Bob Stewart (Beckenham) (Con): Rosie.

James Cartlidge: Calm down. It is from Deborah Adams of Sudbury. Sudbury is the main town in my constituency—a beautiful market town; the home of the great Thomas Gainsborough. She writes:

“A few years ago David Cameron announced the phased introduction of flexible season tickets for rail travel. As someone that commutes to London from Sudbury 2-3 days a week, this struck me as a very good idea. However, I have not been able to find out any more about it.

Flexible season tickets are an excellent idea, especially for constituencies like ours where there are large numbers of commuters. Many work from home some days, which makes the price of a regular season ticket of questionable value.

Flexible season tickets would encourage more people to work from home some days, which would reduce overcrowding on the trains, and would benefit South Suffolk, as more people would have time to spend their London wages locally.

It is very old-fashioned to think that workers go to their office every day and we should not be penalised for flexible working.

A system whereby a commuter could say buy 10 day returns for £2615.76—again, obviously crazy.

On the basis of me paying £5,520 a year (i.e. 15.12 a day), this means I am really overpaying for 173 days a year—a full £2,615.76—again, obviously crazy.

I appreciate this is a business decision on the part of Abellio, but in this situation I, like many of your constituents, are captive consumers. Can anything be done about this?”

I should add as a caveat that while he talks about his constituent being an accountant, I believe is an accountant—will know that that is taxed income, so the real figure is far more than that.

Robert Jenrick (Newark) (Con): My hon. Friend makes a compelling case. We all know that there is a commuter belt around London and other major towns and cities, but there is a huge economic opportunity for towns and communities just beyond that, from where commuting into a great city full of opportunities, such as London, is possible one or two days a week, but is onerous five days a week. In my constituency, there are 500 people with daily commuter season tickets from Newark to London, but it is very tiring to make that journey every day of the week and most of those individuals do it only one, two or three days a week. Does my hon. Friend agree that we want people to have these opportunities because that brings wealth and new opportunities for fulfilling careers into a whole belt an hour or more further north, south, east and west of London?

James Cartlidge: My hon. Friend makes an excellent point. When I had the pleasure of campaigning in his by-election, I remarked that I was in a beautiful part of his constituency.

Before turning to the points made by my commuting constituents, I want to set the context of South Suffolk. In many ways, it fits the pattern described by my hon. Friend. The key to its beauty is that although we are not far from London in commuting terms, we really...
feel like we are in East Anglia. There are many beautiful counties in the south-east, but people feel the pull of the M25 and of London. Once they get to South Suffolk, they feel as though they are in a different part of the country. The area has beautiful ancient villages such as Lavenham and Long Melford, which are famous and attract many tourists. Nevertheless, from Colchester, which is an 18-minute drive from my village, we can take the express train and get to Liverpool Street in 47 minutes. Although we are a long way from London in one respect, we are certainly well within commuting distance.

Mr Jim Cunningham (Coventry South) (Lab): I congratulate the hon. Gentleman on securing a timely debate. I do not wish to be political, but members of voluntary organisations, such as church people, who have to come to London from Coventry or Birmingham find their travel very expensive. Many of them have retired. Although the operating companies have assured us that they will provide cheap travel, they have not done so. Those people find that they are spending four times more than they would have spent in the past. What does the hon. Gentleman think about that?

James Cartlidge: The hon. Gentleman makes an excellent point. Towards the end of my remarks, I will come on to the question of how we pay for cheaper travel, because the rail operating companies obviously have to find the revenue from somewhere.

I represent a commuting constituency, although fine manufacturing industries are based there, as well as agriculture. I was brought up in Barnet in north London and moved first to Essex. When Emily and I moved our family out to South Suffolk, it was because we wanted to be able to afford a house that had some land and was in a beautiful part of the world so that we could have that quality of life, and because we wanted to move out of the London rush, so to speak.

This issue will become ever bigger. Partly because of London house prices, there will be a great exodus, particularly of professional families, to Suffolk, Kent and so on, right up to Newark. People will move out in search of a better quality of life. If that is their motive, will they still expect to travel five days a week when they face such a long journey? As my hon. Friend the Member for Newark (Robert Jenrick) said, many of them will travel four days a week, and that is my experience. I have noticed a marked number of people on my local trains doing four or three days because the journey is so long.

Mr Alan Mak (Havant) (Con): I congratulate my hon. Friend on securing this debate on an important subject. As in his constituency, many of my constituents have moved away from London for precisely the reasons as he articulated. They now travel from stations around the Solent region—Havant, Emsworth and Bedhampton—to London for work. Will my hon. Friend join me in calling on South West Trains and Southern to reflect changing living and working habits in their flexible fare arrangements?

James Cartlidge: I am more than happy to do that. The franchise in our area is Abellio Greater Anglia. My region is fortunate in at least one sense—I am not sure what the score is in my hon. Friend’s region—because the franchise is up. There are three bids going in for it.

Let me take a few of the key points from my constituents about why we should have part-time tickets and more flexible ticketing. Deborah from Sudbury said: “It is very old-fashioned to think that workers go to their office every day and we should not be penalised for flexible working”—I totally agree.

Some years ago, I went to a presentation about voting patterns by a leading American psycophologist. He said there are three groups of voters in the country. I cannot remember two of them, but the other was symbolised by a grey cloud. That was not a political point; it was about character and how we appeal to different types of voter. The voters symbolised by the grey cloud had certain features, one of which was that they were moved by newspaper headlines about bad weather, which is quite interesting. However, the most common feature was that they ate their dinner at the same time every day—quite frankly, that describes my late grandad. However, the era of predictability, of nine to five and of everyone doing the same thing all the time is gone; it has been shattered and blown apart by liberalisation and globalisation. That might be a good thing or a bad thing, but it is a fact of life that we and our constituents all face, and our rail ticketing system should reflect that.

Kevin Foster (Torbay) (Con): I congratulate my hon. Friend on securing the debate. Would he say that this is also about reflecting families’ changing lifestyles, in that the 1960s model—the father commuting to work five days a week while the wife was at home with the children—is now gone? With men and women rightly sharing parental responsibilities, they may wish to divide up the days of the week that they work, and season tickets need to reflect that.

James Cartlidge: That is an excellent point. Recent Office for National Statistics data show that between April and June 2015, just over 7.3 million people had a flexible working pattern. By the way, that is people who are employed; it does not include the army of people such as self-employed contractors who go into London a few days a week. We have a flexible labour market and flexible working, but our rail ticketing system is, in effect, stuck in the same Julian calendar that we have had since 46 BC. If that sounds like a long time, hon. Members should wait until they get stuck on a delayed service out of Liverpool Street.

Russell from Nayland made an important point about bad value for money:

“On the basis of me paying £5520 a year…this means I am really overpaying for 173 days a year”

of travel, which is an extraordinary statistic. That means that he is, in reality, paying £2,615.76 or, depending on his tax bracket—if he is a solicitor, I suspect it is 40%—£4,000 or more for those 173 days. That is a big deal, particularly in our region, because an extensive survey recently undertaken by Transport Focus found that just 21% of the commuters on Abellio Greater Anglia were satisfied that their ticket was value for money, compared with 34% on other lines. I realise that I may end up in a competition with hon. Members in the Chamber about whose line has fewer happy customers, but there is no doubt that value for money is a big concern.
It is fair to say that if there was more satisfaction with value for money in general, the issue of part-time tickets would not actually feature. I get these emails because people feel frustrated that they look hard at what they are getting and think, "Hold on a minute. I'm paying for Saturday, Sunday and Friday."

Robert Jenrick: Perhaps I could add another point. When we think of those who commute into central London, we tend to think they are on higher incomes, but that is not always the case. I have many constituents who commute into London, but also some who commute into Nottingham and Derby, and some of them might be on very low incomes. The average wage in my constituency is £23,000 a year, and commuting costs, even from Nottingham to Derby, certainly eat into that. One group that came to me recently was made up of apprentices; they do not go to work every day of the week, because, in many cases, they will be doing courses at the local college. They might want to go to Newark College, which they can walk to, one day a week, and do three or four days a week at Rolls-Royce in Derby. A full-time season ticket will eat into their quite modest incomes.

James Cartlidge: Another excellent point.

What is to be done? To go back to my constituents, Deborah suggested this:

"A system whereby a commuter could, say, buy 10 day returns for the price of 6-7 would really encourage the flexibility that the modern work force needs when juggling work and family life."

There is a word for what she proposes—it is "carnet"—and I must confess that, when I lived in Barnet, I used a carnnet. [Laughter.]

The Parliamentary Under-Secretary of State for Transport (Claire Perry): It's "car-nay".

James Cartlidge: In French it is a "car-nay"; in Barnet, we called it a "car-net". It was a small book of tickets that were usually valid for up to three months on the tube, which was very handy and convenient when I was teaching English as a foreign language and did not know which days I would be working. Of course, that has been phased out now that we have moved to the Oyster system. The key problem with the previous system was the absence of technology. If we want flexible ticketing, we need the technology, as my hon. Friend the Member for North East Hampshire (Mr Jayawardena) has said.

Bob Stewart (Beckenham) (Con): I rise because I am an expert on technology. Train companies could easily do this through the use of technology, but they do not want to do it, because they make a profit out of people such as my hon. Friend’s constituents and mine in outer London. They could easily do it with—what is it?—a part-time Oyster card or something.

James Cartlidge: My hon. Friend makes a powerful point. I will come on to how we would pay for it and the position of the rail companies.

I want to reflect on the progress that has been made, because there is a lot of ongoing work and it was in our manifesto. To be fair to the Government, in October 2013 the Department for Transport published its fares and ticketing review, which proposed several schemes to make ticketing more flexible, including long-distance pricing, advance tickets on the day of sale and flexible part-time season tickets. The report stated that the plans could mean "receiving a discount on season tickets for travelling three days rather than five, or for travelling earlier or later, avoiding the busiest trains, or there could even be an incentive for not travelling on certain days of the week", all of which I welcome.

Mr Jayawardena: I thank my hon. Friend for giving way again. He is making a very strong case for flexible ticketing in terms of not only the number of days, but the way in which we manage demand on the railways. Often there is capacity available, but it is underutilised, so flexible ticketing could incentivise us to make better use of our railways. That is particularly true of students; indeed, those in my constituency have said that they would welcome that.

James Cartlidge: That is another very good point.

The south-east flexible ticketing programme is the main system that is being developed. There are many ways to describe it, but I call it the Network SouthEast Oyster: it is the equivalent of Oyster for the south-east overground. The beauty of South Suffolk, however, is that technically we are not in the south-east, but fortunately we are part of the south-east flexible ticketing system. I hope the Minister will tell us more about that programme and the progress it is making.

I wrote to the three companies bidding for the Anglian franchise to ask them what their plans were for flexible ticketing. Chris Atkinson of National Express highlighted that it currently holds the c2c franchise and that flexible season tickets will be offered on that line as early as this summer, so progress is being made.

Jamie Burles of Abellio Greater Anglia explained that the company will be extending two innovative flexible ticketing schemes to customers during the current franchise, which I welcome. The first will be SEFT, which I have described, and he also told me of a live trial with a third-party smart ticketing supplier that is providing a post-travel account-based payment solution—the multi-pass scheme—which is currently being trialled on the Cambridge to London line. The company plans to extend it to other parts of the network in the first quarter of this year.

Craig Mackinlay (South Thanet) (Con): My hon. Friend has identified how technology can solve the problem. It is remarkable how the Oyster system can completely change our approach to tickets and the archaic way of doing things. The situation is similar in my constituency. More and more people are moving there—who can blame them, given that it is a beautiful part of east Kent?—but the cost per year for high-speed rail is more than £6,000. We find that modern working can mean working two or three days a week. I hope that this debate will encourage the train companies to consider their commerciality, because this could be good for them as well as for local residents, who are the key to improving the local economy of those over-50-mile-fringes outside London.
James Cartlidge: My hon. Friend makes an excellent point. I was about to mention Oyster and technology. In January, Transport for London said that more than a quarter of the capital’s pay-as-you-go transport customers were now using contactless payment, including smartphones and debit cards. That is an extraordinary statistic. Usage has grown incredibly quickly, and that shows the potential of technology. There is no reason why my hon. Friends should not put pressure on bidding companies in their area to take up smart ticketing when the franchises come up.

Wendy Morton (Aldridge-Brownhills) (Con): I am envious of other hon. Members who are here today. Some of us do not even have a station in our constituency, so I have to make a plug for a station. Notwithstanding that, I am grateful to my hon. Friend for raising that point, because it brings up the broader need for flexible travel and flexible pricing. Can they be used to tackle problems such as congestion?

James Cartlidge: I thank my hon. Friend for her intervention. She has reminded me that I should add, for the record, that I have only one station, Sudbury, in my constituency. The Sudbury line goes to Marks Tey, where it joins the main line. Apart from Sudbury, all the stations on that line are in Essex. Many of my constituents go to Manningtree, Colchester or Ipswich, which is on the main line into London. I am sure that even though my hon. Friend has no station in her constituency, many of her constituents are rail commuters who travel to stations nearby.

I have a few specific questions for the Minister. In a situation like that of Anglia, where we have a live franchise bidding process, to what extent can we still influence that? Given the interest in flexible ticketing, to what extent could the Department for Transport go back to the bidders and ask them to push for better flexible ticketing solutions? Another hon. Member, who could not make it today, asked me how he could get involved with the South West franchise, which is coming up for renewal soon. I suspect other hon. Members will want to do likewise.

On technology, I was struck by the point about the use of smartphones on Oyster. To what extent is smartphone-based ticketing possible with the SEFT system, and how soon could that come about—if, indeed, it is not already coming about through testing?

Finally—I believe that this is unique to my region; certainly, I do not think it applies to other Members who are here—there are live discussions about a combined authority between Suffolk, Norfolk and Cambridgeshire. That is a major step for our part of the world. What powers does the Minister think might be given to an elected mayor or combined authority in relation to ticketing, flexibility and so on? That is a classic example of the sorts of powers they should have.

On cost, I am a businessman by background and a Conservative, so I am well aware that money does not grow on trees, and that if we suggest policies we have to be responsible and explain where the money will come from. As my hon. Friend the Member for South Thanet said, I think that more flexible ticketing will pay for itself, to a certain extent. It will entice a certain type of skilled person—someone who has become a full-time mum, for example—back into the workplace because they can commute a few days a week. That will suit their living pattern and their work-life balance. In other words, it will bring new revenue to the companies, so I think they should embrace it and be bold about it.

The other point I would make is that if rail companies would lose a lot of money by introducing part-time tickets, that tells us that they are basing their business model on something that is not sustainable or, dare I say it, even fair. The idea that profits are based on people paying for millions of days that they never use and phantom journeys that they will never take seems quite incredible.

Robert Jenrick: My hon. Friend is being generous in allowing interventions. As other hon. Members have said, there is a huge economic opportunity for rail companies to create a whole new generation—a wave—of commuters beyond the classic 50-mile commuter belt and spread those opportunities another 50 miles or 100 miles outside London. That is a massive financial opportunity for train companies that they will have to harness over the next 10 or 20 years as London becomes an increasingly expensive place to live and commuters look not just to the classic commuter belt, but as far as my constituency in the north midlands...

James Cartlidge: That is the key point. The rail companies really need to embrace that as a positive opportunity to strengthen their revenues and build a new customer base.

The Government need to see the big picture in terms of the wider economy. There is no doubt that this country’s long-standing economic failing has been, and continues to be, relatively low productivity compared with other European nations. However, one of our big assets is our flexible labour force. Every part of our country, our key infrastructure and the way in which we interact with that infrastructure should reflect the fact that we have a flexible labour market and a mobile workforce. That will maximise productivity, and it will ensure prosperity and a better work-life balance for years to come. I say to my hon. Friend the Minister that in the era of flexi-time, we need flexi-fares.

4.59 pm

The Parliamentary Under-Secretary of State for Transport (Claire Perry): I was wondering when the Adjournment would be moved formally again, but I will get started in the interim. May I start by—

5 pm

Motion lapsed (Standing Order No. 9(3)).

Motion made, and Question proposed, That this House do now adjourn.—[Sarah Newton.]

Claire Perry: I am a former Whip, so I know the tricks. I should say that I will not take all of the remaining time.

I want to commend my hon. Friend the Member for South Suffolk (James Cartlidge) for securing this debate. His constituents are incredibly lucky to have him. The same goes for all my hon. Friends in the Chamber tonight. The class of 2015 is particularly assiduous in campaigning. [Interruption.] Some Members from previous classes are also assiduous. I sometimes feel I am the
most popular Minister, even though that is not true, because I am the one most frequently lobbied—on train-related issues. I appreciate the opportunity to answer some of my hon. Friend’s questions and to put on the record some of things that the Government are doing.

I first want to unpack what we mean by part-time season tickets. I think the definition is quite confusing. We mean a product that people who work part-time—about 27% of workers do so—can buy to give them, in effect, a multibuy discount. With that product they would not be forced to buy weekly season tickets, but something more suitable for their journeys. My hon. Friend made very good points about grey consumers—is that what he called them?—who sit at home having caught the 18.23 every day. That pattern is changing so dramatically. Technology is liberating many people from the workplace. We know that many more women, in particular, are working part time. The Government are absolutely committed—indeed, we have committed funding—to ensuring that such people can use the rail system effectively. In terms of “car-nay” or “car-net”, depending on how my hon. Friend used to pronounce that word in “Bar-nay” or “Bar-net”, I like to think of carnets as a multibuy discount.

I want to separate out another thing about which the debate has sometimes got bogged down. The decision on multibuy discounts is separate from the decision on ticketing technology. It is perfectly possible—indeed, this happens already—to buy carnets on the rail network, albeit in ticketing form. People can buy 10 tickets for the price of nine, and there are various other options. However, we must be careful not to try to have a big bang to solve all these problems at once. The industry has often hidden behind the excuse that this is all so terribly difficult. For me, it is simply a question of sorting out the right fares to suit this part-time working group, which is separate from the issue of ticketing technology.

As my hon. Friend well knows, because he is a very good businessman, there are a few questions to pick through when we talk about fares. The two main issues are those of cost and timing. On cost, train companies say that if people who currently buy full-time season tickets are suddenly given the opportunity to buy tickets for less, it will lead to less revenue, meaning that somebody will have to pay. My understanding is that only about 10% of current rail travellers work part time. Therefore, not only do we have a multibuy discount. With that product they would not be forced to buy weekly season tickets, but something more suitable for their journeys. My hon. Friend made very good points about grey consumers—is that what he called them?—who sit at home having caught the 18.23 every day. That pattern is changing so dramatically. Technology is liberating many people from the workplace. We know that many more women, in particular, are working part time. The Government are absolutely committed—indeed, we have committed funding—to ensuring that such people can use the rail system effectively. In terms of “car-nay” or “car-net”, depending on how my hon. Friend used to pronounce that word in “Bar-nay” or “Bar-net”, I like to think of carnets as a multibuy discount.

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Abellio Greater Anglia is trialling the MultiPass scheme that uses low-energy Bluetooth readers across stations, tracks people via their phone and works out their journey patterns, and bills them after the fact. That is a great example of innovation in the industry. My hon. Friend asked whether it was possible to travel using a smartphone, and it is. The m-ticket scheme is already up and running. I went to see it a year or so ago in the north of England, and it is spreading rapidly. It is basically a series of barcodes that are sent straight to a mobile phone. Someone taps that, and it becomes their ticket to travel. It is brilliant and should be much more cost-effective for the operators.

There is a lot of ticketing innovation out there for us to unleash. Rather than sitting around waiting to be told what to do by the Government—who despite the
best efforts of the brilliant officials in the Department are not necessarily on top of the latest technological revolutions—those companies that are closest to customers should innovate and be prepared to put in their capital and innovation to drive results. We want the franchising process to do that.

My hon. Friend asked me some specific questions. During the franchise, can we go back and influence what is happening with the bidders? The bids we have refer to our terms and conditions, which include fairly specific requirements on smart ticketing and part-time season tickets or multibuy discounts. He will also know—I am proud of this—that this franchise is a step change from where we were five or 10 years ago, as have been the last few franchises that I have let. We are putting in the franchise the highest level of quality scoring—the stuff that faces the passenger—that we have ever seen. We have had other debates on rolling stock, and the quality of that is not what it should be. This franchise will have the highest weighting for improved rolling stock that we have seen so far.

We will also have tough targets to contract for customer outcomes—one might imagine that we would have done that previously, but that has not always been the case. We are contracting to ensure that the punctuality and customer satisfaction targets that we want are an output—we are contracting not for inputs, but for outputs—and I think that we will see a positive result when we assess the various bids for this competition.

My hon. Friend asked about technology. I have mentioned the Multi Pass trial, which uses low-energy Bluetooth readers. We already have Smartphones that are using a digital barcode, which can also be printed out, as a way of allowing people to move around the system. A chap on the Moscow metro has his smart card implanted in his wrist, so he is a human swiper; he just walks through and away he goes. I am not advocating that, although my hon. Friend would perhaps like to pilot it, but we are moving very rapidly in this country to innovate.

I have been shameless in calling for the death of the tangerine ticket. It bothers me that season ticket holders have scrabby old bits of paper that fray and wear out. I am sick to death of feeding my seat reservation coupon through the gate and shuffling through a great raft of tickets. This is 1970s technology and we want a 21st-century transport network. That is why the Government are so committed, both contractually and financially, to underpinning this technology.

My hon. Friend asked me about the combined authority, and he knows that we are great fans of devolution. We think that the best way to spend the record levels of investment in the rail programme is by passing it through to local people—to local authorities—who are best placed to spend it. I must take the opportunity to commend the work that has been done by local councils, local enterprise partnerships and the so-called “Norwich in 90, Ipswich in 60” taskforce. They really have taken an argument about economic value added and used it to shape what they want franchising to look like in the area.

This is an excellent opportunity not only to put on the record the progress that we are making and the Government’s commitment to rolling out the SEFT contractual obligations, but to say that we do not want to stand still and be backing only one technology. There is a world of ticketing innovation out there and we want to be clear that it is to be delivered as soon as possible to customers. The Government stand by ready to underpin some of this, but we expect operators to be looking carefully at the business case themselves and thinking about how they can get people travelling off peak. My hon. Friend the Member for North East Hampshire (Mr Jayawardena) made an important point about that, because the trains are full at the peak but are carrying fresh air for large parts of the day. Let us have a ticketing and fares structure that gets people using those trains, so that we do not have to keep building expensive new tracks and buying new trains to deal with the peak demand.

I remain extremely committed to rolling out what I prefer to call a multibuy discount ticket, although my hon. Friend the Member for South Suffolk has a snappy way with his branding and can perhaps help us to come up with a snappy title for this part-time season ticket thing that we all want, even though we cannot necessarily come up with a good title. The Government are committed to these innovative products as part of the biggest railway investment we have seen in this country since Victorian times.

Question put and agreed to.

5.12 pm

House adjourned.
There are 10,442 foreign national prisoners in our prisons out of a total of 85,886—12% of the prison population. You will perhaps be surprised to learn, Mr Speaker, that those 10,442 come not just from one, two, three, four, half a dozen or a dozen countries, but from some 160 countries from around the world. Indeed, 80% of the world’s nations are represented in our prisons. We are truly an internationally and culturally diverse nation, even in our imprisoned population. Very worryingly indeed, something like a third of them have been convicted of violent and sexual offences; a fifth have been convicted of drugs offences; and others have been convicted of burglary, robbery, fraud and other serious crimes.

It is a good thing that the crimes have been detected, the evidence has been gathered and these people are being punished for their offences. It is, however, completely wrong that the cost of that imprisonment should fall on British taxpayers, because these individuals—every single last one of them—should be repatriated to secure detention in their country of origin, so that taxpayers from their own countries can pay the bill for their incarceration and punishment.

Several hon. Members rose—

Mr Hollobone: I will be delighted to give way to all those whom I can see. First, I give way to my hon. Friend the Member for Crawley (Henry Smith).

Henry Smith (Crawley) (Con): My hon. Friend is, as ever, making a very compelling case. Does he have any idea of the annual cost to British taxpayers of imprisoning foreign nationals? I know that many of my constituents are very concerned about this issue, and thank him for raising it.

Mr Hollobone: I am most grateful to my hon. Friend for his pertinent intervention and question. He demonstrates not only his attention to detail and his determination to ensure that he represents his constituents here on a Friday, but that he can get straight to the nub of the issue. He is as concerned as I am about the cost to his constituents of any aspect of Government expenditure. The answer to his question is that if there are 10,500 foreign national offenders in our prisons, the estimated cost is something like £300 million a year. The Home Office figure for the cost of imprisoning a prisoner is something like £26,000.

Mr David Nuttall (Bury North) (Con) rose—

Mr Hollobone: I would be delighted to give way to my hon. Friend in just a moment, once I have answered the question of my hon. Friend the Member for Crawley. I did promise to give way to my hon. Friend the Member for Calder Valley (Craig Whittaker)—I keep thinking of Hebden Bridge, which is in his constituency—but then I will give way to my hon. Friend. Friend the Member for Bury North. I think that the figure is £26,000.

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley) rose—

Mr Hollobone: The good news for my hon. Friend the Member for Crawley is that he does not have to rely on me for an accurate figure, because the Minister herself is now going to intervene.
Karen Bradley: I thank my hon. Friend for giving way. He is, as has been said, making a very compelling case. I just want to clarify one point: it is the Ministry of Justice, not the Home Office, which deals with prisoner figures. I would be very happy, later on, to provide the figures, but it is the Ministry of Justice that has the figures. I am sure that he would like to correct the record.

Mr Hollobone: I am delighted to be corrected by my hon. Friend, who is doing a fantastic job in her role as a Minister of the Crown in the Home Office. I am slightly concerned that, as we are talking about foreign national offenders in Her Majesty’s prisons, we do not have a representative from the Ministry of Justice here today.

Karen Bradley: Again, Mr Hollobone, I would just like to clarify that point. The Under-Secretary of State for Women and Equalities and Family Justice, my hon. Friend the Member for Gosport (Caroline Dinenage) is in the building, and will be attending the Chamber shortly. I think that she had a couple of things to do beforehand.

Mr Speaker: It is very reassuring that the hon. Lady is able to drop in on us. We will be deeply grateful to her.

Mr Hollobone: Thank you, Mr Speaker. I share your sentiments, but at least it is reassuring that the Minister will turn up to the debate. Let us hope that we can ask questions of her later on. Before I take the interventions that I promised, let me say that part of the problem is that foreign national offenders and their deportation, removal, transfer, repatriation, or whatever we want to call it, is a major policy issue that falls between two stools. There are two major Departments of State that are basically responsible for this area, and all too often one blames the other for why the situation is not being tackled. That is why it is the Prime Minister himself who needs to take on board this issue. Indeed, he promised the House that he would, yet six years into his premiership, the problem is not going away. If anything, it is getting worse.

Craig Whittaker (Calder Valley) (Con) rose—

Mr Hollobone: I give way with a great deal of delight to my hon. Friend.

Craig Whittaker: I thank my hon. Friend for giving way. He has obviously done a great deal of research, as he has some impressive figures. I think that he said there are 10,442 foreign national prisoners from more than 160 different nationalities. Can he enlighten the House on the mix between EU and non-EU foreign nationals who are in our prisons?

Mr Hollobone: The forensic analysis of my hon. Friend’s brain is illustrated to us all, because that is exactly the question that needs to be addressed. According to the figures that I was sent in response to my parliamentary question at the end of January, the breakdown, continent by continent, is as follows: 20% of foreign national offenders in our country come from Africa; 18% from Asia; 1.5% from Central and South America; a whopping 47% from Europe; 7% from the West Indies; and a negligible percentage from Oceania.

Mr Hollobone: I agree with my hon. Friend and I thank him for that intervention. He is far more expert than I am in legal matters, given his extensive parliamentary experience, legal training, and great deal of common sense, but I am not sure whether he is correct. My understanding is that, in our bizarre human rights system, even member states of the European Union are not deemed to be safe countries to return to. I believe that Greece is classified as a country to which it is not safe to return individuals, either under the asylum regulations or the prison regulations. That is a country to which millions of our fellow citizens go on holiday every year—

Mr Jim Cunningham (Coventry South) (Lab) rose—

Mr Hollobone: I am happy to give way in a moment. Our citizens go there on holiday every year and yet we are not allowed, legally, to send back to that country people whom we do not want here.

Mr Cunningham: Will the hon. Gentleman give way?

Mr Hollobone: I will give way to the hon. Gentleman after I give way to my hon. Friend the Member for Bury North, to whom I promised to give way some time ago.

Mr Nuttall: I just wanted to answer specifically the question that my hon. Friend posed a moment or two ago regarding the exact costs of placing a prisoner in secure accommodation. The latest figures are taken from the National Offender Management Service annual report and accounts for 2014-15, which was released on 29 October last year. They reveal that the costs per place are £36,259 a year, and the costs per prisoner are £33,291 a year.

Mr Hollobone: I am most grateful to my hon. Friend for that informative intervention. I congratulate him, as I always do, on the extent of his reading in his own private time outside of this place. If he is reading national offender management statistics with that level of detail, it shows that he spends a great of his own personal time researching issues that are important to his constituency.

Philip Davies (Shipley) (Con) rose—

Mr Hollobone: I will give way to my hon. Friend, but in all fairness I did promise that I would give way to the hon. Member for Coventry South (Mr Cunningham) first.

Mr Cunningham: The hon. Gentleman is making a very interesting speech. What is the reason for the Government not deporting these people to their countries of origin, particularly to Europe?
Mr Hollobone: That is an interesting question. It is probably a combination of political correctness, Government incompetence, human rights legislation and an obsession with not upsetting our friends in the European Union. It is probably a combination of those four factors, with some other issues thrown in.

Jeremy Lefroy (Stafford) (Con) rose—

Mr Hollobone: I will happily give way to my hon. Friend after I have given way to my hon. Friend the Member for Shipley (Philip Davies).

It is probably about a combination of those four factors, and the fifth point, which is important, is that this issue falls between two major Government Departments and needs to be seized by the Prime Minister himself if we are to make any substantial progress on this issue. The number of foreign national offenders in our prisons first rose substantially during the last period of office of the previous Labour Government, triggered in part by their acceptance of human rights legislation. The problem stems from that time, but to be fair neither the coalition Government nor the present Conservative Government have, in my view, addressed the issue sufficiently to see any meaningful progress.

Philip Davies: I am grateful to my hon. Friend for giving way, and apologise for going back to the point that was first raised by my hon. Friend the Member for Crawley (Henry Smith) about the cost of foreign national offenders, because I can trump the figures that were given earlier. The National Audit Office estimated the cost of administering foreign national offenders in the UK for 2013-14, including police costs, Crown Prosecution Service costs, legal aid costs and prison costs, to be between £769 million and £1 billion a year. The most likely estimate was £850 million a year.

Mr Hollobone: I am most grateful to my hon. Friend for that intervention, and frankly I am shocked, and my constituents will also be shocked, by those figures. I have no reason to doubt the veracity of what he has just told the House, but I am disappointed that those figures should come from him during a debate on one of the 13 sitting Fridays when the Government themselves should be flagging up this information about the huge financial burden to British taxpayers of incarceration, prosecution, capturing these people, and sorting them out after they leave. All of that together adds up to nearly £1 billion, which is an awful lot of money.

Mr Hollobone: I will happily give way to every hon. Member for Shipley (Philip Davies) and then to my hon. Friend the Member for Stafford (Jeremy Lefroy) and then to my hon. Friend the Member for Solihull (Julian Knight). At a time when each and every year this country is spending more money on public services than it raises in taxation, a state of affairs that has been true ever since 2002 and which the Chancellor himself said will not be fully addressed until 2019—here we are in 2016, spending more money each year than we raise in taxation and we still have an annual deficit—this issue is costing this country £1 billion a year, according to my hon. Friend the Member for Shipley, and I am sure that he is absolutely right. That is a shocking state of affairs.

Mr Hollobone: I have a wealth of parliamentary talent before me and I am happy and keen to give way to all my hon. Friends. But I am operating a taxi queueing system, and to be fair to all my hon. Friends I shall take the interventions in order.

Jeremy Lefroy: I am grateful to my hon. Friend for giving way and congratulate him on this Bill, which is extremely important. May I raise a sixth point that might be in the Home Office’s mind and that will concern all of us? Victims of crime want to see justice and sometimes people are a little concerned that if someone is repatriated they might go to a country where, through a bribe or something else, they might suddenly be on the street despite having committed a very serious offence. How does my hon. Friend propose to deal with that? Justice must be done, and victims of crime need to see people pay the price for what they have done to them.

Mr Hollobone: My hon. Friend makes a very intelligent intervention—naturally, because he is that sort of fellow, but also because he has in his constituency HMP Stafford, so he is more attuned than most Members of this House to issues involving prisoners, their families, deportation, repatriation, punishment and rehabilitation. He makes an extremely good point. The Bill does not seek to send convicted foreign national offenders back to their country of origin only to see them released in that country, and potentially able to come back to our shores. There would need to be a system in place—a Government-to-Government agreement—whereby individuals can be transferred, often against their own wishes, to their country of origin, and it is guaranteed by that Government that they will then serve the requisite time in incarceration in that country.

Julian Knight rose—

Michael Tomlinson (Mid Dorset and North Poole) (Con) rose—

Mr Hollobone: I will happily give way, but I just want to finish this particular point. The other crucial aspect of the Bill, which might not now be as explicitly mentioned in it as it might be after we have had a go at it in Committee, is that in my view and that of my constituents, if foreign national offenders are sent back to their country of origin they should be banned from returning to this country. Their personal details—their name, date of birth, fingerprints and all the rest of it—should be with our Border Force so that if they ever attempt to gain re-entry into this country they are stopped from doing so.

Julian Knight rose—

Sir Edward Leigh: Will my hon. Friend give way on that point?

Mr Hollobone: I have a wealth of parliamentary talent before me and I am happy and keen to give way to all my hon. Friends. But I am operating a taxi queueing system, and to be fair to all my hon. Friends I shall take the interventions in order.
Julian Knight: I thank my hon. Friend for giving way; he is being most generous and diligent in how he is taking interventions. His account has been forensic in its detail, and he is making a compelling case. I am absolutely shocked at the figure of £850 million, but this is not just about numbers or forensic analysis. It is also about individual stories and individual victims, and a country that is wronged. I draw his attention to the case of William Danga, 39, a Congolese national and convicted rapist who, while challenging his deportation proceedings on human rights grounds, went on to abuse two children in this country. Will my hon. Friend reflect on that?

Mr Hollobone: I am most grateful to my hon. Friend for giving us a specific and individual example of how rotten the system has become. How has it come to pass that in Britain in 2016 we are unable to deport a Congolese rapist? It should be one of the first duties of Government to keep our country and our citizens safe, and we need to send back to their country of origin people who believe they can get away with such horrendous crimes in our country. My hon. Friend has given us an individual and specific example of why we need to change the system.

Michael Tomlinson: I do not apologise for coming back to the issue of cost, as it is first and foremost in the minds of my constituents. We have heard a variety of different figures cited today, so perhaps we can explore the issue a little further. Has my hon. Friend considered that with 10,000 fewer prisoners we could have fewer prisons, so the costs that we have heard cited could in fact be higher still?

Mr Hollobone: That is a very intelligent observation from my hon. Friend. Friend, and I congratulate him on being in the Chamber to listen to today’s proceedings. I know that he represents his constituents with great assiduity. Obviously the Minister will correct me if I am wrong, but I think we now have two prisons devoted wholly and specifically to housing foreign national offenders. Clearly, if we did not have any foreign national offenders in our prisons that would be two prisons we could either not have or free up to imprison our own offenders. That would be a cost saving—we are talking about a potential sum of £1 billion—but some of us in the Chamber agreed that with £1 billion of savings that would enable us to afford to do that, but here we are presenting the Government with £1 billion of savings that would enable us to implement a far more realistic and effective criminal justice policy.

Henry Smith: My hon. Friend is always skilful in the Chamber today that it is not absurd to say that if we return, and he confirmed that that is the case. We remain a member of the European Union, crime will be higher and we will have more criminals in our country. My hon. Friend probably has more foreign national offenders going in and out of his constituency than any of the rest of us, because of the location of Gatwick airport. I am shocked and appalled, as I know his constituents will be, that such a violent offender was released back into his local community. That cannot be right on any level. Such people need to be sentenced and convicted, serve their time in jail in full in their country of origin and not be let back into our country. Then the citizens of Crawley and the rest of the United Kingdom would be able to sleep safe in their beds at night.

Sir Edward Leigh: We are now hearing nothing about the repeal of the Human Rights Act. What has happened to that? A moment ago my hon. Friend mentioned the return of foreign criminals. If I am fortunate enough to catch your eye, Mr Speaker, I hope to deal with that in more detail later, but the problem with the present system is that there is nothing to prevent deported foreign criminals—however few are deported—from returning later, because no biometric information is kept. That is one of the points made by Migration Watch, and the Government should change it. As biometric visas are introduced in the future, we will be able to track people who have been convicted and sent to jail here and then sent back to their country of origin.

Mr Hollobone: My hon. Friend speaks not just for Crawley and its good citizens, but for the nation. He is spot-on. We need to get rid of the Human Rights Act and replace it with a Magna Carta-like domestic Bill of Rights that we can all understand and that implements justice in the way that the British people would like to see it implemented.

My hon. Friend probably has more foreign national offenders, however few are deported—from returning later, because no biometric information is kept. That is one of the points made by Migration Watch, and the Government should change it. As biometric visas are introduced in the future, we will be able to track people who have been convicted and sent to jail here and then sent back to their country of origin.

Mr Hollobone: My hon. Friend is correct. We could strengthen the Bill in Committee with specific clauses to that effect. In Justice questions this week I asked the Under-Secretary of State for Justice, my hon. Friend the Member for Esher and Walton (Mr Raab), whether it was true that as a member of the European Union, we are not allowed to deport EU foreign nationals who are in prison in our country and ban them from ever returning, and he confirmed that that is the case. We can therefore say without fear of contradiction in the Chamber today that it is not absurd to say that if we remain a member of the European Union, crime will be higher and we will have more criminals in our country. Under the rules of free movement we are not able to stop EU criminals coming into this country, and we are not able to deport back to EU countries those who have been convicted of serious offences and imprisoned.

Julian Knight: I thank my hon. Friend for showing characteristic generosity in taking interventions. I echo his views on the Human Rights Act. It seems anathema to me that as a country with the best part of 1,000 years of common law, we have to accept a Human Rights Act designed for countries that have experienced fascism within living memory. We did not go down that road. We are Britain and we have the common law.
The point about increased capacity in prisons is interesting. That would allow us to pursue a more vigorous justice regime, particularly in the case of burglary. My hon. Friend is aware that it is becoming commonplace that many burglars are not receiving custodial sentences, which is an appalling state of affairs. Burglary is a crime that impinges on people’s lives. Will he reflect on the need for greater capacity in our prisons?

**Mr Hollobone:** Interventions of such quality will, I hope, earn my hon. Friend a place on the Bill Committee. We could put a robust clause in the Bill specifically to deal with burglars and burglaries. He is right—for some reason, the seriousness of burglary has gone down the Home Office’s agenda.

The same is true of the breaking of shop windows in our high streets. I remember 20 years ago speaking to my local police commander, who said, “Philip, it’s an absolute rule of mine that we will not accept shop windows being broken in high streets, and we are going to clamp down on this really hard.” I think most hon. Members would say that shop windows are broken regularly in their high streets, perhaps even monthly. That shows that when we do not keep pursuing such problems vigorously, the seriousness with which they are taken declines.

That is a concern for our constituents, who are frightened about burglaries. Even if nobody is injured in a burglary, somebody’s home is tainted permanently by the intrusion and the theft of articles. Particularly for elderly people, that can often lead to a deterioration in health, and ultimately, in some cases, the old person sadly dies, not directly at the hands of the burglar but as result of the trauma of having been a victim of burglary. My hon. Friend speaks for his constituents and the country in highlighting that issue.

**Michael Tomlinson:** I am grateful to my hon. Friend for giving way again. I want to correct a potential misapprehension. My direction of travel for reducing the prison population of foreign national offenders holds true for the prison population as a whole. There may be a divergence of views here. I believe we should have a vigorous justice system, and I believe that the Bill is right about foreign national offenders, but I also believe that this should be the direction of travel for our entire prison population. I may have caused a misapprehension about that earlier. We can have both a vigorous justice system and a smaller prisoner population overall. This point of view may get me off the Bill Committee, but it is one that I hold firmly.

**Mr Hollobone** rose—

**Mr Speaker:** Order. I have no objection to the number of interventions—that of itself is perfectly orderly and many would say that it should be encouraged. But if Members could have some regard to their length—shortening thereof—that would greatly assist our deliberations.

**Mr Hollobone:** I am grateful, Mr Speaker, for your ever wise guidance, but I am sure you will agree that the interventions have been most illuminating, helpful and constructive.

I thank my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) for his intervention. I can see that we might disagree on aspects of justice policy, but I believe that Bill Committees should be inclusive. Members who hold a range of different opinions should be included, so my hon. Friend is back on the Committee. That is one of the mistakes that the Government are making, most recently with the Enterprise Bill, where all those who were against extending Sunday trading suddenly found they were not on the Bill Committee. The result was the events of this week, when the Government lost that part of their legislation. Given his views, which might be contrary to those of other Members, my hon. Friend would play a very constructive role in debating these issues on Committee, so I encourage him to pursue his views with great vigour. It is shocking that 160 countries around the world are represented in our prisons.

**Henry Smith** rose—

**Mr Hollobone:** I shall read the list of shame of the countries that top that chart, based on the latest figures from the Ministry of Justice, but first I give way to my hon. Friend the Member for Crawley, as I promised.

**Henry Smith:** I am grateful to my hon. Friend for his generosity. I noticed that one continent was missing from his list—Antarctica. I do not mean to make light of a serious issue, but it illustrates the seriousness of the matter if every part of the globe except the most inhospitable part is represented in our prison population. That is an untenable situation.

**Mr Hollobone:** I am grateful for that intervention. My hon. Friend’s attention to detail, which he has just demonstrated, is legendary in this place. He gives me a good idea. I have been struggling to think of somewhere to send the 434 individuals who refuse to declare their nationality. I wonder whether the prospect of a prison place in Antarctica unless they state where they originally came from might encourage them to reveal their true identity.

At the top of the list of shame is Poland, because 951 Polish nationals are incarcerated in our prisons.

**Philip Davies:** Is my hon. Friend aware that before we had the free movement of people within the European Union, which Polish people took advantage of, the number of Polish people in our prisons was only in double figures? Indeed, I think in 2002 it was as low as 45.

**Mr Hollobone:** My hon. Friend makes an extremely helpful point. It demonstrates one of the major themes that I want to get across today, which is that by being a member of the European Union we are importing crime into this country. Our membership of the European Union means that we have more crime and more criminals on our streets. The fact that Poland is in first place on the list of shame does that country no credit at all.

**Jeremy Lefroy:** My hon. Friend is talking about a very serious matter. I must declare an interest, because I believe that I have some Polish ancestry. Does he not agree that an awful lot of Polish people make a big contribution to this country? In Stafford I have a Polish club that resulted from the sacrifice and service that
many free Poles gave to the allies during the second world war. Indeed, the Poles who come over and work hard on fruit farms and in factories around Stafford do a tremendous job. What we are talking about is a very small minority who abuse this country’s hospitality.

Mr Hollobone: My hon. Friend is absolutely right. I am second to none in my admiration for the Polish people, the Polish nation and individual Poles. The Polish work ethic, frankly, would give many of our own citizens an example of how to behave in life. We have a lot to learn from them. My criticism is not of Polish people; it is of the EU system. Under EU rules, we are unable to prevent Polish citizens with criminal records from coming into this country, we are unable to send back to Poland the few Polish citizens who are convicted of criminal offences and imprisoned in our country, and we are unable to prevent them from returning. I am full of praise for the Polish nation and for hard-working Polish citizens. As on so many issues, my hon. Friend is absolutely right, but we must not ignore the fact that of the 160 countries represented in our prisons, Poland is in first place.

Mr Christopher Chope (Christchurch) (Con) rose—

Mr Speaker: Order. I say very gently to the hon. Member for Kettering (Mr Hollobone) that I hope he is not intending to provide biographical details of each of the people from Poland before proceeding to the second of the 160 countries of which he wishes to treat. If that is his intention, it might test the patience of the Chair. I feel sure that he is planning no such mission. On that note, no doubt he will take the intervention from the hon. Member for Christchurch (Mr Chope).

Mr Hollobone: Indeed, I give way to my hon. Friend.

Mr Chope: I am grateful to my hon. Friend for what he has said. Can he explain why the Polish Government are not prepared to allow Polish prisoners sentenced in this country to serve their sentences in Poland, which I understand is possible under the transfer of prisoners legislation promoted by the Council of Europe?

Mr Hollobone: I am grateful to my hon. Friend for that intervention, and I bow to his huge knowledge and experience of the Council of Europe and its various pronouncements. He is right to highlight the EU prisoner transfer agreement, introduced some years ago, which was meant to be the great panacea for the number of EU citizens in our jails. We were apparently going to be able to send EU prisoners in our jails back to their EU countries.

Craig Whittaker: I want to apply a different principle. My hon. Friend has noted that there are 10,442 foreign nationals in our prisons. Can he tell us how many British nationals there are in prisons around the world? If we applied the same principle to them, how much would it cost us to have them back in our prisons?

Mr Hollobone: My hon. Friend makes a very helpful intervention; his lateral thinking on the issue demonstrates that he is an assiduous Member of the House. In answer to his question, I believe that each year about 4,000 people with British nationality are imprisoned overseas. I got that figure from Prisoners Abroad, which seems a very worthwhile human rights and welfare charity; it provides those people with humanitarian aid, expert advice and emotional support.

I hope that we will get the official figure from the Home Office or the Foreign Office when the relevant person arrives. Some of those British nationals will be in prison not because they have been convicted of any crime, but because they have been detained by the authorities of whatever country they might be in—and most of those countries will have criminal justice systems that are far less rigorous than our own.

It seems to me that, were we to sort this system out, 4,000 British nationals could be repatriated to serve their time here. I am not suggesting for one moment that all 4,000 would return immediately, but my hon. Friend asked for a figure and that is the one I have. In practice, the number of returnees would be a lot lower. Of course, that number is still a lot lower than the number of foreign nationals convicted and imprisoned in this country.

Julian Knight: Presumably the figure would be far lower, because many of the people imprisoned overseas will have been imprisoned for short periods of time, and perhaps for relatively minor offences that, for the purposes of the Bill, would not require deportation.

Mr Hollobone: My hon. Friend makes an extremely good point.

Mr Speaker, you will be relieved to hear that I do not actually know any personal details of any of the Polish prisoners, so I will not trouble the House with that information, but I am grateful, as ever, for your wise counsel and guidance.

Henry Smith: Before my hon. Friend moves on to the next country, could he say—perhaps he will come to this point later in his remarks—whether the Bill envisages a minimum custodial sentence before somebody is exchanged, perhaps six months, or would it be on the provision of being sent to prison?

Mr Hollobone: My hon. Friend makes an extremely good point about a key issue, and I will answer it, but his intervention has reminded me that I did not answer fully the point made by my hon. Friend the Member for Christchurch on the EU prisoner transfer agreement. Now that we have that agreement, apparently we can send back to EU countries those foreign EU nationals convicted and imprisoned in our country. But it is not working.

Specifically, Poland has a derogation until December 2016. Given that Poland is No. 1 on the list of shame, I would have thought that a key part of our renegotiation of the terms of our membership of the EU would have been for that derogation no longer to apply to Polish citizens living in the UK. As far as I am aware, however, Her Majesty’s Government made no attempt at all to tackle the issue during the renegotiation. Poland has the largest number of foreign nationals in our prisons, yet Her Majesty’s Government have done nothing, as far as I can see, to tackle the issue.
Mr Chope: The Polish people are renowned for their sense of family values. Why is it, then, that Poland does not wish to have its own patriots back in their country so that they can serve their sentences with their friends and family, thereby facilitating their rehabilitation?

Mr Hollobone: That is an extremely good question. The honest answer is that I do not know.

Mr Nuttall: May I suggest to my hon. Friend that one reason is that Poland might prefer this country’s taxpayers to pay the costs, rather than its own?

Mr Hollobone: My hon. Friend may well be absolutely right.

Michael Tomlinson: I may be pre-empting my hon. Friend, but could I encourage him to look in due course at the term “qualifying offence”, because there are some important provisions relating to whether that involves a term of imprisonment, as in the Bill, or whether a foreign offender would have to be in prison to qualify? Perhaps there are some interesting points there to develop. Will my hon. Friend come back to that in due course?

Mr Hollobone: It is okay: my hon. Friend is back on the Committee. He has made an extremely good point, which I hope he can repeat in Committee. My hon. Friend is quite right: we need to define what a qualifying offence is.

Clause 1(1) says that “the Secretary of State must make provision in regulations for any foreign national convicted in any court of law of a qualifying offence to be excluded from the United Kingdom.” Subsection (4) of the clause—there are, of course, only two clauses—then defines a qualifying offence as meaning “any offence for which a term of imprisonment may be imposed by a court of law.”

That is important.

Henry Smith: I am grateful to my hon. Friend for giving way—he is the very model of generosity. I asked specifically whether the clause meant any custodial sentence, because we had an arrival over new year who was a resident of the Netherlands but an Afghan national. He assaulted a member of check-in staff at Gatwick airport. He was then released on to the streets of Crawley without any address. A few days later, he assaulted a female police officer with a hammer. He was then, finally, arrested again. I put it to the House that this foreign national should never have been allowed in this country. He also had a previous murder conviction in the Netherlands. I am therefore pleased to support the Bill, which would mean we were able to remove people from this country at the earliest opportunity.

Mr Hollobone: I knew the situation was bad, but the example brought to the House by my hon. Friend makes me think that it is a lot worse than I had feared. I invite him to intervene on me again to update the House on where this individual is now.

Henry Smith: I understand that this man is still being processed through the criminal justice system. I sincerely hope that, for two assaults within a week in my constituency, this Afghan national, who is a convicted murderer in the Netherlands, will receive a custodial sentence. I only wish that my hon. Friend’s Bill were on the statute book so that this man could be deported back to the Netherlands to serve his sentence. Alas, I do not think that your Bill will make it on to the statute book in time, but I hope this case illustrates that the Bill is very necessary.

Mr Speaker: Order. Two things. First, “pithiness personified” is normally the title that I would accord the hon. Gentleman, and I hope that he will want to recover that status. Secondly, he referred to “your Bill”. Debate, of course, goes through the Chair—I have no Bill before the House, but the hon. Member for Kettering has.

Mr Hollobone: In fairness, Mr Speaker, it is not actually my Bill. The Bill is in the name of my hon. Friend the Member for Wellingborough. However, I do have the privilege of being one of the sponsors, and I am pleased to be one of them.

Michael Tomlinson: Perhaps my hon. Friend could tease out a little more the meaning of “qualifying offence”. As drafted, the definition is very wide and would cover even the most minor offences. For example, small, petty shoplifting has a maximum term of imprisonment of seven years and would, therefore, be caught by subsection (1). [Interruption.] I hear a “Hear, hear”, but, on the other hand, this is a very petty offence. Is it really the intention of the Bill to cover such an offence?

Mr Hollobone: I can see that the Bill Committee will be extremely interesting. I appreciate my hon. Friend’s point. I would take the view—I think other members of the Committee, although perhaps not all, would too—that a foreign national in this country who shoplifts should be removed forthwith and never be allowed to darken our shores again.

Julian Knight: On the definition of “may be” and the point that trivial crimes may be offences “for which a term of imprisonment may be imposed by a court”, if foreign nationals commit a crime such as burglary, which is potentially due a custodial sentence in law, but that sentence is not dished out by the court, they would, effectively, come within the remit of the Bill.

Mr Hollobone: My hon. Friend is absolutely right, and I agree with him. That is why we have to be so careful about the wording. It may be that we need to strengthen the clarity of these provisions in Committee, because all too often, sadly, our courts do not impose a custodial sentence, even though they have the opportunity to do so. My understanding, and my intent in the Bill, would be that, even if a prison sentence is not imposed, as long as the offence carries the potential for imprisonment, the person should be deported, removed, transferred or repatriated—whatever the technical term is.

Philip Davies: I do not want to put too many flies in the ointment, but the term “may be” is ambiguous, because we also enter the realm of sentencing guidelines. If a sentencing guideline did not indicate that a prison sentence would be given, even though the crime comes, at its worst extent, with a custodial sentence, the term “may be imposed by a court of law” would be difficult to interpret.
Mr Hollobone: It is that sort of intervention that confirms my view that the Bill would be poorer if my hon. Friend were not on the Committee. He would bring to it a wealth of experience, not only as a Member of this House, but because he has concentrated on justice issues since he arrived here in 2005. The Bill would be far better were he kind enough to serve on the Committee.

Sir Edward Leigh: Has my hon. Friend received any notification from the Government about whether the Bill will be allowed to proceed to Committee?

Mr Hollobone: I have not received any such helpful indications from the Government, but I do not usually receive helpful indications about very much at all, so I am not necessarily taking the lack of an indication as a negative. I would hope that, given the presence of so many hon. Members here today, the Government might realise that the issue is important to our constituents and needs to be taken seriously.

I am still in a state of shock, having heard the intervention from my hon. Friend the Member for Crawley. We are told that we are safer being a member of the European Union, but my hon. Friend has given the House a clear, explicit example of how we are not safer. Here we have an Afghan national—he is not even a national of the Netherlands, but a resident there—who is a convicted murderer, but who can now the less fly into this country. Border Force does not know anything about him. He then commits an offence and is out on the streets in Crawley before being apprehended again. How on earth can we be safer and more secure in our nation with rules such as that?

Henry Smith rose—

Mr Speaker: Order. Just before the hon. Member for Kettering has now dilated very eloquently into this country. Border Force does not know anything about him. He then commits an offence and is out on the streets in Crawley before being apprehended again. How on earth can we be safer and more secure in our nation with rules such as that?

Henry Smith rose—

Mr Speaker: Mr Hollobone takes an intervention from the hon. Gentleman, and I just remind him that the Bill contains two clauses, the first of which is the only substantive clause, containing four subsections. The second clause is simply the short title and commencement date of the Bill, and the Bill itself takes up a little over one page. As the hon. Member for Kettering has now dilated very eloquently and with great courtesy for 53 minutes, he might perhaps consider focusing, with that laser-like precision for which he is renowned in all parts of the House, upon the first clause of his two-clause Bill.

Mr Hollobone: I genuinely seek your guidance, Mr Speaker. Is it in order for me to suggest during the course of the Bill’s Second Reading that additional clauses be added to strengthen and clarify aspects that some Members feel are not necessarily covered by clause 1?

Mr Speaker: The Bill, of course, can be amended and, therefore, notably changed in all sorts of ways in Committee, but that cannot be done today. I have allowed the hon. Gentleman considerable latitude to establish the context and to explain the background to the introduction of his Bill, and I have no regrets on that score, but I feel sure that he will have plenty of meat to present to the House in respect of clause 1. On that clause I am sure he will shortly focus.

Mr Hollobone: Thank you, Mr Speaker.
and I hope the same is true the other way around. There are also many British people who commit crimes abroad, and they should be equally castigated. I would just like my hon. Friend to re-emphasise that we are talking about the very, very small minority of people who commit crimes in this country. We are not referring to the people as a whole.

Mr Hollobone: My hon. Friend speaks a great deal of common sense, as always. I have nothing but admiration for hard-working Jamaicans in this country who contribute much to our economy. What I would say, though—this is, in part, the purpose of this Bill—is that the fact that 160 nations around the world are represented in Her Majesty’s prisons is a stain on those countries’ reputations, which I would have thought those countries would want to try to get rid of. The way to get rid of it properly is to come to an agreement with this country, under which they take back their prisoners to prisons in their country. Then we will not have to have debates like this or read out lists of shame. Of course, the number from each of the countries involved are small, but as a percentage of our national prison population they are significant, and the cost to British taxpayers, as we have heard, could be north of £875 million a year.

Julian Knight: In actual terms, I suppose the numbers are small, but is my hon. Friend aware that the Polish figure is just over 900 from a population of 38 million, whereas the Jamaican figure is over 500 from a population of 3 million? That is a stark difference. I also echo the views of my hon. Friend the Member for Stafford (Jeremy Lefroy) on the contribution of the Irish and Jamaican populations.

Mr Hollobone: My hon. Friend is right to highlight those figures. There is a particular issue with Jamaica and drugs, and I think that is where the problem arises. To be fair, Her Majesty’s Government have recognised that. In September 2015, the UK made an agreement with the Jamaican Government to start sending Jamaican prisoners serving time in British jails back to Jamaica. That is exactly the sort of arrangement that needs to be put in place with as many as possible of the 160 countries.

The agreement was concluded at the end of September by the then International Development Minister, my right hon. Friend the Member for Welwyn Hatfield (Grant Shapps). The official announcement of 30 September 2015 said:

“The agreement was concluded today after years of negotiations as the Prime Minister made the first visit by a UK Prime Minister to Jamaica in 14 years.

It is expected to save British taxpayers around £10 million over 30 years once the first prisoners are returned from 2020 onwards. The UK will provide £25 million from the government’s existing aid budget to help fund the construction of a new 1500-bed prison in Jamaica. The prison is expected to be built by 2020 and from then returns will get underway.”

I know many supporters of the international aid budget are present, as are one or two Members who have slightly different views. Whatever one’s views on Britain’s international aid budget, I think we can all agree that it is extremely generous. I believe we are the only major western economy to hit our millennium goal target of spending 0.7% of our economy on international aid. I would hope that we can all agree that spending part of the international aid budget in this way makes a huge amount of sense. If we spend it on building prisons in those countries that have a large number of nationals imprisoned in our country, we can start to send these people back to those prisons, saving British taxpayers’ money being spent on incarcerating them in our jails.

I am disappointed, however, that it seems to take so long to build those prisons. I do not understand why it takes five years to build a 1,500-bed prison in Jamaica. If we asked the Royal Engineers to put up a building, I am sure they could do it in double-quick time, and then we could start shipping these people back pretty soon.

I encourage Her Majesty’s Government to make more such arrangements. They could certainly look at my list of shame for further opportunities. We have got to No. 4 on the list, which is Jamaica. No. 5 is Albania; there are 472 Albanians in our jails. Close behind in equal sixth place is Latvia. Let me get that right—I think it is Lithuania with 471, in equal sixth place with Pakistan. I am not an expert, but I believe the population of Pakistan is a lot bigger than that of Lithuania, so for Lithuania to have the same number of prisoners as Pakistan says something to me about why our membership of the European Union is not doing us any favours.

Mr Chope: Is there not an additional problem in relation to the large number of Lithuanian offenders in that they necessitate the use of very expensive translation services in the court system and in prisons?

Mr Hollobone: My hon. Friend is right. I know that he has raised that issue in the Chamber on numerous occasions, and rightly, because there are few issues that enrage our constituents more than the public money spent on translating things for people who, frankly, should learn to speak English if they want to stay in this country.

Pauline Latham (Mid Derbyshire) (Con): My hon. Friend is talking about the international development budget and prisons abroad. In the very uncertain world in which we now live, does he not agree that it is good that our Government are spending money on strengthening the legal systems in these countries so that they can deal with their own prisoners?

Mr Hollobone: Yes, I support that. A stronger legal system in these countries would help to facilitate the return of their nationals imprisoned in this country.

Michael Tomlinson: Clause 1(1) in fact refers to “any foreign national convicted in any court of law”. I fear that my hon. Friend the Member for Christchurch (Mr Chope) may need to introduce a new Bill if we are to seek savings in translation services, because costs will inevitably be racked up in court proceedings to ensure that a foreign national is convicted so that they qualify under clause 1(1).

Mr Hollobone: My hon. Friend is right in part, but my hon. Friend the Member for Christchurch is of course talking about translation services as a whole. The longer a foreign national offender stays in this country, the greater the demand for translation services they will inevitably trigger during their incarceration.
They may learn English while they are in prison, but it might not be the sort of English we want to encourage them to learn.

Jeremy Lefroy: My hon. Friend mentioned Lithuania. I have not detected that I have any Lithuanian ancestry. Does he agree that the fact that Lithuanians are prisoners in this country shows that they have freedom, whereas 20 or 30 years ago, when they were under the Soviet yoke, they were not able to travel to this country to work? As I have said, they and nationals from all the other countries that have been mentioned do a tremendous amount of good for the British economy. I agree that of course a few get into trouble and should be sent home, but does he agree that it is tremendous that the Baltic and other eastern European countries are now free from the Soviet yoke?

Mr Hollobone: I agree with my hon. Friend. That it is fantastic that eastern Europe is now free from the Soviet yoke. He and I spent much of our political life worrying about the cold war—not seeing how it would end, and perhaps thinking that it would never end. Everyone is delighted that it has ended and that eastern European countries are now firmly on their way to becoming fully developed, westernised economies with democratic values and freedoms. That is all fine, but the problem with our membership of the European Union—this is one of the issues that the Bill seeks to address—is that we are not able to check which of the Lithuanians coming to our shores have got criminal pasts. It is an absolute fundamental of our national security that we should be able to stop anyone coming into this country that we are not able to check which of the Lithuanians or other eastern European countries are now free from the Soviet yoke?

Sir Edward Leigh: Before my hon. Friend gets on to another country and mentions the number of criminals we would like to deport, and before my hon. Friend the Member for Stafford (Jeremy Lefroy) praises that country, may we just establish one fact? Those of us who support the Bill have absolutely no objection to the wonderful work done by Poles, Jamaicans, Lithuanians or Latvians; we simply want to deport people who are convicted criminals. That is all we want to do.

Mr Hollobone: It is not quite all we want to do. We actually want to stop convicted criminals coming into this country in the first place. I readily admit that that is not clear in the Bill as drafted, but that is something that we could strengthen in Committee. I am sure that that would enjoy my hon. Friend’s support. The main aim of the Bill, however, is to send back foreign nationals convicted of offences to wherever they come from.

Henry Smith: I encourage my hon. Friend to consider, in Committee, greater controls and information flows from other countries, so that we can stop people who are already convicted criminals in other countries entering the United Kingdom in the first place. Our constituents would assume that that already happens, and if they found out that it does not, they would want—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Gentleman will be aware that what we must discuss this morning is matters in the Bill, not matters that are not in the Bill. The Bill is a short one, and I am well aware of what is in it. I am sure that the hon. Gentleman knows that sticking strictly to what is in the Bill is essential.

Mr Hollobone: I am grateful to you, Madam Deputy Speaker, as ever, for your wise counsel and guidance.

I want to praise Her Majesty’s Government for the prisons initiative in Jamaica. We now come to No. 8 on the list, which is India.

Karen Bradley: As my hon. Friend is talking about prisons, I want to point out that the Under-Secretary of State for Women and Equalities and Family Justice is listening to the debate in the Chamber. I know that she will take note of all points that are specific to Ministry of Justice matters and feed them back to her officials.

Mr Hollobone: I am very glad that our hon. Friend is in the Chamber. I hope that she will be so impressed by my remarks that she will invite me to visit the prison in Jamaica, because I am keen to see for myself how our international aid money is being spent. I think that the initiative offers a sensible solution to the problem.

Mr Chope: Lithuania benefits enormously from the NATO presence in the Baltics. Is it not a disappointment that, while we are using our public money to help to secure Lithuania against an external threat, it is not prepared to use its resources to secure our people against the threat from their prisoners?

Mr Hollobone: As ever, my hon. Friend sums it up really rather well. He makes the case that his constituents would make, which is that our membership of these international organisations should work both ways. We are spending a great deal of British taxpayers’ money in defending Lithuanians from the Russian threat, and the very least they could do is to take back their 471 nationals from this country to prisons in their own country. After all, we are supposed to have an EU prisoner transfer agreement, from which Lithuania does not have a derogation, so I do not understand why there is a problem.

I am anxious, as I am sure you are, Madam Deputy Speaker, to complete my list so that I can move on to other aspects of the Bill. There are some important countries at the bottom of the top 10. India, with 458, is No. 8, and I am looking for No. 9 on my list—

Craig Whittaker: Will my hon. Friend give way?

Mr Hollobone: Yes. I am grateful to my hon. Friend because while he intervenes, I shall try to find No. 9.

Craig Whittaker: Clause 1(1) will exclude “any foreign national convicted in any court of law of a qualifying offence”. Will my hon. Friend clarify what would be a qualifying offence? We have trivialised things such as shoplifting as minor offences, but, having been a retailer for 30 years, I can assure him that some of us feel that it should be a
qualifying offence. I also point out that a former Minister for Crime Prevention said at the Dispatch Box not too long ago:

“Someone might start with shoplifting, but who knows where they will end up?”—[Official Report, 5 January 2015; Vol. 590, c. 10.1]

Mr Hollobone: My hon. Friend makes a very helpful intervention. He speaks from personal experience and with great knowledge of these matters.

Bob Stewart (Beckenham) (Con): Personal experience of being a shoplifter?

Mr Hollobone: He has personal experience of being shoplifted, not being a shoplifter. The point that he makes is absolutely right, and it is an issue that the Committee could explore. Opinions will differ in Committee, but I share his view that shoplifting should be taken seriously. Unless criminal behaviour is nipped in the bud, it tends to get worse. If a foreign national thinks it is acceptable to shoplift in this country, I think most of my constituents would say, “That is not acceptable. Go and do it in your own country.”

Michael Tomlinson: My point was not that shoplifting is trivial, but that it is trivial in comparison to other aspects of theft. It is a question of scale. I want to clarify that, because I would hate people to think that my personal view was that shoplifting is trivial. It is not: all crimes are serious, but there is a scale and it is well known that, among thefts, shoplifting is towards the bottom end of the scale.

Mr Hollobone: I suspect that my hon. Friend brings some legal experience to his advice to this House, for which we are all very grateful. That is why he will be such a valuable member of the Committee.

I just want to reach the end of my list before ending my speech and encouraging others to take part. There are two important countries at the bottom of the top 10 list of shame: Somalia has 430 and Nigeria is at No. 10 with 385. I know that my hon. Friend the Member for Stafford (Jeremy Lefroy) said, those people are good, contributing members of this society because they have chosen to come here and they add to what we have in this country. Obviously the criminals are the worst offenders we could possibly have and we need to get rid of them, but there are so many people here who work hard to help their families back home.

Mr Hollobone: And those people will be very embarrassed indeed that their fellow foreign nationals are clogging up our prisons in this way. They may be keener than us to see a sensible resolution to the problem.

The point that I want to make in drawing my brief remarks to a close is that, if we are giving so much money in international aid to Nigeria, Pakistan and Somalia, but those three countries are in the top 10 list of shame in respect of having foreign nationals in our prisons, surely we should do in those countries what we are doing in Jamaica—spending the international aid money that we are already giving them on building prisons in those countries, so that the prisoners in our country can be sent back to them.

Bob Stewart: If we do not build prisons, perhaps we should make it a condition of our giving aid to those countries that they take back their prisoners who have offended under our laws.

Mr Hollobone: My hon. Friend’s bid to be on the Bill Committee is accepted. That is exactly the sort of constructive suggestion we need to strengthen the legislation.

Pauline Latham: Does my hon. Friend agree that if we did do that, the standard of the prisons we would provide would be far superior to the standard of the prisons that many developing countries provide for their citizens?

Mr Hollobone: I am not sure that my constituents are that fussed about the standard of prisons that are built in other countries—they just want the foreign nationals to be sent back to them—but I take the point that my hon. Friend makes.

Jeremy Lefroy: I am most grateful, and I will. All the countries in the top 10 that I have not yet commented on—India, Pakistan, Nigeria and Somalia—have nationals who are in this country legally and who are abiding by the law, as we would want them to. Those people are making a tremendous contribution. My hon. Friend is talking about people who are not abiding by the law. In just the same way, we would expect our own citizens who do not abide by the law in another country to be imprisoned and, perhaps, repatriated to this country.

Mr Hollobone: This might be an issue that the International Development Committee, on which he sits, might want to explore, because when one compares the list of the top 10 countries with the most foreign national offenders in our jails with the list of the 28 countries to which this country gives the most international development aid, three countries stand out—Nigeria, Pakistan and Somalia. All three countries are on the list of the 28 countries to which the Department for International Development gives international aid and in the top 10 list of countries with the most foreign national offenders in prison in this country.

Pauline Latham: Does my hon. Friend accept that many nationals from those countries send a huge amount of their own money back to their country to help their families who are still there? As my hon. Friend the Member for Stafford (Jeremy Lefroy) said, those people are good, contributing members of this society because they have chosen to come here and they add to what we have in this country. Obviously the criminals are the worst offenders we could possibly have and we need to get rid of them, but there are so many people here who work hard to help their families back home.

Mr Hollobone: And those people will be very embarrassed indeed that their fellow foreign nationals are clogging up our prisons in this way. They may be keener than us to see a sensible resolution to the problem.

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Mr Hollobone: I am not sure that my constituents are that fussed about the standard of prisons that are built in other countries—they just want the foreign nationals to be sent back to them—but I take the point that my hon. Friend makes.

I want to highlight one other issue that is of concern. I asked the Secretary of State for Justice how many foreign national offenders were serving their sentence in prison, and I have read out to the House the list of shame that I received. However, I also asked how many foreign national offenders were serving their sentence outside prison, and the answer that I got from the Ministry of Justice was:

“The number of convicted foreign national offenders serving their sentence outside prison is not published due to data quality.”

In other words, “We don’t know.” I am very worried indeed about that.

Mr Chope: That answer surprises me because one of the Justice Ministers told us at Justice questions that the number of foreign national offenders in our prisons
had declined. It is surely in the public interest to know whether the number has declined because they are serving their sentences outside prison.

Mr Hollobone: That is a very good point. Neither my hon. Friend nor I—nor, indeed, the House—is any the wiser because of Her Majesty’s Government’s obfuscation over providing the data. We can all sense that it is a real problem that we do not know how many foreign national offenders are loose on our streets. We have heard a couple of examples today from my hon. Friend. Friends the Members for Solihull and for Crawley of foreign national offenders being at large in our communities.

If this Bill became law, it would send a clear signal to our constituents and to the world at large—if you are a foreign national and you are in our country, you must not break our laws, and if you do break our laws, you will be sent back to the country from where you came and banned from ever returning. I commend the Bill to the House.

10.57 am

Sir Edward Leigh (Gainsborough) (Con): I am very grateful to you, Madam Deputy Speaker, for calling me to speak on this important Bill. The House will be relieved to hear that my comments need not be very long, because my hon. Friend the Member for Kettering, with his characteristic courtesy, skill and devotion to the procedures of this House, has made such a comprehensive case in favour of the Bill that I cannot for the life of me understand why anybody would oppose the entirely common-sense proposals that he is elucidating this morning.

As we have heard, this issue is of enormous importance. Some 10,000 of our prisoners in custody are foreign nationals, but only about 1,000 recommendations for deportation are made each year. That is even more surprising given that this has been a matter of national debate for so long. There is immense public interest in this issue. Only this week, Rod Liddle, who is not an hon. Friend but a well-known journalist, wrote an interesting article in The Spectator on precisely this subject. This is not just a matter for a quiet Friday morning in the House of Commons, but a subject that is constantly discussed all over the nation.

Rod Liddle, in his inimitable way, portrayed the problem we are dealing with. We have heard that there are all these people gumming up our prisons who are not deported, but at last, apparently, the Home Office had decided to get tough in the case of Myrtle Cothill, a “South African widow aged 92 who wished to see out her final days with her daughter in the UK.” But the Home Office said “tough luck, Myrtle” and told her she had to get on the next plane and leave the country.

Last week, I mentioned the case of a leading American Shakespearean scholar, who was frogmarched to the airport by the Home Office because he had stayed a few days longer. What the public cannot understand is why so many good people are being kicked out of our country, not least Myrtle Cothill—although after a national campaign and a huge petition, the Home Office finally relented—and yet all these convicted criminals are not being deported, at a massive cost to our taxpayers of up to £1 billion.

Mr Chope: Following our debate on this subject last week, I have received correspondence from people who are not my constituents but who know people—for example from the United States—who are being picked on in most unsatisfactory circumstances. It seems that the Home Office is going for the soft-touch people.

Sir Edward Leigh: That is the problem. Is the Home Office going for soft-touch people? We had that debate last week with the Under-Secretary of State for Refugees. He gave a skilful performance from the Dispatch Box, but he could not really deny my hon. Friend’s impeccable case. Indeed, the Minister admitted that there are more than 30,000 illegal asylum seekers who cannot be deported, on top of the people we are talking about today, and all that has to do with the Dublin convention and the Human Rights Act 1998.

There was a firm pledge in the Conservative party manifesto to deal with article 8 of the European convention on human rights. There has been massive controversy and publicity about that, and I cannot understand why we are still waiting. I hope that when the Minister replies to the debate, she will tell us what has happened to our reform of human rights legislation, because this is a matter of great public interest.

Rod Liddle gave some interesting examples of such cases, and others have been enumerated in other newspapers. Let us consider the case of Baghdad Meziane, Baghdad is a convicted al-Qaeda terrorist, with links to the appalling people who committed that atrocity in Paris recently. As Rod Liddle states:

“He was convicted in a British court of raising money for al-Qaeda (and also of the ubiquitous credit-card fraud) and sentenced to 11 years in prison. At his trial the judge pointed out, perhaps unnecessarily, that Meziane was a very dangerous man and recommended deportation once his term of incarceration had expired.”

But no. This “very dangerous” and unpleasant man, was actually released from prison five years early and allowed to return to Leicester. He was not put on the first available plane to Algiers, whence, despite his name, he originates.

“Baghdad argued that to deport him would contravene his human right to a normal family life.”

Therefore this man, this dangerous individual, has been released back into our community in Leicester because he claims a right to family life, and despite lengthy legal battles, all our debates, and the Home Secretary’s attempts at legislation, in Leicester he now resides.

Julian Knight: May I draw my hon. Friend’s attention to another example where process and legality are failing? Andre Babbage was released from detention by the High Court because there was no prospect of deporting him to Zimbabwe, because he does not have a passport and does not wish to return there, despite a high chance that he will reoffend.

Sir Edward Leigh: That is what the public cannot understand. People are laughing at our system, and we are asking the Government to take action. Rod Liddle
also mentioned the case of J1—we are not told his real name, because that would apparently breach his privacy:

"J1 is a known friend and colleague of one Mohammed Emwazi, usually referred to by his stage name of Jihadi John”—that is the Islamic State's late madman whom we know all about.

"J1 is known to be a senior organiser for Somalia’s exciting Islamic terror franchise, al-Shabab, and has links to the Muslim extremists who tried to blow up London on 21 July 2005. For five years we tried to kick him out, but we have now given up and he is not even under surveillance any more”.

Or how about CS? Again, we do not know CS’s real name because of her right to privacy:

“...at least we know that CS is a Moroccan woman and the daughter-in-law of...Sheikh Abu Hamza al-Masri, now serving a life sentence in the USA for terrorism-related offences. It’s the European Courts of Justice blocking her deportation, because she is the sole carer of her son in this country...She was found smuggling a sim card into Hamza’s Belmarsh cell.”

We cannot kick her out of this country, and we clearly need a Bill such as the one we are discussing. When the Minister replies, she needs to tell the British people why we cannot deal with such people.

Let us leave jihadists for a moment. The article continues:

“...there’s always the child rapists. Shabir Ahmed, aged 63, is serving a 22-year sentence for having been the ringleader of a gang of Pakistani paedophiles in Rochdale. Ahmed is petitioning the European Court of Human Rights to prevent his deportation. He claims that his trial was ‘institutionally racist’”.

The Home Office may fight, but I suspect that this man will be staying in a prison in this country.

Bob Stewart: I would go further than the Bill and say that when a foreign national commits a crime, we should have some sort of arrangement by which we send them back to their own country as soon as their sentence begins. If necessary, we will pay the costs of that, but let us get them out of our country as soon as possible.

Sir Edward Leigh: I will deal with that point in a moment, and that is precisely what Migration Watch UK—a very respected charity—is arguing. The article continues:

“We can’t even get rid of the criminals who actively want to leave. Mohammed Faisal is a convicted ‘drug lord’ who is reportedly ‘desperate’ to get back to Pakistan.”

However, the Home Office has messed up his papers, so he is staying put in this country.

“...And what of the Yardies?” —

Jamaicans have already been mentioned—

“We couldn’t send them to serve their sentences in Jamaica because the prisons are so bad it would breach their human rights.”

So, as I made clear in an intervention on my hon. Friend the Member for Kettering, “in desperation”, we are spending £25 million of taxpayers money on

“building them a nice prison there, maybe with views over Montego Bay. There is a plethora of national and supra-national legislation protecting the rights of the foreign criminal: the Human Rights Act, the Dublin Convention, the European Court of Human Rights, the European Courts of Justice. But none protecting the rest of us.”

There are all those conventions and Acts of Parliament, but what about the British people who are paying for all this? They cannot understand how, after 10 years of debates, these people are still with us. They are laughing at us. It is not just a question of money; they are literally laughing at us. Many of them are not just serving time in prison, but they are being let out of prison and back into our communities, having committed appalling crimes. They are not being kicked out. [Interruption.] And no doubt they are indeed receiving benefits. That is why the British people are fed up and want action to be taken. It is unlikely that my hon. Friend’s Bill will get to Committee because it is a private Member’s Bill, but therefore the Government should act, and that is why this debate is important.

There have been many other cases. The Daily Telegraph and The Sunday Telegraph have run a long-standing campaign, and we owe them a great debt for dealing with this issue and trying to raise it on the national stage. The Daily Telegraph put it well:

“Sixty years ago, with the horrors of the Second World War still fresh and raw, lawyers devised a set of principles designed to prevent a repeat of the Holocaust and other depravities. This was the European Convention on Human Rights, enshrined in British law under Labour’s Human Rights Act in 1998. In 1950, those lawyers did not set out to protect an immigrant’s right to bowl a cricket ball on a Sunday afternoon”—or any of the other absurd examples that we have seen in the press recently—“nor did they agonise over any of the other absurd scenarios, uncovered by our campaign”.

Julian Knight: The tentacles of the Human Rights Act spread far and wide and in ways that are perhaps not obvious at first to the outside observer. Does my hon. Friend agree that it is unacceptable for the Advocates General of the European Court of Justice to argue that the UK cannot expel a non-EU national with a criminal record who happens to be the parent of a child who is an EU citizen?

Sir Edward Leigh: Yes. There are so many absurd examples. Those lawyers, who were dealing with a Europe that had been devastated by fascism and Nazism and trying to create a reasonable body of law to protect us all, could not have foreseen how their work in 1950 in setting up the Council of Europe, on which my hon. Friend the Member for Christchurch (Mr Chope) and I are proud to have served, would mean that criminals could deliberately misuse and abuse the system.

There are appalling examples. For instance, Lionel Hibbert, a 50-year-old Jamaican criminal who fathered three children by three mothers within four months of one another, claimed he should not be deported because of his right to family life. Hon. Members will think that that is a ridiculous claim, but British judges agreed with it and overturned the Home Office decision because of that man’s claim to family life. In another example cited by The Daily Telegraph, the violent drug dealer, Gary Ellis, a 23-year-old Jamaican, convinced a court that he had a stable family life with his young daughter and girlfriend, when in fact she had split up with him years previously and refused to allow him into her home.

The court’s willingness to believe those stories and attach inappropriate weight to them is a huge problem—I concede that to the Government—but therefore we need more legislation. Ultimately, the courts have to subscribe to legislation passed by this House to make this absolutely watertight: if someone is convicted and if they are a danger to our society, they can be deported. That is what the Bill is about.
Let me deal with the suggestion from Migration Watch, which is very much like what is suggested in the Bill. We know that there are some 10,000 foreign nationals in custody, and that only about 1,000 recommendations for deportation are made each year. We know that something is wrong. Should there not be—this is what the Bill is about—a presumption that deportation will be recommended for a wide range of offences that attract a sentence of 12 months or more, as well as for offenders who are illegal immigrants? The trigger should be lower for a second or third offence. Central records should be kept, including biometric information, which should be available to visa-issuing posts overseas to prevent offenders from applying for a visa under a false identity. I refer again to my intervention on my hon. Friend the Member for Kettering. That is a problem—there is nothing to stop somebody whom we have finally managed to deport from simply changing their identity and coming back.

We know that the current arrangements for the deportation of foreigners convicted of criminal offences are unsatisfactory. Let us at least agree on that. When the Minister replies to the debate, let her acknowledge that the arrangements are unsatisfactory and that we should do something about it.

There are no clear guidelines for the courts. The general principles have not been revised sufficiently. Only 5,000 to 6,000 recommendations were made annually in recent years. There are no statistics on the number of deportations that are carried out, and no feedback to the courts. An offender cannot only appeal against a recommendation for a deportation; they can also appeal against a subsequent deportation order. They can claim asylum and appeal against a refusal of asylum. They can then seek judicial review of removal instructions following the failure of their claim. Who is paying for all those procedures? Who is benefitting from them? Is it the British public or is it lawyers and the convicted criminal? As I have said, that all happens at public expense.

Deportation cannot be recommended as a sentence in its own right, and nor can it justify a reduction of a sentence. Deportation recommendations are often considered towards the end of a custodial sentence. Why not at the beginning? That is what the Bill is about. If someone is convicted, on day one, this should be part of the sentence: “It’s deportation, chum.” Why are we still arguing about it years into someone’s sentence?

As I have said, there is nothing to stop a deported criminal from returning to Britain under a false identity. A recommendation for deportation is a matter for the courts, but a decision is for the Home Secretary, who takes into account the circumstances in the offender’s country of origin, humanitarian aspects and considerations of public policy. That sounds very fair, but what is being done on the ground?

The offender may appeal to an immigration judge against the Home Secretary’s decision. The current position in law is that the court must consider whether the accused’s presence in the UK is to its detriment. I believe—Migration Watch and many other people believe the same—that that is the wrong yardstick. There should be a zero-tolerance approach to serious criminal behaviour by foreign nationals, which should involve a presumption that deportation will be recommended for any offence that results in a 12-month prison sentence.

That sounds entirely logical, and if the Bill by some miracle becomes law, that is effectively what will happen. My hon. Friend the Member for Kettering talked of the Bill going to Committee, where I am sure he would prepared to accept a compromise. If the Minister comes back to us with a sensible compromise, we will consider it. I am sure he would be prepared to withdraw the Bill if the Minister announces today that we are adopting that policy of zero tolerance that involves a presumption that deportation will be recommended in any offence that results in a 12-month sentence.

That is a moderate proposal—it is the Migration Watch proposal, but my hon. Friends might want to ask for more. Migration Watch and I believe that the trigger should be a six-month sentence on a second conviction and a three-month sentence on a third conviction. Currently, magistrates may impose a maximum sentence of only six months, but that is to be increased to 12 months. Until that change is made, the approach I have suggested would mean that magistrates could recommend deportation for a second offence only. That, too, is a moderate proposal.

It is currently not possible to make deportation part of the sentence. Why? That is what we are asking for in the Bill. The law should be changed to permit that, to reduce the amount of time that foreign prisoners spend in prisons. Our jails are already so heavily overcrowded that we cannot carry out proper rehabilitation—we cannot afford it, and it is bad for prisoners. Surely the approach we are suggesting would be much better for prisoners. It is much better for the welfare of prisoners that those 800 Poles who are currently in our jails, or the 500 Jamaicans or Irish, are sent back to prisons in their countries, particularly when there is a foreign language involved, so that they can be rehabilitated and gradually put back into their own societies. It is not good for them or for our taxpayer that they are kept in our prisons.

Bob Stewart: That would be very good for the other inhabitants of our prisons, who would have more space. Our prisons are so overcrowded, and currently, more than 10% of our prison population are foreigners.

Sir Edward Leigh: That is what we are talking about—10%—so this is a matter of enormous importance.

As I have said, it is vital to avoid lengthy delays in custody, which is what the Bill would do, as I understand it. Deportation proceedings should commence on the very first day of the sentence. That is the key point.

Michael Tomlinson: Does my hon. Friend or Migration Watch have a practical solution on where to send the 400-odd prisoners my hon. Friend the Member for Kettering (Mr Hollobone) mentioned, who have not declared where they come from?

Sir Edward Leigh: That is an interesting question, and I confess that I do not have an instant response. My hon. Friend the Minister has heard that intervention, and I am sure she can deal with it. That just shows, does it not, how people are deliberately laughing at our system and abusing it? People should be aware of that.

Mr Hollobone: That is a tricky part of the issue—the 434 people who will not declare their nationality. How, on any basis, can we let them out of prison if they are
We know why it was originally created, and I talked for example for work or study, which was dealt with in illegal immigrants and a presumption of deportation recommendation of deportation for offenders who are should be done. There should also be an automatic serious types of crime. That is clear and simple, and it certain length of sentence or a sentence for particularly should start immediately. They would be triggered by a to toughen it up if necessary, deportation proceedings proposals set out in the Bill, and under my suggestions fraud; all offences involving the handling of the international serious violent and sexual offences; firearms offences; people-smuggling offences; forgery of travel documents; drug offences, such as importation and supply but not recommended for certain classes of offences, including but the Minister can correct me if she wishes. There is nothing to prevent criminals from returning to Britain under a false identity. Given that they are criminals, they would presumably have no compunction about changing their identity. To help tackle that weakness in the system, all those convicted should have their biometric information recorded and held centrally. As biometric visas are introduced overseas, visa applicants should be checked against the database. The records would detect those reoffending under a different identity. Perhaps the Minister will deal with the serious point raised today about the return to this country of criminals who change their identity. At the moment, we can apparently do nothing about it. We should keep biometric information so that we can identify them and stop them coming back.

Central records should, at the very least, include the immigration status of all those convicted, the number of recommendations for deportation and the number of deportations carried out. The courts should be informed of the outcome of the recommendations—I understand that at present they are not. I may be wrong about that, but the Minister can correct me if she wishes. There should also be a presumption that deportation is recommended for certain classes of offences, including drug offences, such as importation and supply but not necessarily possession; manufacture of class A drugs; people-smuggling offences; forgery of travel documents; serious violent and sexual offences; firearms offences; fraud; all offences involving the handling of the international proceeds of crime; and all defined immigration offences.

On day one, when someone is convicted under the proposals set out in the Bill, and under my suggestions to toughen it up if necessary, deportation proceedings should start immediately. They would be triggered by a certain length of sentence or a sentence for particularly serious types of crime. That is clear and simple, and it should be done. There should also be an automatic recommendation of deportation for offenders who are illegal immigrants and a presumption of deportation for offenders who are in Britain on a temporary basis, for example for work or study, which was dealt with in the Bill that we discussed last week.

As we know, the whole question of article 8 is a mess. We know why it was originally created, and I talked about how lawyers devised the arrangements in the early 1950s, but they are in urgent need of reform. Actually, article 8 specifically states exceptions to the right to family life. So far as those exceptions are in accordance with the law, they include public safety, the economic wellbeing of the country, the prevention of disorder or crime, and the protection of the rights and freedoms of others, for instance of law-abiding citizens.

It is difficult to know how many deportations from the United Kingdom are stopped on appeal due to article 8 arguments, as official figures vary depending on who we ask. Again, I hope the Minister deals with this point. The Courts Service says that in 2010—I am sure there are more up-to-date figures, but maybe these give a good example; I have just got them from the Library—223 people won their appeal against deportation. Of those, 102 were successful on the grounds of article 8. The independent chief inspector of the UK Border Agency said that in the same year 425 foreign national prisoners won their appeal against deportation, primarily on the grounds of article 8. If this debate achieves nothing else, perhaps we can get more up-to-date information on the exact effect of article 8.

**Michael Tomlinson:** Does my hon. Friend consider that the Bill, as drafted, would be strong enough to stop lawyers engaging in article 8-type arguments?

**Sir Edward Leigh:** We need to consider in Committee whether the Bill is strong enough to override article 8, if we are lucky enough to get the Bill to that stage.

**Mr Hollobone:** My hon. Friend is making an interesting and informative speech. Does he agree that one reason for the opacity of the figures is that it depends on how we ask the question? In researching this topic, I came across the fact that there are deportations, removals, transfers and repatriations. I do not know what the difference is between those four things, but depending on which one we ask about, we get a different answer.

**Sir Edward Leigh:** Exactly. This is an absolute minefield, and because of that it is prone to manipulation by clever lawyers—I can put it no other way. Frankly, the law needs to be cleared up. I suspect we cannot clear it up unless we repeal the Human Rights Act 1998 and repatriate this whole part of our law into a British Bill of Rights. Lawyers would still argue about the provisions of a British Bill of Rights, but at least we would have created the law in this House and tried to bring some clarity to these matters. Above all, we could try to recreate public confidence. We can become enmeshed in the details, and I am sorry if I have had to go into some of them, but let us focus, laser-like, on what the public are talking about. The public cannot understand that there are 10,000 people convicted of offences sitting in our jails who we are not sending home. Worse, many of them are coming out of our jails and staying in this country. That is what the public want the Government to deal with.

**Michael Tomlinson:** I mentioned lawyers a few moments ago. I declare an interest as a lawyer. Lawyers can find arguments, but the law needs to be clear. The clearer the law is, the less room there is for argument in courts by lawyers and the less reason for judges to make mistakes.

**Sir Edward Leigh:** Like my hon. Friend, I, too, am a lawyer. We are only doing our jobs. Give us unclear law and a client to represent, and we will put forward our
best case. It is up to the Government to give us clear law. Judges have been known to reconsider deportation on appeal if they feel that it is a punishment disproportionate to the crime committed. That even happened in the case of a crime that resulted in death, in Gurgun v. the Secretary of State for the Home Department. If the law is unclear, we open up all sorts of possibilities for lawyers to drive a coach and horses through what we are trying to achieve.

Mr Chope: Does my hon. Friend not agree that the ancient English principle of equity should be applied in these cases—that people cannot seek justice unless they come with clean hands?

Sir Edward Leigh: That is an interesting point. As usual, the common law of our country, developed more than 1,000 years ago, has an enormous amount of common sense. Perhaps we should worry less about bringing in more laws and more about enforcing present common law.

I will come to the end of my speech in a moment, to allow others to speak. To be fair to the Government, they have tried to do something because of the massive public debate. When the Minister responds to the debate, I suspect she may say that the Bill is not necessary because there is already legislation to deal with the problem. Is she shaking her head, or is she nodding? It is not fair of me to interpret her sedentary signs. However, that is a common response from Ministers.

Let me end on this point. Section 32 of the UK Borders Act 2007 provides:

“The Secretary of State must make a deportation order in respect of a foreign criminal”

if they have been convicted of an offence and sentenced to at least 12 months’ imprisonment. The Act specifies that in those circumstances the deportation of persons will be “conducive to the public good”

for the purposes of the Immigration Act 1971. Section 33 of the 2007 Act, as amended, identifies six exceptions to automatic deportation. In addition, section 3(6) of the 1971 Act provides that non-British citizens over the age of 17 are liable to deportation from the UK if they are convicted of an offence punishable with imprisonment and their deportation is recommended by the court, although the 2007 Act has somewhat curtailed the scope for criminal courts to make recommendations for deportation. A person cannot return to the United Kingdom while a deportation order remains in force against them, although they can apply for the order to be revoked.

I am sorry to have read out those points. I do not want to sound too much like a Minister—[HON. MEMBERS: “No!”] God forbid. But one would think, would one not, that the law was clear, given the 2007 Act, coupled with the Immigration Act 1971 and recent pronouncements by the Home Secretary? One would think that clear powers were available to Ministers to deal with the problem and deport these people. However, that is simply not happening. There are still 10,000 of them in our prisons, and many of them are living in our communities having left prison and not been deported. I am worried about what is happening on the ground. We have in power for the best part of six years, and this has been an issue of public debate for many more years, so I should like the Minister to explain why we are still waiting for action.

The problem involving the European Union has already been mentioned, but I want to say something about European economic area nationals. The scope to deport EEA nationals is restricted by European law. Specifically, directive 2004/38/EC—often referred to as the free movement of persons directive or the free movement of citizens directive—sets out the circumstances in which an EEA national with a right to reside in another member state, or the family member of an EEA national, may be expelled. The directive does not specify any particular sentence thresholds that must apply to expulsion cases. Instead, it requires that expulsion must be proportionate and based exclusively on the personal conduct of the individual concerned and the level of threat that they pose to public policy or public security. Previous criminal convictions cannot, in themselves, be grounds for expulsion, nor can expulsion be justified on general prevention grounds. Furthermore, more demanding grounds are required to deport EEA national offenders who have resided in a host member state.

In November, in a letter to Donald Tusk, the Prime Minister set out the United Kingdom’s demands for reform in the area of immigration and social benefits, which included a demand to:

“Crack down on abuse of free movement, e.g. tougher and longer re-entry bans for fraudsters”

—this is the Prime Minister speaking, not me—

“And those involved in sham marriages, stronger powers to deport criminals and stop them coming back”

—some of that is in bold type—

“addressing the inconsistency between EU citizens’ and British citizens’ eligibility to bring a non-EU spouse to the UK, and addressing ECJ judgments that have made it more difficult to tackle abuse.”

Moreover, in the Conservative party manifesto, on which we all stood and which we wholeheartedly endorse in every single respect, we said:

“We will negotiate with the EU to introduce stronger powers to deport criminals and stop them coming back, and tougher and longer re-entry bans for all those who abuse free movement.”

Why is there so much dissatisfaction with politicians? Perhaps it is partly because, despite what we sometimes say in letters to high officials of the European Union or in our manifestos—we stated specifically in the Conservative party manifesto that we would deal with this problem and deport these people, and that a negotiation was taking place—we are still discussing this issue on a Friday. I predict that we will not secure the Minister’s agreement to this Bill, or to a Bill like it, but the matter is urgent and should be dealt with.

I want to focus on two questions relating to the Bill. The first is the question of whether it is needed, and the second is the question of whether its provisions are
satisfactory. It could be argued, in answer to the first question, that the Bill is extremely timely. Members may have seen, only yesterday, an article in The Times which focused on the fact that five foreign criminals leave UK jails every day and stay in the UK. It stated that nearly 6,000 are waiting to be deported. The number of foreign offenders in the community has risen by 53% in five years, despite Government attempts to speed up deportations.

I think that support for the Bill is more widespread than many Members may imagine. The Chairman of the Home Affairs Committee, the right hon. Member for Leicester East (Keith Vaz), was quoted in the article as saying:

“The Prime Minister promised to make the speedy removal of foreign national offenders a priority but these figures show the Home Office has failed...The public will be alarmed that 1,800 are not even prepared to name and shame the member states of the EU that are not taking back foreign offenders, the legislation is barely worth the paper it is written on.

The number of foreign offenders released from jail pending deportation rose from 3,772 in 2011 to 5,789 in the final quarter of last year, and, as the Chairman of the Home Affairs Committee made clear in his remarks—I think that this needs to be reiterated—more than 1,800 of them have been living in the community for five years or more. That is a disgrace. Moreover, a further 1,300 have been living here for between two and five years, and of 416 prisoners who were released in the last three months of last year, only six were deported. That is an absolute disgrace. The Bill is, as I said, very timely.

Probably the most shocking thing of all—I know that my hon. Friend the Member for Kettering will be particularly shocked by this—is that the Home Office figures that were released showed that foreign offenders convicted of 16 murders, 56 rapes and hundreds of robberies and violent attacks were still living in the UK at the end of last year. That is the nature of the beast with which we are dealing. I am afraid that, whatever the Government are doing, it simply cannot be seen as good enough. Those figures should shock all of us, and I hope that they shock the Government.

The widespread support for the Bill is also made clear by an intervention, during questions on an urgent question in 2014, from the former shadow Home Secretary, the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper), who said:

“When people come to Britain, they should abide by the law, and the whole House wants to see foreign criminals being deported.”—[Official Report, 27 October 2014; Vol. 586, c. 903.]”

She said that only a couple of years ago, from the Labour Benches, I look forward to seeing support for the Bill not just from Conservative Members, but from Members on both sides of the House.

Given that the EU referendum is to take place on 23 June, and given that EU national offenders make up an increasingly large part of our prison population each year, I think it right for people to be informed of the realities of our EU membership, and of what control this country actually has over the removal of foreign national offenders, particularly those from the EU.

Mr Chope: Is it not depressing that the Government are not even prepared to name and shame the member states of the EU that are not taking back foreign prisoners? Their excuse is that publishing such data could undermine diplomatic relationships with those countries.

Philip Davies: I agree with my hon. Friend. In my view, it is the failure of those countries to take back foreign offenders that is undermining diplomatic relationships, rather than the release or otherwise of the information.

The Bill clearly aims to do something that I think most people would consider to be common sense: to deport criminals who are not citizens of this country if they commit an offence that is serious enough to warrant a prison sentence. I think that it is important to establish whether someone qualifies for deportation, but I shall come to that when I go into the details of the Bill.

Governments have not resisted the principle of deporting foreign criminals. In fact, it was the last Labour Government who introduced measures for their automatic deportation in certain circumstances, in the form of the UK Borders Act 2007. I do not propose to bore everyone rigid by quoting from its provisions here and now, but suffice it to say that it made a clear attempt to define foreign criminals and to ensure that, in certain circumstances, they were removed from prison. The key part of that Act, the first condition, was that a person is sentenced to a period of imprisonment of “at least 12 months”—along the same lines as what my hon. Friend the Member for Gainsborough (Sir Edward Leigh) mentioned in his speech. The Labour Government introduced that provision back in 2007.

There were some exemptions within the Act. I shall not bore everybody rigid by going through every single one, but there were quite a few, if anyone would like to look through the legislation. The exceptions included where deportation would breach a person’s convention rights under the ECHR; where people were covered by the refugee convention; where the offender was under 18 years old at the time of offending; where the deportation breaches the offender’s rights under Community treaties; and where the foreign criminal is subject to the Extradition Act 2003 or to the Mental Health Act 1983.

Herein lies the problem, because the exemptions make it virtually impossible to deport anybody. That is the key issue. It is all very well saying, “We’re going to have an Act of Parliament with this particular provision in it”, but if people cannot be removed because of a potential breach of the Human Rights Act or rights under the Community treaties, which provide for the free movement of people, we are in big difficulties. Given the high proportion of EU citizens who count as foreign offenders, the legislation is barely worth the paper it is written on.

Mr Chope: Is that not why clause 1 of this Bill includes the words

“Notwithstanding any provision of the European Communities Act 1972”?

Philip Davies: My hon. Friend is absolutely right and he explains why that part of the Bill is essential. I shall come on to some of the detail in the Bill later.

Our former colleague and the former Member for Wells, David Heathcoat-Amory, in his book “Confessions of a Eurosceptic”, reminded us of what happened when it was reported that more than 1,000 foreign prisoners
[Philip Davies]

were released without being considered for deportation when Charles Clarke was the Home Secretary. That particular scandal cost Charles Clarke his job. The public believed it was a huge scandal, which it is. The release of 1,000 foreign prisoners without being considered for deportation was sufficient for the Home Secretary to resign, yet as a newspaper reported yesterday, 1,800 of them have been here for more than five years. If 1,000 was enough for the Home Secretary to resign, one wonders what the trigger point for a scandal is these days.

A fair deportation system should, it seems to me, treat all foreign offenders in the same way. I do not think there can be any justification for saying that a foreign offender from one country should be treated differently from a foreign offender from a different country. This has become a growing problem. As my hon. Friend the Member for Kettering said, there have been more than 10,000 foreign national offenders in prison since 2006. This is not a new problem. Given current levels of immigration into the UK, of course, there is no prospect at all of the number going down anytime soon.

Mr Hollobone: My hon. Friend is quite right to cite these statistics on the number of foreign national offenders in our jails, which has been over 10,000 for about 10 years. The obvious and simple point to make is that these are not the same 10,000, because each year there is a rotation of foreign national offenders through our prisons. People who commit offences in our country are then released back into our country, so the scale of the problem of foreign national offenders in Britain committing crimes amounts to more than 10,000.

Philip Davies: My hon. Friend is absolutely right. Someone could argue that it is no good deporting foreign nationals if border control has no way of knowing whether people have got a criminal conviction; they will simply re-enter the country in no time at all. If deportation is to be meaningful, it seems to me that we have to do something different at the border control to make sure that these people cannot come straight back into the country again.

Michael Tomlinson: The 10,000 figure relates to prisoner numbers, but according to clause 1(4), far more than that would be caught by these provisions. It is not those who are sentenced that counts on the face of it, but those for whom a term of imprisonment for an offence “may be imposed” by a court, which means far more than 10,000.

Philip Davies: Yes, indeed—and that is good news, as far as I am concerned. I am not sure that my hon. Friend would agree, but it is good news for me. I shall come back to the detail of that provision later because it raises an important point.

Interestingly, when it comes to this Bill, my hon. Friends have removed the provisions that make it applicable to someone sentenced only for 12 months or more, which was the intention of the 2007 Act. There had to be that trigger point, and the issue was raised in interventions earlier. I believe it important that the Bill removes the 12-month criterion. There are many reasons, but basically, I do not think we want any foreign criminals in the UK—whatever the length of prison sentence, which should be irrelevant.

This issue has led in some cases to what I would call dishonest sentencing. Sentences have been deliberately manipulated in order to avoid the deportation trigger. In the case of the Crown v. Hakimzadeh in 2009, the Court of Appeal approved an adjustment in the structure of the sentence in order to avoid the automatic deportation criterion, imposing instead two consecutive sentences of nine months and three months. This not only promotes dishonesty in sentencing, but undermines the basic principle of abiding by the law. In another case, a drug dealer was sentenced in the Inner London Crown Court in 2011. In sentencing him, the judge said:

“The sentence I have had in mind was 12 months, but it seems to me that it isn’t necessary for me to pass a sentence of 12 months, because a sentence of 11 months will have the same effect, and it would take away the automatic triggering of deportation. I have taken into account that if you were to be deported it is bound to have a devastating effect on your three children, who I’m told are lawfully here in the UK.”

So we have judges who are not giving the sentences they think should be given, on their admission, in order to avoid the 12-month trigger. That cannot be right.

Michael Tomlinson: My hon. Friend has highlighted two important and interesting cases where judges have explicitly stated their reasoning for giving a sentence lower than they might otherwise have done. Again, however, we are in danger of criticising lawyers and judges—a very popular thing to do—when it is in fact the law that must be clear. If this Bill is to pass, it must be absolutely clear, and it should be this place that determines the policy, not our judges.

Philip Davies: I have some sympathy with what my hon. Friend says, but he is being kind to judges, which is typical of the legal profession. On the same principle, MPs are always kind to the Speaker because they feel that something had happened to them if they start criticising. It seems to me that the law is clear. If someone is sentenced to prison for 12 months, they get deported. There is no problem with the clarity of the law. The problem is the judges manipulating the sentence to show a wilful disregard for the law.

Mr Hollobone: Is not the first consequence of this that foreign national offenders are getting lighter sentences than a British domestic prisoner would get for the same offence?

Philip Davies: My hon. Friend is absolutely right; it is a scandal, whichever way we look at it. The person was given 11 months rather than 12 months, despite the fact that he had arrived in Britain in Christmas 2000—11 years previously—when he was given permission to stay for only four days! He was convicted 11 years later.

Mr Nuttall: Does my hon. Friend agree that the deliberate frustration of the will of elected parliamentarians in this place on behalf of the people is what brings politics into disrepute, when people subsequently blame us rather than the judges? They say, “It must be the politicians’ fault because our MPs did not put in place sufficiently strong pieces of legislation to stop this from happening.”
Philip Davies: My hon. Friend is absolutely right. It is incumbent on us to point out when such things happen so that people can draw their own conclusions as to what the problem is. It seems that the law, which is clear and was created with all the right intentions—I do not criticise the previous Labour Government for that—has been thwarted by judges who have clearly decided that they do not agree with it. I have no problem with a judge who does not agree with a particular law, but if that is their position and if they want to affect the law, they should quit being a judge and try to get themselves elected to Parliament. They should not use their position to thwart the will of Parliament. That is not what they are for, but that is clearly what they are doing.

The point made by my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) about the qualifying offence is an issue that has arisen in previous debates in the House on these matters. My right hon. Friend the Member for East Yorkshire (Sir Greg Knight) raised the issue the last time that such a Bill was debated and also thought that the qualifying offence was perhaps a little too wide, which is something that we should consider today. The Bill states that the qualifying offence “shall mean any offence for which a term of imprisonment may be imposed by a court of law.”

As my hon. Friend the Member for Mid Dorset and North Poole quite rightly said and as my right hon. Friend the Member for East Yorkshire said in a previous debate, that does not necessarily mean that the offender has to have been sent to prison, just that they have to have committed an offence that may be punishable with imprisonment.

The problem is that I am not entirely sure what that means. Other people may also not know what it means. Most importantly of all, judges may not know what it means. It could mean that if somebody is convicted of an offence that could lead to a prison sentence, they are automatically deported. That may well be the Bill’s intention; I get the impression from my hon. Friend the Member for Kettering (Mr Hollobone) to refer to the case in Crawley over the new year, in which an Afghan article 8 and getting our own Bill of Rights so that we can actually deport these serious criminals.

Philip Davies: I could not agree more with my hon. Friend. The problem is that we see all the time how difficult it is to be sent to prison in the UK. Someone either has to commit serious offences or be a persistent offender. Even if someone is a persistent offender, the chances are that they may not get sent to prison.

In fact, a while back, I asked a parliamentary question about the proportion who are sent to prison of people who come before the courts with 100 previous convictions. Would you believe it, Madam Deputy Speaker: if someone goes to court with more than 100 previous convictions, they are statistically more likely not to be sent to prison? If the Bill referred only to people on whom a term of imprisonment is imposed, that would be hopeless, because people will be getting away with crime after crime, being given community sentence after community sentence, and still causing havoc in the community.

Mr Hollobone: Does my hon. Friend know what happened to “three strikes and you’re out”?

Philip Davies: As I have already suggested, an awful lot of things on the statute book are not being implemented by judges. Some offences do not carry a prison sentence, so that would not apply no matter how many strikes someone has. We now have a mandatory prison sentence for a second offence of possession of a knife, but we saw just this week that only half of the people to whom that should apply have been sent to prison. The House’s intention is clearly not being followed by the courts, which is why we have to make the law as clear cut as possible to avoid such problems in future.

Pauline Latham: Rather than bring in yet more legislation, should we not put pressure on judges to follow the current legislation? They are clearly failing in their duty to send to prison the people who should be sent to prison. It is also clear that we are regularly not deporting the people who should be deported.

Philip Davies: I agree with my hon. Friend’s sentiments, but, given where we are, we are going have to do something to give judges as little discretion as possible, because the more discretion we give them, the more they defy the will of Parliament.

Sir Edward Leigh: I apologise to my hon. Friend if during my remarks I stressed my personal point of view, which is that if someone is sentenced to more than 12 months, they should be deported. I am not agonising too much about that. The problem is that so many of the people who are sentenced to more than 12 months are not being deported. Does my hon. Friend see that point? We should just concentrate on doing away with article 8 and getting our own Bill of Rights so that we can actually deport these serious criminals.

Philip Davies: I could not agree more with my hon. Friend.

For completeness, I should say that the Court of Appeal stated in R v. Mintchev: “As a matter of principle it would not be right to reduce an otherwise appropriate sentence so as to avoid the automatic deportation provisions. A further clarification stated that “automatic deportation provisions are not a penalty included in the sentence. They are instead a consequence of the sentence.” My public service broadcasting message from today to judges is that they should look at the Court of Appeals judgment in that case, so that we do not end up with any other problems like that. There are many crimes for which sentences cannot be appealed, so it is important that judges deal with things the first time. We cannot always rely on the Court of Appeal.

Mr Hollobone: I am sure that most judges in this country have my hon. Friend on their Twitter feed and will be updated instantly with his pronouncements in
the House. Might it do a service to the country for the Ministry of Justice to recirculate to judges the findings in that case so that they are reminded of what the Court of Appeal has said?

Philip Davies: My hon. Friend makes a helpful suggestion. I hope that the Parliamentary Under-Secretary of State for the Home Department takes note and will deal with that.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Would the hon. Gentleman mind repeating the name of the case? I did not hear what he said.

Philip Davies: I apologise for not being clear. The case was from the Court of Appeal in 2011 and was that of R v Mintchev. I appreciate your seeking clarification, Madam Deputy Speaker.

I fear that my Twitter feed would not be enough. I have 12,000 followers, all of whom hate me, so I am not entirely that the message would get across to my target audience.

As for how effective we currently are in removing foreign national offenders, the Public Accounts Committee released a report in January 2015 called “Managing and removing foreign nationals” that considered the effectiveness and efficiency of managing foreign offenders in UK prisons. I must say that the Committee’s summary was damming. It said:

“It is eight years since this Committee last looked at this issue. We are dismayed to find so little progress has been made in removing foreign national offenders from the UK. This is despite firm commitments to improve and a ten-fold increase in resources devoted to this work. The public bodies involved are missing too many opportunities to remove foreign national offenders early and are wasting resources, through a combination of a lack of focus on early action at the border and police stations, poor joint working in prisons, and inefficient caseworking in the Home Office.”

I will not go through all of the conclusions, but it was a damming report. We can clearly see that the system is not working.

When we consider the success rate of the Home Office in removing foreign criminals, we can see that it falls short of its own figures. The number of removals is very low compared with the number of referrals to immigration enforcement. Of the 5,262 referrals to the immigration enforcement team up to September 2015, only 2,855 people—50%—were removed. The Department was handed these people on a plate, but only half of them were removed.

I will not go into the figures for foreign national offenders in prison, because my hon. Friend the Member for Kettering went through them very clearly. His figures match mine and also match those of the National Audit Office. It is interesting to see why these removals fail. In its 2014 report, the National Audit Office concluded that 523 removals failed because of issues deemed to be within the control of the Home Office, and 930 failed removals were due to factors outside the control of the Home Office.

In 2013-14, of those reasons deemed to be within the Department’s control, 159 removals failed because emergency travel documents, EU letters or other documentation needed to transport the offender were unavailable. In seven cases, they failed because the tickets for travel had not been booked. It is a farce that someone had forgotten to book the tickets—you couldn’t make it up. How on earth that can happen, Lord only knows.

According to the NAO, the largest reason for failed removals that were deemed to be outside the Department’s control was offenders making an appeal outside the 28-day deadline. They might have submitted an asylum claim, a leave to remain claim or human rights claim. There might have been an injunction, a judicial review or representations received from a medical professional, a Member of Parliament or another Government Department. In 2013-14, 323 removals failed due to those reasons.

We have a situation where the Home Office is trying to kick someone out of the country, and another Government Department is working hard to keep them in the country, which does not say a great deal for joined-up Government. Perhaps the Minister can explain that. The National Audit Office produces a list of all the various failures, the reasons and how many there were for each, and I encourage people to look at it.

One problem is litigation. Indeed, in 2014, in response to an urgent question on this very subject, the Home Secretary said:

“The main problem we face is the rise of litigation; we have seen a 28% increase in the number of appeals.”—[Official Report, 22 October 2014; Vol. 586, c. 905.]

With an estimated £81 million spent in legal aid costs for foreign national offenders, it is clear that the whole process is not only time-consuming, but very expensive.

In effect, the Government are paying to thwart the Government in deporting people from the country.

I am not sure whether my hon. Friend the Member for Gainsborough mentioned the case of William Danga in his remarks, but let me explain that Danga was convicted of raping a 16-year-old girl. After completing his prison sentence, he challenged deportation on the grounds that he had a right to a family life. It was deemed that he could remain here because he had a girlfriend and a young child. This is someone who had raped what I would consider to be a child. Commenting on the case in 2011, a judge said that it was remarkable that he had not been deported for committing the rape. Clearly, there are some sensible judges around.

I raised this very issue with the Home Secretary in 2014, and suggested that, because we are not deporting people, we must ensure that we are tougher at the borders; and that we should take the DNA of foreign nationals who want to enter our country, which I thought was a small price to pay for keeping us safe.

Another concern is over foreign national offenders who are subject to deportation orders and who are then moved to open prisons—you couldn’t make it up. A foreign national has committed an offence and the Government clearly want to deport him, but the Ministry of Justice moves them into an open prison, where people can literally just walk out of the gates. Again, the Government have to do something about the scandal of foreign nationals subject to deportation orders doing that. In 2013 alone, 190 foreign national offenders absconded from our prisons. These are schoolboy mistakes in keeping tabs on people we want to deport.
Mr Hollobone: This is the most interesting aspect of the whole subject that my hon. Friend is developing. He said that 190 foreign national offenders absconded from open prisons, but does he have the figures—perhaps the Minister could provide us with them later—for the number of foreign national offenders in open prisons subject to deportation orders at any one time?

Philip Davies: I have that information somewhere, but it would try the patience of the House if I were to stand here rifling through my papers in order to find it. However, I can tell my hon. Friend that the information is in the public domain. The Ministry of Justice holds that information and publishes it, so I hope that he will find it for himself. If I come across it, I will tell him, but that might be hard.

Mr Hollobone: Perhaps the Minister can update the House when she responds, but what I am trying to get at is whether the figure of 190 is a large or small percentage of the number of foreign offenders in open prisons subject to deportation orders. What is my hon. Friend's feel for the scale of that part of this problem?

Philip Davies: It is a significant figure. All these things add up; there are many different elements. I want to come on to the cost, which has been one of the issues raised in the debate.

Craig Whittaker: On that same point, will my hon. Friend elaborate on what he thinks are the reasons that those awaiting deportation are sent to open prison rather than a closed prison?

Philip Davies: It is not for me to answer for the Ministry of Justice, but it seems that the policy it adopts is that foreign national offenders are treated just like any other prisoner and, even if they are subject to a deportation order, will be sent to an open prison if they meet the criteria. One can understand that logic, but clearly there is a flaw in the procedure when somebody has an easy way of avoiding deportation.

Michael Tomlinson: Before my hon. Friend moves on to the issue of cost, I want him to return to his point about lawyers. I am not trying to be kind or nice to lawyers or judges, but simply make the point that the cases he cites emphasise the need for us in this place to pass laws that judges, but simply make the point that the cases he cites emphasise the need for us in this place to pass laws that lawyers. I am not trying to be kind or nice to lawyers or judges. I am not trying to be kind or nice to lawyers or judges. I am not trying to be kind or nice to lawyers or judges. I am not trying to be kind or nice to lawyers or judges.

Philip Davies: Yes. I agree with and endorse my hon. Friend's point.

Mr Hollobone: Will not cost be the answer to the question from my hon. Friend the Member for Calder Valley be cost? The fact is that the Ministry of Justice, with our prisons full and with 10,500 foreign national offenders mainly in two prisons, will be looking to save costs wherever it can, and if it can get away with putting some foreign national offenders in open prisons it will do so.

Philip Davies: That might well be the case: as I say, I cannot speak for the Ministry of Justice. Perhaps the Minister will be able to clarify.

One of the main reasons the Bill is so necessary is the cost. Interestingly, in its 2015 report the Public Accounts Committee said:

“The Home Office admitted that it did not know the cost of managing foreign national offenders and accepted that its cost data were not robust enough to enable it to make a judgment as to which of its interventions or processes were more cost-effective than others”.

The National Audit Office estimated the costs; I suspect that the Home Office probably could make a very good estimate of them but just does not want to do so, because it would be rather embarrassing for it if it did.

The NAO gave a lower estimate, a higher estimate and a most likely estimate of the cost, and broke it down into the costs before conviction and those after conviction. The lowest estimate was that the costs were £266 million up to conviction and £503 million after conviction, with a total cost of £769 million a year. The high estimate was £536 million up to conviction and £504 million after conviction, giving a total of more than £1 billion a year. The most likely estimate was £346.8 million up to conviction and £503.7 million after conviction, giving a total of £850 million. The interesting part of that information is that the costs after conviction are the same for the lowest, highest and most likely estimates—they are within £1 million of each other. So the costs after conviction are pretty clear. They are the cost of keeping people in prison, the cost of the deportation orders and so on.

Craig Whittaker: I asked my hon. Friend the Member for Kettering how many British nationals abroad were sent to prison and the answer was 4,000 per year. That does not tell us how many UK nationals are physically in foreign jails. Does my hon. Friend have a figure for that?

Philip Davies: I can do no better than my hon. Friend the Member for Kettering (Mr Hollobone) did earlier with his answer. I suspect that that is about as robust as we are going to get. If the Minister has a better answer, we will accept those figures.

The costs up to conviction included police costs, which are shown as £148 million a year for dealing with foreign national offenders, CPS costs of £119 million a year and legal aid costs of £81 million a year. When we are spending £850 million to £1 billion a year on dealing with foreign national offenders, it is clear why the Bill is so important.

One of the complications for the Bill and for the whole subject is the free movement of people. As I have pointed out on many occasions, free movement of people within the EU also means free movement of criminals within the EU. My hon. Friend made a point about how many EU citizens made up the prison population. EU citizens account for about 40% of foreign inmates in England and Wales. The figures are 60% in Northern Ireland and 55% in Scotland. There is a far higher proportion of EU nationals in prisons in those two countries, which is interesting.

My hon. Friend listed by country the number of EU nationals in our prisons today, but he did not give the figures that show the scale of the problem and the fact that it is growing, which means that the Bill is probably more urgent than people give it credit for. He did not point out how many prisoners from those countries...
were in our prisons 10 years ago. He said that top of the list of countries whose nationals are in our prisons was Poland, and I have no information to contradict that. His figures were more up to date; mine go up to 2014.

In 2014 there were 867 Polish nationals in our prisons. In 2002 there were just 45. If we look down the list of EU countries, the figures are very similar. In 2014 there were 614 Romanian nationals in our prisons, but only 49 in 2002. There were 115 Slovakian nationals in 2014, and just four in 2002. The list goes on. I will not go through the figures for every country. The point is that since we have had the free movement of people, the growth in number of foreign national offenders from other parts of the EU has gone through the roof. That is a direct consequence of being in the European Union and having free movement of people.

Whether people want to argue for staying in or leaving the European Union is a matter for them. There are sincerely held views on both sides, but people must at least be honest about the consequences of our EU membership, and one of those is that the free movement of people has seen a massive growth in the number of foreign criminals coming to the UK.

Mr Hollobone: I am so pleased that my hon. Friend has highlighted this important aspect of the issue. It is true to say that with the accession of the east European countries, there has been a wave of criminality in this country. We have imported crime and criminals as a result of our EU membership. As the EU gets larger, with the potential accession of Turkey, does my hon. Friend agree that the situation is only going to get worse?

Philip Davies: My hon. Friend is right. Of course the situation is only going to get worse. We had net immigration into the UK last year of more than 320,000 people. It is not necessary to be the chief statistician to work out that the number of foreign national offenders will keep going up and up, as the number of foreign nationals coming into the UK goes up.

Sir Edward Leigh: It is the settled policy of Her Majesty’s Government—I see the Minister for Europe speaking with the Deputy Speaker now—that Turkey should enter the European Union. They support that application, and indeed it has been fast-tracked. There are 77 million Turks. Turkish jails are notoriously appalling. There is absolutely no doubt that if Turkey joined the EU, as is our settled policy, every single one of these 77 million Turks would have an absolute right of entry into this country. A proportion of them would naturally end up in prison, and I predict that very few of them would ever be sent back to Turkish prisons.

Philip Davies: My hon. Friend is right. In many respects the problem is even more immediate, because my understanding of last week’s negotiations is that Turkish people will be able to enter the EU without visas, so we do not even have to wait until Turkey joins the EU to see that happen, so of course the problem is going to get worse. That is why the Bill is absolutely urgent. We cannot wait to implement its measures; we need to do something now.

When we look at the number of EU foreign nationals in UK prisons since the introduction of free movement, we see that just six countries—the Czech Republic, Slovakia, Latvia, Lithuania, Romania and Poland—account for over half that population. It is from those countries that we have seen the huge growth in the number of people coming over to the UK from the EU. The numbers from countries such as Spain and Germany are much smaller by comparison.

Of course, the point that my hon. Friend the Member for Kettering did not make—I mention it for completeness’ sake—is what has happened to prisoner numbers in those EU countries. Members may or may not be surprised to learn that at the same time that we have been taking more Polish and Romanian prisoners into UK jails, there has been a corresponding reduction in the prison population in those countries. Members may speculate on why Romania’s prison population has plummeted at the same time as the number of Romanians in UK prisons has gone through the roof. I suggest that the two may be linked, and it is for others to try to disprove that link. It seems to me to be rather more than a coincidence.

My hon. Friend the Member for Kettering said—it was the one part of his speech with which I disagreed—that that was a stain on countries such as Poland, and that it besmirched them. Good luck to them, I say. They seem to be playing a very sensible game. I make no criticism of Poland for wanting to export its criminals to other parts of the European Union. My quibble is not with Poland, but with the UK Government for allowing these people into the country in the first place and not kicking them out at the first possible opportunity. I make no criticism of Poland; I criticise the UK Government for not getting a grip of the situation.

This is a growing problem in our prisons. As my hon. Friend the Member for Kettering rightly said, we have very few prisoners from other parts of the world. We have 180 from the whole of central and south America put together. That tells its own story. This is a direct consequence of our membership of the EU.

We must do something to prevent re-entry. The Bill, on its own, is essential, and hopefully I have explained why we need to do something about kicking people out of the country more efficiently than we are currently doing, but that will be pointless if we do not also have measures in place to prevent re-entry. Otherwise it is just a token gesture. The hon. Member for Bassetlaw (John Mann) tabled an early-day motion on this issue. It states:

“That this House notes that the criminal convictions held by EU citizens that are revealed by a Disclosure and Barring Service check are only those held in central records in the UK; is concerned that this does not therefore include convictions held abroad of foreign nationals; further notes that it is not obligatory for an employer to require an employee to provide a certificate of good conduct from their home country; and therefore calls on the Government to introduce and enforce the obligatory disclosure of any previous convictions held by EU and other foreign-born citizens upon application for a job in the UK.”

That is a very sensible early-day motion, and it goes to show that the Bill’s provisions, and indeed going a bit further than my hon. Friend the Member for Kettering, would command support from not just people such as me, but Members on both sides of the House.

Given the points raised by Opposition Members—whether the Chairman of the Home Affairs Committee, the hon. Member for Bassetlaw, who is a senior Member...
of the House, or a former shadow Home Secretary—I hope we can look forward to the shadow Minister telling us that the Labour party also agrees with the provisions in the Bill and would actually support going further.

What the shadow Minister says will be important, because this is the last day for private Members’ Bills in this Session, and there will be no further opportunities to take the further stages of any Bill scheduled for today. Therefore, if the Labour party could indicate its support for making it easier to deport foreign nationals, that would give the Government some encouragement to make their own provisions when time runs out for this Bill. I am sure the Minister would be encouraged to know that Opposition parties welcomed more work being done on this issue in the House.

We have no way of knowing the criminal past of any EU citizen entering the UK, contrary to what somebody said in a debate I took part in on the EU. We will have to do a top 10 list of the most outlawish claims by those who want to stay in the EU, but my No. 1 at the moment is that when somebody comes to passport control, we scan their passport and the computer comes up with all their criminal offences in their home country, so we do not have to let them in if we do not want to. I would love that system to be in place, but I am afraid it is a work of fiction—it does not exist at all, as I hope the Minister will also be able to confirm.

I do not want to test the patience of the House—others want to contribute, and there are other matters to be debated today—but I want to make it clear that the Bill is essential; it would certainly command the majority of support among my constituents, and I have indicated that it would also command the support of people on both sides of the House.

Had we been able to kick people out of the country, and had we had a robust policy of border control so that we could take fingerprints or DNA, that might have helped to prevent the Romanian burglar who left his fingerprints and DNA at many of the 31 homes he burgled from getting away with all those crimes because he was not on any DNA database when he entered the country. It might also have dealt with the Lithuanian convicted burglar who was released from prison early and deported, only to be found living back in Britain 12 days later, along with his accomplice, who had apparently been deported from the country not once but twice.

That is what is actually happening in our country day in, day out, week in, week out. We are exposed to dangerous foreign criminals. We have many unnecessary victims of crime in the UK because we are not controlling our borders and not deporting foreign national offenders, even when we know who they are.

The Bill could have prevented the Lithuanian convicted of a knife-point robbery before he came to the UK from going on to rape two women shortly after his arrival. There could be no more tragic example of the problem we face than the death of 14-year-old schoolgirl Alice Gross. The man suspected of killing her had come from Latvia after apparently serving a paltry seven-year prison sentence for killing his wife, yet nobody here knew of his terrible past. The Government have a duty to protect people who live here, and their scandalous failure to do so has had the most dire consequences for many families, including that of Alice Gross.

There is no more important matter facing the House today than this. I hope we will hear from all parties that they will support provisions to make it easier to deport foreign national offenders to keep us safe. The current situation is unacceptable. I commend my hon. Friend the Member for Kettering for doing something about it, and I hope the Government will indicate today that they will do something about it too.
approximately 632,000 long-term international immigrants who entered during that year. On top of that are all those who are in the country illegally. For obvious reasons, it is difficult to be precise about the number of illegal immigrants, but there are many of them and, by definition, every single one of them has broken the law, because they have broken the terms of the Immigration Act 1971, as we heard last week on Second Reading of the Illegal Immigrants (Criminal Sanctions) Bill.

It is, perhaps, not surprising, given the huge number of foreign nationals living in our country, that some of them turn out to be wrong 'uns or bad apples. Each year, the Metropolitan police alone arrest, on average, 230,000 suspects, of whom 70,000 are foreign nationals. Only last month, the Daily Mail reported the staggering administrative costs involved in dealing with the arrests of foreign nationals, including the cost of interpreters. It reported:

"Scotland Yard has arrested 11 people claiming to be from Dahomey—a West African nation which ceased to exist from 1975."

That highlights the importance of checking, on arrest, the actual background of those arrested. The Bill to the taxpayer for providing translators for suspects, witnesses and victims was £6.8 million between April 2014 and April 2015. The analysis by the Daily Mail showed that the translation bill worked out at an average of £100 per arrest of every foreign national.

Figures released following a freedom of information request showed that 227,535 people were arrested by the Metropolitan police in 2014, the latest year for which full figures are available. Of those, 159,294 were British nationals, and the remaining 68,241 were born abroad.

Mr Hollobone: I am enjoying my hon. Friend’s speech immensely. He is painting a very vivid picture of the wave of criminality that this country, and especially London, has experienced in recent years. Until recently, I served as a special constable with the British Transport police on the London Underground. I can tell him that something like eight or nine out of every 10 people arrested for pickpocketing on the underground in recent years were Romanians and Bulgarians, who had entered this country under the free movement regulations, for thieving from commuters.

Mr Nuttall: I am not surprised by my hon. Friend’s observation because I was going on to say that Romanians made up the largest group of foreign nationals arrested: 7,604 Romanian suspects were held, followed by 7,429 Polish, as well as 3,618 Lithuanians, 2,928 from India, 2,740 from Nigeria and 2,280 from Jamaica.

Philip Davies: In his remarks, will my hon. Friend comment on whether the Bill is compatible with the EU charter of fundamental rights? The 2010 manifesto—we both stood on that platform, which catapulted the Prime Minister into 10 Downing Street—said there were “three specific guarantees”, including one on the charter of fundamental rights, and that we would “seek a mandate to negotiate the return of these powers from the EU to the UK.”

Unfortunately, the Prime Minister appears to have forgotten to include that in his letter and it was not therefore part of the negotiation.

Mr Nuttall: My hon. Friend opens up an entirely new area of debate. I suspect that the European Court Justices would rule against the content of the Bill under the charter of fundamental rights, because they would find that it was against the freedom of movement provisions of the treaties. That is why the very first line of the Bill says:

“Notwithstanding any provision of the European Communities Act 1972.”

It would be an interesting situation if the European Court of Justice ruled that the provisions in the Bill fell foul of the charter, but this House said that it would disregard the ruling because of what was in the manifesto, regardless of whether that matter was included in the terms of the renegotiation. As we now know, there are to be no changes to the provisions relating to the free movement of people.

Even though the latest offender management statistics for England and Wales show that, for the first time in a decade, the number of foreign national offenders held in custody and immigration removal centres operated by the National Offender Management Service had fallen below 10,000, some 12% of the current prison population in England and Wales is made up of foreign national offenders, so one in eight of those in our prisons are foreign national offenders.

The latest number that I have is that, as of 31 December 2015, there were 9,895 of them. That is, it has to be said, a decrease of 6% compared with 31 December 2014, but that is mainly due to the closure of the Home Office-commissioned places at the Haslar and Dover immigration removal centres, which took place last year. The Ministry of Justice’s figures for the period up to 31 December 2015 include 345 prisoners whose nationality has not been identified and recorded. Of course, if those unrecorded foreign national offenders were included, we would still be above the 10,000 mark.

It is still the case that 12% of the prison population in England and Wales is made up of foreign national offenders, at an enormous annual cost to UK taxpayers. That is 10,000 people who are likely to be released at some point in the future; 10,000 people who, if they are not deported, could live in our communities; 10,000 people who have chosen, of their own free will, to break the law of the country that has welcomed them in and provided them with a home.

The latest offender management statistics bulletin from the Ministry of Justice states:

“The five most common nationalities after British Nationals in prisons in England and Wales are Polish, Irish, Romanian, Jamaican and Lithuanian, accounting for approximately one third of the foreign national population and one in twenty of the prison population overall.”

It is absolutely right that we, as a country, should seek to attract the brightest and the best to contribute to our society, where they are needed, but it is equally right to put in place a robust mechanism to ensure that those who choose to break the rules are excluded. The Bill is intended to do just that. Foreign national offenders are in prison because of a wide variety of offences, but the very fact that they are in prison signifies that they are the most serious of offences.
Henry Smith: My hon. Friend is rightly focusing on foreign nationals who are given a custodial sentence. However, over the past decade or so, UK Government statistics have shown that less than 10% of those who are convicted of a crime receive a custodial sentence. That suggests that the number of foreign nationals who have been convicted is in the region of 80,000 or more.

Mr Nuttall: My hon. Friend is right that much of the debate this morning has focused on the foreign national offenders who are in our jails, who, by definition, are those who have committed the most serious offences. As my hon. Friend the Member for Shipley said, even those who have committed 100 offences are more likely than not, when appearing before the courts, not to be sent to prison. When somebody is convicted of a minor offence, it is pretty difficult to sentence them to a term of imprisonment.

The latest figures from the Ministry of Justice on the prison population, up to 31 December last year, show that 978 foreign national offenders have committed crimes so serious that they are subject to extended determinate sentences. The same figures reveal that 2,399 foreign national offenders have sentences of less than four years, so those people could well be—and most likely will be—back on our streets before the next election.

The Under-Secretary of State for Justice, my hon. Friend the Member for South West Bedfordshire (Andrew Selous), confirmed in a written answer on 23 March last year, in response to a question from the hon. Member for Wirral South (Alison McGovern), that the foreign national prison population in the UK included 1,657 people who had committed violence against the person, 1,035 who had committed a sexual offence, 1,192 who were in prison for drug offences, 527 who were in for robbery and 400 burglars.

Let me bring those thousands of offences to life with just one example. Mircea Gheorghiu is a Romanian national who served a six-year sentence for rape in Romania, where he had also been jailed twice for cutting timber without a licence. He reportedly entered the UK in 2002 following his release, after serving only two years and eight months of his sentence. He remained in the country while his wife and children stayed in Romania.

In January 2007, Romania joined the EU, so he was allowed to stay in the UK. He was arrested for drink-driving in 2007 following his release, after serving only two years and eight months of his sentence. He remained in the country while his wife and children stayed in Romania. In January 2007, Romania joined the EU, so he was allowed to stay in the UK. He was arrested for drink-driving and convicted in November 2007, and banned from driving for 20 months. When his criminal past was uncovered, the Home Office rightly deported him under the new “deport first, appeal later” scheme. However, following an appeal at the immigration tribunal, the press reported on 28 February that because Mr Gheorghiu was an EU citizen, incredibly he was allowed to return to the UK. Why? Because the two judges in the tribunal ruled that his crimes—he had originally been convicted of rape in Romania—were not serious enough to warrant deportation, and that EU citizens should be removed before their appeal hearings only in exceptional circumstances because of their right to free movement and the human right to family life.

Mr Hollobone: I am listening to my hon. Friend with great interest. He is bringing fresh information and new insight to the debate, and informatively extending the scope of our deliberations. Did the judges in that case give any indication of how serious a crime would have to be for deportation to be triggered?

Mr Nuttall: In truth I do not know whether they gave such examples, but I think that the ruling put future deportations at risk. Understandably, it will only serve to increase the sense of frustration that so many of our fellow citizens feel at how powerless this country now is to keep out convicted criminals.

Mr Chope: The “deport first, appeal later” provision was at the core of the Government’s last Immigration Bill, but from what my hon. Friend says, the European Court of Justice has driven a coach and horses through that.

Mr Nuttall: That provision already seems to have run into the quicksand, if I can put it like that. As my hon. Friend the Member for Shipley pointed out regarding the UK Borders Act 2007, despite the Home Office’s latest plan—at least it is trying to do something, to be fair to it—the will of elected Members of this House has yet again been frustrated by the judiciary, who seem to think they know better than those of us who represent our constituents.

Mr Hollobone: I am not a lawyer, which I am rather proud of—[Interruption.] Someone says, “Evidently”. Perhaps, but maybe those of us who are not lawyers are more in touch with the real world than those who have been. Is it the Human Rights Act or our membership of the European Union that is preventing deportations in cases such as he mentioned, or an element of both?

Mr Nuttall: It is a bit of both, and partly because the European Union now includes the EU charter of fundamental rights, which essentially replicates the European convention on human rights—for these purposes those things are one and the same. If we are powerless to stop convicted rapists entering our country, we must ask what has become of our national sovereignty. I have no doubt that millions throughout the country will believe that the case that I have mentioned alone demonstrates that we need to change that state of affairs and why the Bill is so necessary.

Clause I(1) requires the Secretary of State to make regulations, which I believe should deal with the process of removal. We are fortunate that the National Audit Office has investigated the costs and processes of returning foreign national offenders, and that it published a detailed report, “Managing and removing foreign national offenders”, in October 2014. Before anyone starts to complain that this situation is all the fault of the current Government, it is worth noting briefly that, according to the report, back in 2006, the Home Office found that more than 1,000 foreign national offenders had been released from prison without even being considered for deportation.

Although the NAO report acknowledged that the coalition Government put more resources into managing and removing foreign national offenders, it also made it clear that progress on reducing the number of foreign national offenders in our jails was slow. It confirmed—this deals with the point that my hon. Friend the Member for Kettering has just raised—that the difficulties that hindered removals were caused by the application of the European convention on human rights, as well as...
the application of European law on the free movement of persons. There we have it: the National Audit Office has confirmed his concerns.

Pauline Latham: Does my hon. Friend agree that it is rather strange that Nigerian prisoners call on the European Court of Human Rights when they are not European? They live in this country but retain their Nigerian nationality.

Mr Nuttall: If that is the case, it does seem strange—I am sure it will seem very strange to our constituents.

The NAO report acknowledged that the Government have put more resources into managing and removing foreign national offenders and made it clear that progress had been made, but it highlighted that the police had carried out an overseas criminal record check on only 30% of foreign nationals arrested. It made it clear that obtaining relevant documents such as passports at an early stage would greatly speed up the process of removal, and that fostering closer links between immigration officers and front-line police officers would speed up the process.

The Public Accounts Committee provided a commentary in its report, “Managing and removing foreign national offenders”, which was published in January 2015 following the NAO report. The Committee’s report states that “police forces have been slow to recognise the importance, when arresting foreign nationals, of checking their immigration status and whether they have a criminal record overseas and they rarely use search powers to find evidence of identity and nationality.” Whatever the reasons for that—it could be a lack of training or a lack of awareness—it is significant, because establishing nationality at an early stage would allow for further background checks to be carried out.

The report also states: “Only 30% of foreign nationals arrested were checked against one key overseas database for a criminal record in 2013–14, and the great majority of police forces do not have automated links between fingerprint machines in their police stations and the Home Office’s immigration databases.” The Committee suggested that a massive £70 million could be saved by fostering and developing such links.

The NAO noted in its report that in 2013–14, more than one third of foreign national offenders who were removed left as part of the early removal scheme. That is the scheme that returns foreign national offenders to their country of origin before they would be let out of prison if they were back here in the UK. The NAO also noted a key improvement in reducing the number of failed removals from 2,200 down to 1,400, but 1,400 still fail. That number is still far too high. I hope we will hear some detail from the Minister on why so many removals fail and what is being done to improve the situation.

Very often, we hear that problems with the delivery of Government services are due to a lack of resources, but the Public Accounts Committee noted that the number of staff working in foreign offender management had actually increased from fewer than 100 in 2006 to more than 900 in 2014—a huge percentage increase. The taxpayer can rightly expect to see an enormous improvement for that increase.

It is helpful to consider the cost to the taxpayer of dealing with foreign national offenders, because it demonstrates what an enormous drain on taxpayer resources this problem is. The NAO estimated that the average cost of managing a single foreign national offender was about £70,000 a year. The total bill for 2013–14 was an estimated £850 million, which confirms a figure that was mentioned earlier. I should add that that does not represent the total cost of a foreign national offender to British society. The figure is an estimate from the NAO, because there is an absence of definitive data. There is of course the possibility that the actual cost is much higher when one considers all the costs, from the investigation of the crime through to managing an offender in the community. Perhaps the most notable finding by the NAO, which the PAC also raised, was that managing foreign national offenders costs an estimated £100 million a year more than managing British prisoners. The Committee also noted that the Home Office did not know the reoffending rates of foreign national offenders in the community. The public will want to have confidence that such matters are now being addressed and recorded. I look forward to hearing the Minister’s comments on that point.

Both the NAO and the PAC highlighted the delays in the removal process. The NAO carried out a review of 52 cases in which a foreign national offender had been successfully removed and discovered that 20 cases had had avoidable processing delays. They included seven instances where the case had not been worked on for an average of 76 days, and a further six cases where administrative errors had delayed the process. In order to gather information on foreign national offenders, the Home Office sends out to each one a 50-question paper form. On average, it takes 32 days just to send out the questionnaire, which does not exactly give the impression of speed or urgency. It is perhaps not surprising that foreign national offenders are not so keen on administrative matters such as paperwork. It is not a surprise that almost half of the forms are never, ever returned.

Mr Hollonbe: Are these forms being sent to foreign national offenders in English, or are they in the language of the offender themselves? Or is there yet a further burden to the taxpayer in having to translate that document for the offenders to respond to them?

Mr Nuttall: That is a good point. I am sure my hon. Friend the Minister will know the answer to that question and will be able to enlighten my hon. Friend when we hear from her later in the proceedings. As my hon. Friend noted in his speech, foreign national offenders are from every corner of the globe. It would indeed be an enormous task to ensure that the form sent to each foreign national offender was in a language that that individual could understand. I rather wonder whether all the forms are sent out in English. That might go some way towards accounting for why fewer than half are returned to the Home Office.

There were 1,453 failed removals in 2013–14, and although 36% of the cases in which the Home Office tried to remove a person but could not occurred for reasons that the Home Office considered to be within its control, nearly two thirds of the remaining 930 were classified as being outside its control. If the Home Office has lost control of the process, I think it fair to ask who has that control.
Another issue that arises from the removal of foreign national offenders is the compensation that is payable to those against whom legal proceedings are taken by the Home Office, and who then take proceedings against the Home Office for unlawful detention. That, I think, is another reason why it is so important for the Bill to be passed and the law clarified. The National Audit Office reported that between 2012 and 2015, £6.2 million in compensation was awarded to 229 foreign national offenders. It really is a case of adding insult to injury. On average, about £27,000—an approximately the average UK salary—had to be paid out following claims alleging breaches of the processes under the Immigration Act 1971 and the UK Borders Act 2007.

Not much has been said today about prisoner transfers. On 5 November 2014, when asked about transfer agreements, the permanent secretary to the Home Office said in evidence to the Public Accounts Committee:

“Most prison transfer agreements are with the consent of the prisoner, and that is worldwide. That has mostly been because we have tried to get Brits back to serve their sentences within the UK. The big change in the EU is to make prisoner transfer compulsory—without the prisoner complying.”

The permanent secretary was referring to a fundamental change from the previously exclusively voluntary approach to international prison transfers. He went on to say:

“There are specific arrangements in place with the Irish Republic. For Poland, there is a stay in implementation while they improve their prison system.”

The Committee noted that over the past few years, the number of British nationals returned to UK prisons through the prison transfer agreements to complete their sentences had been about double the number of foreign national offenders being removed. Noting that imbalance, my hon. Friend the Member for Peterborough (Mr Jackson) observed during the oral evidence session:

“So we are actually not exporting criminals; we are importing criminals. One of our growth areas is importing foreign criminals. It takes a special genius to put in place a system under which we are not importing foreign criminals into our prison estate.”

There is clearly a real problem here. Surely we ought to be removing more foreign national offenders than we import. The problem is there are relatively few effective prison transfer agreements in place. Poland, which has the highest number of foreign national offenders on the prison estate, has been exempted until the end of this year.

The principle of exclusion or removal of foreign national offenders is at the heart of the Bill, and I think it would be helpful to be clear and simple about that process. I would have hoped that serious offenders would be prevented from entering the country in the first place, but sadly that is not always possible. There are many cases of criminals being allowed into the UK, where, not surprisingly, they commit further crimes. We must improve border checks, but once a foreign national is in the UK, if they commit a crime, the police must check their identity and check whether they have been engaged in any previous criminal activity. Clearly, the administrative process of removal should then be straightforward. If a foreign national is convicted, a caseworker should be attached and should determine as soon as possible whether there are likely to be any barriers to deportation. That could be an appeal based on human rights legislation, a lack of co-operation from the home country, or a lack of co-operation from the offender. If those problems were identified early, the relevant authorities could take action so that when the time for deportation came, it could proceed smoothly.

In his Policy Exchange speech on prison reform only last month, the Prime Minister spoke about action in this area. I agreed with him when he said:

“Of course, there is one group I do want out of prison much more quickly, instead of British taxpayers forking out for their bed and breakfast: and that is foreign national offenders.”

He announced plans to legislate to give the police new powers. In light of those comments, I hope we will hear from the Minister that the Government will support the Bill today.

Caroline Lucas (Brighton, Pavilion) (Green): On a point of order, Madam Deputy Speaker. Is it within your power to suggest to Government Members that they begin to bring their comments to a close? They have now been debating a two-clause Bill for three and a half hours—a Bill that was debated last year and then withdrawn from the Floor of the House. I think this practice risks bringing the House into disrepute. There are so many people who really want us to get on to the next business about the NHS, which is incredibly important. For these few Conservative Members to be talking for so long is simply not courteous either to the rest of the House or to the people outside the building who want to see what is going on.

Hon. Members: Hear, hear!

Madam Deputy Speaker (Natascha Engel): Order. I thank the hon. Lady for her point of order and for her advance notice of it. She knows the answer to the question she has raised. Some hon. Members still wish to speak in this debate, and it is for hon. Members who have been here all day waiting to speak in this debate to determine what time we get on to the following business. The hon. Lady is, I think, voicing the frustrations that many hon. Members have expressed about private Members’ Bills on Fridays. If she has not done so already, I direct the hon. Lady to the Procedure Committee, which is carrying out an inquiry into proceedings for private Members’ Bills.

Philip Davies: Further to that point of order, Madam Deputy Speaker. Would it be in order for the hon. Member for Brighton, Pavilion (Caroline Lucas) to move a closure motion if she is so determined to get on to the next Bill?

Madam Deputy Speaker: As the hon. Gentleman knows, it would be in order, but it is entirely up to the hon. Lady.

Dr Philippa Whitford (Central Ayrshire) (SNP): Further to that point of order, Madam Deputy Speaker. As a new Member in the House, I find what is happening to be shocking—not just because of the waste of time of so many Members who want to speak on an issue that is so important, but because our constituents are writing to us all, including to Conservative Members, to ask us to discuss and vote on the National Health Service Bill. [Interruption.]

Madam Deputy Speaker: Order. Before this degenerates into a slanging match, let me make it clear that the hon. Lady is doing exactly the same thing as the hon. Member...
for Brighton, Pavilion (Caroline Lucas)—voicing the frustration that many Members have had over the years about our proceedings for private Members’ Bills. There are other ways in which hon. Members can raise issues. There are vehicles other than private Members’ Bills. Today, however, is devoted to private Members’ Bills, and the current Bill that is being discussed is on the Order Paper.

Owen Thompson (Midlothian) (SNP): On a point of order, Madam Deputy Speaker.

Madam Deputy Speaker (Natascha Engel): This had better be a point of order. Thus far, we have not had points of order, but points of frustration.

Owen Thompson: This is the second Friday on which I have been unable to be in my constituency on account of the private Members’ Bills on the agenda today. It is obviously not going to be taken, and we are looking at a future notional date of 22 April—to be fair, I might as well suggest Julemer the tenteenth as the next date for the Bill to have a hearing. Will you advise me, Madam Deputy Speaker, on how I can take the matter forward and get issues that are so important to my constituents heard?

Madam Deputy Speaker: These are no longer genuine points of order; they are points of frustration. The Procedure Committee is currently doing an inquiry into private Members’ Bills, so I direct the hon. Gentleman to that. There are other avenues through which he can raise issues that are of concern to himself and to his constituents. Now is not the time. With that, I think that is the end of points of order on this matter.

Mr Nuttall: According to information released by the Home Office on immigration enforcement transparency data for the fourth quarter of 2015, of the 5,789 foreign national offenders subject to deportation action, 1,865 had been living in the community for 60 or more months, showing how complex some cases can be and the obstacles that the Home Office faces when trying to deport people. Hon. Members may be aware that, according to Home Office figures, the average time taken to deport a foreign national offender is 149 days. Were the Home Office to take action today, a foreign national offender would not have to worry about being deported until 5 August.

When a person is sentenced to 12 months or less in prison, the Government can consider deportation only on a public interest basis by looking at the cumulative effect of the offending. The Bill would ease that administrative burden. For example, a foreign national offender from a non-EEA country with a six-month sentence would be excluded from the UK under clause 1. Indeed, my hon. Friend the Member for Kettering said that 40% of the 10,442 foreign nationals in our prison system are actually from the EU.

Owen Thompson: I appreciate the concerns of my constituents in relation to that. There are other avenues through which he can contribute towards society will always be welcome. However, those who abide by our rules and come here to work hard and to create a better life for themselves. Those who abide by our rules and contribute towards society will always be welcome. However, I appreciate the concerns of my constituents in relation to those foreign nationals who come to this country legally, in receipt of our hospitality, and then go on to commit serious offences.

Mr Hollobone: It was some time ago now, but I think I said 47%.

Craig Whittaker: I thank my hon. Friend for that intervention. I stand corrected if I misheard the figure that was given to the House.

Under the Bill’s provisions, foreign criminals would not have the right to return to the UK once they had been sent back to the European Union. Thus, they would be removed without any reference to human rights legislation, the stipulations of the European Communities Act 1972 or any other enactments.

Britain is a tolerant, welcoming country for those who come here to work hard and to create a better life for themselves. Those who abide by our rules and contribute towards society will always be welcome. However, I appreciate the concerns of my constituents in relation to those foreign nationals who come to this country legally, in receipt of our hospitality, and then go on to commit serious offences.

Philip Davies: My hon. Friend says that this matter is of concern to him and to his constituents; it is also of concern to my constituents. Is he not shocked therefore that the Scottish National party and the Green party think that this is not an important issue for debate? They do not care about foreign national offenders who cannot be kicked out of the country.

Craig Whittaker: I thank my hon. Friend for his intervention. Like many other Members, I receive letters, emails and phone calls from my constituents on many matters. This issue is as important to my constituents as any, so, yes, he is right to make his point.
Foreign National Offenders
(Exclusion from the UK) Bill

601

11 MARCH 2016

Foreign National Offenders
(Exclusion from the UK) Bill

602

Such behaviour can undermine the trust that exists in our communities and create tensions that others can exploit. Although I have considerable sympathy with the broad intentions of the Bill, we need to consider what measures are already in place to deal effectively with this matter.

The Government are already able automatically to deport non-European economic area nationals who are convicted in the UK and given a single custodial sentence of 12 months or more for one conviction. I think that that has already been pointed out by several Members in the Chamber today. In circumstances where automatic deportation cannot be applied, the power already exists to seek to deport a foreign national offender on the grounds that it would be in the public interest to do so. When somebody has been removed, they are then prohibited from re-entering the UK while the deportation order against them remains in force. As a deportation order has no expiry date, it remains in force indefinitely unless a decision is taken to revoke it. Those individuals who have been handed a deportation order will be subject to the relevant Border Force checks, which means that, under the existing system, the Government are able to keep out those who have previously been deported.

Members will be aware that the Immigration Act 2014 contains a public interest consideration in relation to deporting foreign nationals. Section 19 clearly states that the law should be on the side of the public and that the starting point is to accept that foreign criminals will be deported. Indeed, it says: “The more serious the offence...the greater is the public interest in deportation of the criminal.”

In addition, the Government have previously made it clear that article 8 of the European convention on human rights should not be used to allow the private and family life rights of criminals to supersede the rights of ordinary members of the public to be protected from serious criminals.

Section 17 of the Immigration Act also provides for a revised deportation process so that, in cases where there is no real risk of serious irreversible harm to the individual, a foreign national offender can exercise their right of appeal only from outside the UK, thereby allowing for a more timely deportation. That section is particularly relevant when one considers that most foreign national criminals do not appeal once they have returned to their home country. By the end of 2015, more than 2,600 people had been removed under these new “deport first, appeal later” powers since they were introduced in July 2014.

In October 2014, the Government reduced, from 17 to four, the number of criteria on which foreign criminals could appeal against their deportation. That was a welcome reform that was necessary to stop criminals exploiting the system and lodging one appeal after another to avoid deportation. Finally, in situations where the level of the crime committed does not meet the threshold for deportation, the Government can take administrative action to remove offenders who have no legal right to be in the United Kingdom. Subject to certain expectations, foreign national offenders who have received a custodial sentence can be administratively removed from the UK and will face a mandatory refusal under immigration rules of entry clearance or leave to enter the United Kingdom.

The measures that the Government have introduced over the past few years have undoubtedly strengthened our ability to adopt a firm and vigorous approach in protecting the general public. Although there are obligations and removal of foreign national offenders will continue to present many challenges, as has been mentioned today. The number of foreign criminals removed from the UK increased last year to 5,277, representing a significant improvement on the 2011-12 numbers.

Of course, when it comes to deportation, there is a distinction between EU and non-EU nationals, as my hon. Friend the Member for Kettering has made very clear. It is important to remember that the free movement of people is not unqualified, and the existing requirements pertaining to free movement are that a person has to exercise their right to work, study or set up a business. In the event that they fail to exercise any one of those rights and, furthermore, that they abuse our hospitality by committing an offence, they should be removed and kept out of the country. Our existing power of imposing a re-entry ban of one year helps to facilitate that too.

Furthermore, the UK has implemented the free movement directive—that is, the 2006 EEA regulations on immigration. Under the regulations, EEA nationals can be removed from the United Kingdom on the grounds of public policy, public security or public health. All EEA nationals who receive a custodial sentence are considered for deportation or administrative removal. However, it is important to bear in mind that a decision to remove somebody from a country cannot be made solely on the basis of a criminal conviction, as other factors must be taken into account. As it stands, the Bill stipulates that an EEA national who has been convicted of an offence should be deported solely on the basis of that conviction without due consideration being given to a wider range of factors and, indeed, to the individual’s circumstances as required under the regulations.

For that reason, the Bill is incompatible with the freedom of movement directive. In relation to that point, I am sure that my hon. Friend the Member for Kettering will draw my attention to clause 1(1) and argue that it reinstates our national sovereignty and removes the UK from some of its previous obligations under EU migration law. However, I am not convinced that the issue is quite that simple and would in fact suggest that it is far more complex than the Bill acknowledges. As a nation, we are bound by a plethora of European and international obligations, directives and treaties that all require careful consideration as part of the Bill. Indeed, the European immigration regulations to which I referred a few moments ago are only a small part of the wider legislative and regulatory landscape that must be taken into account.

There is also the small matter of a referendum to consider and, depending on the result, many of the issues discussed as part of this debate might need to be approached in a different light. I wonder whether we are being slightly premature in considering these issues now.

Mr Hollobone: I am listening closely to my hon. Friend’s interesting remarks, but he seems to imply that the incompatibility of the Bill with the EU freedom of movement directive is a bad thing. I think many of us would say that it is a good thing.
Craig Whittaker: I thank my hon. Friend for his always considered interventions. On this point we may have a slight disagreement. In the Calder Valley we have 1.8% unemployment and I can assure my hon. Friend that without freedom of movement and the labour that that brings to the factories in the Calder Valley, many of the factories would not be there. Perhaps we could have a further discussion about that.

Mr Hollobone: I am grateful to my hon. Friend. Friend for giving way a second time. He began his remarks by saying that we have freedom of movement in the EU, but that is not without qualification. Would it not seem sensible to those like him who want to stay in the European Union for the EU states to negotiate and agree that freedom of movement does not apply to convicted criminals? I cannot see why there should not be an EU-wide agreement whereby someone convicted of a qualifying offence would not be allowed to cross any of the boundaries within the European Union. If staying in the European Union really does make us safer, which is what my hon. Friend believes and I do not, surely that would be a sensible measure to take.

Craig Whittaker: My hon. Friend has a point, but what are qualifying convictions? Many of us and many of our children committed silly crimes in our youth. Would we exclude people from freedom of movement around the EU because of a previous misdemeanour? There would have to be tight and clear criteria for qualifying convictions.

Even if we leave the European Union, we may well find ourselves bound by other international treaties and obligations which restrict our ability to exclude foreign nationals, in much the same way as this Bill suggests the European Union does at present.

The Government already employ a range of powers to remove foreign national offenders from the UK and have legislated over the past few years to strengthen their approach. I know that my hon. Friend the Member for Kettering supports the measures that this Government have taken, and was somewhat reassured by the response of the Immigration Minister when my hon. Friend the Member for Wellingborough presented this Bill only last year.

However, I appreciate that my hon. Friend has genuine concerns about our existing ability to deport foreign prisoners to EU countries, and that those concerns are shared by many people throughout this country. I thank my hon. Friend the Member for Kettering for highlighting the challenges that we continue to face in protecting the public from those who come to this country and abuse our hospitality by committing serious offences.

Although I have considerable sympathy with the aim of the Bill, I believe it must be considered alongside an evaluation of our existing international and European obligations and responsibilities. Whether we agree with them or not, the fact remains that those currently exist, and debating these issues in isolation from our pre-existing legal commitments is not the most conducive approach and fails properly to acknowledge the inherent complexity of the subject. It is worthy of detailed discussion and debate in the House and, although I cannot support the Bill in its current form, I hope that Members can explore some of the wider issues at stake in greater detail on other occasions.

Pauline Latham (Mid Derbyshire) (Con): I am extremely disappointed: I have sat here since 9.30, unlike the Members of the SNP and the Green party who have only come in recently and not all of whom have stayed. They are trying to stop democracy in this Chamber. They do not want us to speak. Most of us have been here a long time and probably intend to stay till 2.30. It is a bit rich that they should try and stop democracy on private Members’ Bills when no private Member’s Bill is more important than any other.

I congratulate my hon. Friend the Member for Wellingborough (Mr Bone) on securing a Second Reading of his Bill, particularly after sleeping in the corridors of this place to ensure that the subject would be aired. SNP and Green Members would not have done that. I am grateful to my hon. Friend the Member for Kettering (Mr Hollobone) for taking the Bill forward. I believe it was national homelessness week recently. I am sure my hon. Friend the Member for Wellingborough is not in that situation, but was merely sleeping in the corridor to ensure that his Bill was listed and heard in this place, which I bet none of those SNP and Green Members would have done.

As other Members will have noted, the House debated an almost identical Bill this time last year, when a few of the Members who support this Bill were candidates trying to secure election. The Conservative manifesto platform on which they ran explicitly pledged to tackle criminality and the abuse of free movement. That included negotiating with the EU to introduce stronger powers to enable us to deport criminals and stop them coming back, and tougher and longer re-entry bans for all those who abuse free movement.

I have little doubt that the sentiment of this concise Bill—preventing foreign nationals who commit a crime in the UK from remaining or returning—is supported by the vast majority in this House and of the public. Britain is one of the most generous and hospitable nations in the world, and every one of us should be proud to be lucky enough to call this country home. Understandably, it is also one of the most sought-after countries to live in. Rightly, we have to be careful about how many people we allow into the UK, and we must have strong protections in place to ensure that those who pose a threat to our way of life and our established customs and traditions do not have the chance to come here. I believe that we do have provisions firmly in place and that this Government, and the Conservative-led Government in the previous Parliament, deserve credit for the work they did to tighten restrictions and increase resources to let the border police and Home Office do their job.

Because we are such a generous nation, there are few things more frustrating to the public than when those who come here and abuse our hospitality do not adhere to our laws and waste taxpayers’ money going through our legal system. There have been high-profile cases of the processes for removing individuals from the United Kingdom taking too long and costing too much money. Members have today given many examples of that. Again, that is understandably frustrating for the public when the obvious solution is to remove them from the country and not let them back in.

It is especially frustrating when human rights are invoked as part of the reason they cannot be removed.
This week saw International Women’s Day and I think of the many women and girls around the world who suffer real human rights abuses without legal recourse, not the tenuous human rights claims that have been used to stop the eviction of criminals from the United Kingdom. I was in Nigeria last week and met the families of the girls who have been abducted by Boko Haram. We are coming up to two years since their abduction, and the world should be shocked that many of them are still missing. Those girls have suffered abuses of their human rights, whereas some of the human rights claims evoked in this country are total rubbish.

There is particular frustration about the over-generous use of article 8 of the European convention on human rights, as my hon. Friend the Member for Calder Valley (Craig Whittaker) explained, which prevents deportation of EEA and non-EEA nationals if it would breach a person’s right to private and family life. How a criminal’s right to family life has ever been allowed to supersede the safety of the British public I shall never understand. It is also hard to believe that Greece is an unsafe country to return its nationals to, as my hon. Friend the Member for Kettering mentioned.

I therefore have a lot of sympathy with the Bill and the Members who have brought it forward. I also admire its simplicity and brevity; the main part, clause 1(1), is just 43 words long. Unfortunately, however, I am unable to support the Bill as it stands, because I believe that we already have functioning procedures in place to keep criminals out. The language of the Bill, brief though it is, is too ambiguous. We would have to withdraw from a number of conventions and treaties that benefit us in order to implement it. It also disregards any idea of individuals being able to rehabilitate themselves, which is something this Government are making positive efforts with in this Parliament.

As I am sure the Minister will outline, the UK already has provisions for deporting foreign criminals enshrined in law. They have not always been as strong as they are now, so the previous Government deserve credit for the steps they took to address the problems of deporting foreign criminals who commit a crime in the UK. Perhaps the Government should, as my hon. Friend the Member for Kettering mentioned, look at simplifying the four definitions of how people can be returned to their country: if they had just one, it might be easier for judges to implement.

In the Immigration Act 2014, the Government set out that the law should be on the side of the public, and the starting point is the expectation that foreign criminals will be deported. The Act also rightly changed the law so that, when there is no risk of serious, irreversible harm, foreign criminals can be deported first and have their appeal heard later. It also changed the rules so that those who do have a right to appeal will be able to appeal only once, thus avoiding wasting time and UK taxpayers’ money on drawn-out legal appeals, which have happened far too often in the past. That is on top of the long-standing rules we have in place on deporting foreign nationals, including on the automatic deportation of non-EEA nationals who are convicted in the UK and who receive a single custodial sentence of 12 months or more for one conviction. It is shocking to hear that judges sometimes say they will give only an 11-month sentence so that people do not have to be deported.

A non-EEA person who has been deported is already prohibited from entering the UK while the deportation order against them remains in force. Such orders are indefinite, unless a decision is made to remove them. That leaves open the possibility that a person who commits a crime when they are young can appeal to return later in their life when their character is proven to have changed. The Bill affords no such second chances and proposes no scale for different offences.

There is a range of petty crimes that could technically merit a prison sentence but for which courts may, based on the individual, judge that not to be necessary. The Bill is rigid in its definition of what crime has to be committed for someone to be excluded from the UK, referring to “any offence for which a term of imprisonment may be imposed by” a UK court of law. Such strict terms—free from provision for any individual consideration, which our legal system currently has—are a flaw in the Bill.

We already have in place a tough system to refuse visas or entrance to individuals applying to come to the UK who have a criminal history in the UK or elsewhere. I know it is not Government policy to publicise exclusion decisions, but I believe the Home Secretary when she says those measures have successfully kept hundreds of criminals out of the UK. That, however, does not get to the heart of the issue the Bill is aimed at—a swift repeal criminals out of the UK. That, however, does not get to the heart of the issue the Bill is aimed at—a swift repeal of European law, which prevents EEA nationals from being excluded from the UK if they are sentenced. Under the European directive on freedom of movement, more demanding grounds than previous criminal conviction are required to deport EEA national offenders who have resided in a host member state for over five or 10 years. I was pleased that the Prime Minister made easing restrictions on deporting EU national offenders part of his renegotiation deal and, in particular, that the Commission agreed to examine the five and 10-year residence thresholds for expulsion.

The Bill does not acknowledge that the freedom of movement directive contains restrictions. I agree that there has been abuse of free movement in the EU, but EU offenders who commit a crime in the UK can already be removed and kept out, with a re-entry ban of one year. I hope the Prime Minister does not give up on his efforts to have that re-entry ban extended. The Secretary of State already has the power to exclude those deemed a serious threat to public policy or public security.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Will the hon. Lady give way?

Pauline Latham: I thought SNP Members wanted us to conclude, but I will give way.

Dr Cameron: First, I must declare an interest, having previously completed risk assessments in this regard. Does the hon. Lady agree that it is important that foreign national offenders receive comprehensive risk assessments so that appropriate judgments can be made?

Pauline Latham: The hon. Lady makes an interesting point, but it might be difficult to do comprehensive risk assessments, and that would delay the process. If somebody has been convicted, they need to go back to their own country immediately.
As part of the Prime Minister’s EU renegotiation deal, the EU Commission will clarify the meanings of the “serious” and “imperative” grounds on which we can exclude people from the UK, removing ambiguity and making it easier for our immigration services to carry out their duties.

For those who are removed and deemed to be a threat to the UK, we still have border checks in place to make sure that they cannot be allowed in. This Government and the Conservative-led previous Government deserve credit for strengthening the data our border police have through the warnings index, specifically those on whether anyone coming through our border is subject to an outstanding deportation order. The Bill would also do away with the Schengen information system, which allows European states to share information on criminals, thereby preventing them from getting into the UK in the first place.

Ultimately, although I agree with the sentiment behind the Bill—all of the speakers have spoken powerfully, mainly in favour of the Bill, and I understand where they are coming from—we already have in place a lot of what it is trying to achieve, namely the exclusion of those non-UK individuals under discussion from enjoying the opportunities and hospitality that this country offers. Therefore, I do not believe the Bill is necessary.

1.36 pm

Mr Christopher Chope (Christchurch) (Con): It is a pleasure to follow my hon. Friend the Member for Mid Derbyshire (Pauline Latham), although I do not agree with her conclusion. This is the 13th Friday in this Session on which I have been present, and I am sorry that not all Members feel it necessary to be here every Friday. I share the frustration of some Opposition Members that it is not always possible to discuss the business one wants.

I sympathise very much with the hon. Member for Brighton, Pavilion (Caroline Lucas), whose Bill refers mainly to England. Clause 23 is the only clause in her Bill that extends to Scotland, and I find it extraordinary that a lot of Members from Scotland do not wish to address this Bill, which relates to a UK-wide issue, but wish to retain their interest in debating just one particular clause of the second Bill on the Order Paper. My understanding is that the problems, costs and frustration caused by foreign national offenders extend as much to people in Scotland as they do to those in the rest of the United Kingdom. It is a pity that we have not heard any SNP Members set out their policies on those important issues.

The Bill fits in with the principles we hold dear. We are privileged to be members of the sovereign United Kingdom. We are privileged to be invited to be a co-sponsor of it.

In response to the Home Affairs Committee report, “The work of the Immigration Directorates”, the Government state:

“Foreign nationals who abuse our hospitality by committing crimes in the UK should be in no doubt of our determination to deport them.”

The problem is that there may be determination to deport, but there is no ability to do so in many cases. There is a big difference between the two, and that is the essence of the Bill promoted by my hon. Friend the Member for Kettering (Mr Hollobone). He is trying to ensure that the people who abuse this country’s hospitality are deported.

Importantly, the Bill does not discriminate between one type of foreign national and another. It treats them all equally. That is why I disagree with my hon. Friend the Member for Calder Valley (Craig Whittaker). Why should we treat citizens of the EU who are not citizens of the United Kingdom more favourably than other foreign nationals? Why do we not treat them all equally? The only way we can do that is to rid ourselves of our current relationship with the European Union.

The Prime Minister promised that he would get fundamental change in the European Union. My understanding was that that would include a significant revision of the free movement arrangements, the bugbear causing the difficulties to which so much reference has been made during this debate. But the Prime Minister did not achieve the fundamental reform of the European Union that we wanted and, in attempting to achieve it, we supported him so strongly.

Having failed to achieve that, the only way in which we will be able to regain control over our own borders and ensure that those foreigners who abuse our hospitality are forced to leave this country is by voting to leave the European Union on 23 June or, in any event, by introducing a Bill soon afterwards to make sure that the Government can exercise their sovereign power to clean up our prisons and remove from them the foreign nationals who should be serving prison sentences in overseas countries.

In a sense, the weakness of the Government’s position is summed in their response to the Home Affairs Committee:

“We do not routinely provide data relating to specific countries as publishing such data could result in undermining diplomatic relationships with those countries, particularly where they might have less incentive to co-operate with us.”

That is the same argument made in relation to those who wish to remain in the European Union—that if we do not do as the remain campaign asks, our European partners might not wish to co-operate with us so much. I think the best way to ensure that EU countries co-operate is to name and shame those that are not taking back the foreign national offenders they should take back under the EU rule of law. As with so many aspects of EU law, that aspect is applied more in the breach than in the observance.

The only way in which we can achieve what the Bill sets out is to leave the European Union. We will then be able, once again, to re-establish our position as an independent, sovereign country—masters of our own destiny, and in control of events—with a democratically elected House of Commons that can decide such issues for itself, without interference from foreign courts. I have great pleasure in supporting the Bill, and I am proud to be invited to be a co-sponsor of it.
Michael Tomlinson (Mid Dorset and North Poole) (Con): It is great pleasure to follow my hon. Friend and constituency neighbour the Member for Christchurch (Mr Chope). I agree with his sentiments and I, too, rise to speak in favour of the Bill. Having sat in the Chamber throughout this debate, it would be remiss of me not to add one or two words, but I note your earlier stricture, Madam Deputy Speaker, and I will keep my comments brief.

I used to practise at the bar, and came across at first hand the experience of attempting, at sentence, to deport foreign offenders, so I have seen the difficulty for the courts and the contortions they have to go through under the current regime. I want to praise the simplicity of the Bill. Many comments and criticisms have been levelled at lawyers and judges—not just during this debate, but elsewhere—but I fear that many of those criticisms are unfounded. This place has a duty to ensure that the Bills and laws we pass are as clear and simple as possible to remove any risk of lawyers being able to make such arguments in court. I therefore praise the simplicity of the Bill and how the provisions are set out. I also praise my hon. Friend the Member for Kettering (Mr Hollobone) for setting out the principles behind the Bill so clearly.

I want to pick up on one or two points, the first of which is the question of what is a qualifying offence. My hon. Friend the Member for Shipley (Philip Davies) suggested that he would be satisfied if there were no such definition and the Bill covered all offences for which foreign offenders are convicted. As it stands, clause 1(4) states that it is an offence for which “a term of imprisonment may be imposed by a court of law.”

We have heard an exchange on what precisely that means and what it covers. My view is that it is clear and that it covers any offence for which a term of imprisonment may be imposed.

Philip Davies: Will my hon. Friend address my point about the sentencing guidelines? Is there not a doubt about whether the Bill would apply to cases in which somebody commits an offence for which prison is not an option within the sentencing guidelines?

Michael Tomlinson: My view is that there is not. My hon. Friend raises an interesting point, but my firm view is that it is clear: on a plain reading of the Bill, any offence where a term of imprisonment may be imposed would be caught. We discussed theft and the example of shoplifting a few moments ago. My view is that, because there is a maximum sentence of seven years’ imprisonment, the offence is clearly covered by the Bill, even though shoplifting is towards the lower end of the scale and one would not expect there to be a sentence of imprisonment in any event.

Philip Davies: But in a case of shoplifting, particularly if it is a first offence, the judge may not impose a custodial sentence, because that would be outside any kind of sentencing guideline, so surely in such a case, the Bill may not apply.

Michael Tomlinson: I do not believe that to be the case. My firm view is that, on a plain reading of the Bill, even shoplifting would be covered.

I want to make the slightly different point that perhaps that is going a bit too far for shoplifting. Indeed, my hon. Friend the Member for Gainsborough (Sir Edward Leigh) said that it was his view and that of Migration Watch that a sentence of imprisonment for 12 months was about the right level. There could be a debate about what precisely is the right level, but as drafted the definition is very wide indeed.

My hon. Friend the Member for Kettering spoke about the number of prisoners for whom no nationality has been recorded. I believe the figure was 434 or thereabouts. I would like the Minister to address that point, because if the Bill is to have effect, we cannot have foreign national offenders or, indeed, any offender flouting our laws by refusing to give up their nationality.

I also ask the Minister to address the point that has been raised with regard to article 8 of the European convention on human rights. As drafted, the Bill is very simple. The intention behind clause 1(1) is very clear when it says: “Notwithstanding…the European Communities Act 1972”.

My fear is that the Bill may still be caught by article 8. Perhaps the solution is around the corner with the British Bill of Rights. This place will have the opportunity to address each and every one of the articles and determine whether it is right or not for them to be included in our British Bill of Rights.

I must touch on the issue of cost, which has been impressed upon me by constituents. I am staggered by the figures that have been given in this debate—up to £1 billion. I am not sure whether that includes the costs that would be saved by shutting prisons. I know that my hon. Friend the Member for Shipley and I are on slightly different sides of the argument on this point, but I firmly believe that if 10,000 foreign national offenders were deported, it would give us an opportunity to make even more savings by closing prisons down.

The hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) raised the issue of risk assessments. I fear that bringing in that sort of test would undermine the purpose of the Bill, which is very clear and simple. If someone comes to this country, they are very welcome if they want to work hard—they can come to Mid Dorset and North Poole, work hard and add to our economy. If someone commits an offence, especially one so serious that it can lead to a term of imprisonment, the principles behind the Bill are that it is right for them to be deported. No risk assessment, no delay, no quibble—those are the rules, pure and simple, and I praise the simplicity of this Bill, which aims and intends to do just that. Given the time and your earlier strictures, Madam Deputy Speaker, I will leave it there, but I entirely support the purpose and thrust of this Bill.
introduction of new laws, extra court time, and added strains on our overburdened criminal justice system, is not the solution. The solution is for the Government properly to enforce existing laws—something that they are failing to do on a grand scale.

Just yesterday it was revealed that the Home Office is releasing five foreign criminals a day on to Britain’s streets, instead of deporting them. The Home Affairs Committee said in a shocking report that in the three months to December last year, 429 foreign national offenders were freed into the community when they should have been deported. Those are people who, according to our existing laws, should no longer be allowed to remain in this country. It is unacceptable that the Committee found that a total of 5,267 overseas criminals are living in Britain and due for deportation, including those convicted of the most serious crimes. That is the highest number since 2012.

It is little wonder that the Home Office has been accused of a “complete failure” to get a grip on the system for deporting overseas convicts. The Chair of the Home Affairs Committee, my right hon. Friend the Member for Leicester East (Keith Vaz), said of his Committee’s findings:

“The Prime Minister promised to make the speedy removal of foreign national offenders a priority but these figures show the Home Office has failed to do so. The public will be alarmed that 1,800 offenders are still here after five years. This demonstrates either incompetence, inefficiency or both.”

Michael Tomlinson: Does the hon. Lady accept that not just this Government but Governments throughout history have failed to get to grips with this issue? That is why this important and clearly presented Bill should be supported.

Christina Rees: I take the hon. Gentleman’s point, and I will come on to that in due course.

The Committee’s findings add to a long list of damning reports on the Government’s failure to crack down on foreign criminals. The Public Accounts Committee released a scathing report in 2014, which found that more than a third of failed removals were the result of factors within Home Office control, including poor co-operation between relevant bodies on detention, release and deportation, poor use of IT, failure to use the powers available, cumbersome and slow referral processes, and inefficiency in processing. Crucially, it found that only 30% of foreign nationals were being checked against international databases. Two years on from that report, the Government have not learned from their mistakes. By contrast, the last Labour Government made this issue a priority and increased the number of foreign prisoners who were removed.

In conclusion, as I have made clear, we support the principle behind the Bill that more foreign criminals should be deported, especially given how poor the Government’s track record has been. However, the Bill’s proposals are not the way to tackle the problem. As a shadow Justice Minister, I know all too well how strained our criminal justice system already is, as indeed are our police, prisons and probation service. Wasting extra court time is not the remedy, and we need the Government to honour their promise to deal with the dangerous criminals who Parliament, the public, and the authorities have already agreed have lost their right to remain in the UK. Labour Members welcome this timely debate, and call on Ministers to stop dragging their feet and deal as a matter of urgency with this issue that is so crucial to public safety.

1.54 pm

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): I congratulate my hon. Friend the Member for Kettering (Mr Hollobone) on moving the Bill, and other hon. Members on their contributions. This is third time we have debated such a Bill—they have been promoted by him and by my hon. Friend the Member for Wellingborough (Mr Bone), so perhaps next year, we can call it the Foreign National Offenders (Northamptonshire) (Exclusion from the UK) Bill. We shall see.

I am conscious that hon. Members want to debate the NHS in England, and will therefore restrict my comments to give the hon. Member for Brighton, Pavilion (Caroline Lucas) time to move her Bill. I should make the point that that is dependent on my not taking interventions and not having significant debate. I hope hon. Members will understand if my comments are significantly shorter than I was expecting them to be. My time spent preparing my speech could have been used to do other things, but let me get on to a few specific points.

I join the shadow Minister and others in assuring my hon. Friend the Member for Kettering that the Government are determined to deal with the problem of foreign national offenders. We agree that they need to be dealt with and deported as soon and as effectively as possible, but I am afraid that the measures in the Bill do not deliver that.

The Government are doing a significant amount—I am afraid I do not have time to set out the many things we are already doing—but it might be worth my pointing out some of the new things we are about to do, particularly regarding individuals’ nationalities. Establishing the nationality of individuals at the earliest possible point in the criminal justice process obviously helps to avoid significant delays when the Home Office wishes to deport foreign national offenders and illegal migrants from the UK. On top of existing measures, we are seeking through the Policing and Crime Bill to amend the UK Borders Act 2007, to introduce a requirement for a suspect foreign national to state their nationality on arrest. That will help to ensure that the person’s identity is established early on, and that overseas criminal record checks are conducted with the correct country of origin, so that we can properly assess the risks posed to the public by that individual.

Reducing the number of foreign national offenders is a priority. Provisional data show that, in the calendar year 2015, we removed 5,602 foreign national offenders from the UK, which is a 6% increase on the previous year and the highest number of removals in a year since records began in 2009. It is worth my making the point that more than half of those removed were European Economic Area foreign national offenders—we are deporting both EEA nationals and non-EEA nationals. More than 29,000 foreign national offenders have been removed since April 2010.
Philip Davies: Is the Minister trying to make the case that the Home Office is doing a good job? Given the figures in *The Times* yesterday, that would be an extraordinary claim to make. Is it her case that the Home Office is doing a good job, because most hon. Members in the Chamber think it is failing miserably?

Karen Bradley: I have the highest respect for my hon. Friend, but I am sure he would not expect me to agree with his comments. The officials and people in the Home Office, including my team, are incredibly dedicated and determined. This Government and the previous coalition Government have been dealing with the failures of the Labour Government, who for 13 years made it more and more difficult to deport foreign national offenders. We have taken steps to make a difference and will continue to do so—we will continue to do all we can.

In the short time I have, I should like to make one further point. I realise that some of my hon. Friends will disagree with me on this—in particular, my hon. Friend the Member for Kettering, who makes his position clear with his tie. I am absolutely clear that European Union cooperation, and discussion and working with our European Union counterparts, enables us to deport foreign national offenders effectively, through information sharing, including through the Schengen information system and the European criminal records information system. We are also working through the serious offending by mobile European criminals—SOMEC—scheme to share information. We have talked about free movement. I agree that free movement is not an unconditional right. I want free movement of criminal information before any criminal gets to our shores, so we know exactly who they are and that we can stop them from causing trouble and committing crimes on our shores.

Sir Edward Leigh: I know the Minister is trying to get to the end of her speech, but this is a very important point. Will she at least reply to the point we made that the Government should introduce legislation to ensure that as soon as someone is convicted—on day one—deportation procedures begin?

Karen Bradley: As my hon. Friend knows, we have introduced zero tolerance and “deport now, appeal later”. We continue to work further, but it is only by working with our European Union counterparts in other member states that we can hope to achieve what we all want: the UK as safe as possible, so that British citizens can live their lives free from concern that a foreign national offender is walking the streets and may seek to harm them.

With that, I hope my hon. Friend the Member for Kettering will withdraw his Bill. I know he has the very best of intentions, but I also understand that we need to get to on to other business. I would have liked to have spent more time debating the Bill, but I hope he will withdraw it at this point.

2.1 pm

Mr Hollobone: With the leave of the House, I thank my hon. Friends the Members for Gainsborough (Sir Edward Leigh), for Shipley (Philip Davies), for Calder Valley (Craig Whittaker), for Mid Derbyshire (Pauline Latham), for Bury North (Mr Nuttall), for Mid Dorset and North Poole (Michael Tomlinson) and for Christchurch (Mr Chope) for their most illuminating speeches, and my hon. Friend the Member for Crawley (Henry Smith) for his multiple intelligent interventions. This has been a thoroughly well-informed debate about an issue that is very important to our constituents. I, too, want to get on to the next Bill, not least to discuss part 5, clause 22, where the hon. Member for Brighton, Pavilion (Caroline Lucas) proposes the abolition of the NHS charge for immigrants using our national health service. That, too, is of interest to my constituents, but we have time, before that debate, to test the will of the House.

*Question put*, That the Bill be now read a Second time.

**Division No. 213**

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**Tellers for the Ayes:**

Mr Philip Hollobone and Philip Davies

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**Tellers for the Noes:**

Mr Christopher Chope and Sir Edward Leigh

The Deputy Speaker declared that the Question was not decided because fewer than 40 Members had taken part in the Division (Standing Order No. 41)
National Health Service Bill

Second Reading

2.13 pm

Caroline Lucas (Brighton, Pavilion) (Green): I beg to move, That the Bill be now read a Second time.

It is an honour to have brought this Bill to Parliament today. It is the result of widespread consultation and has extensive backing from a raft of doctors and nurses delivering front-line care, as well as from local NHS campaign groups. Its backers include the British Medical Association council, the president of the Royal College of Paediatrics and Child Health and many local NHS staff and campaigners. I want to pay tribute to them all for their amazing work. I pay tribute, too, to Allyson Pollock, the professor of public health research and policy at Queen Mary University of London, and to Peter Roderick, a barrister and senior research fellow there, for their expertise and help.

The incredibly positive and wide-ranging popular support for the Bill reflects a strong belief in a publicly provided NHS. People are rightly worried because the support for the Bill reflects a strong belief in a publicly provided NHS. People are rightly worried because the 1% pay rise is frankly insulting. It is unsurprising that there is so much concern among NHS service, yet they have offered them a paltry 1% pay rise.

Dr Philippa Whitford (Central Ayrshire) (SNP): A Select Committee on Health report in 2010 showed that the NHS’s running costs had more than doubled from 6% to 14%, based on the purchaser-provider split, and that was before the outsourcing and tendering of the Health and Social Care Act 2012.

Caroline Lucas: I am grateful to the hon. Lady, who speaks with great expertise in this area. She is absolutely right that the creeping privatisation and marketisation are, along with all the other problems they bring, incredibly inefficient.

Mr Andrew Smith (Oxford East) (Lab): I am sure that everyone in the House sympathises with the lack of time for Second Reading of the hon. Lady’s Bill. Does she agree that the NHS is also direly threatened by the imposition of brutal pay restraint policies that do such damage to recruitment and retention, particularly in places such as Oxford?

Caroline Lucas: I absolutely agree with the right hon. Gentleman. It is no wonder that we cannot recruit more nurses and doctors when the Government treat them so badly and their expertise is so unappreciated.

Mr Jim Cunningham (Coventry South) (Lab): Further to the point that my right hon. Friend the Member for Oxford East (Mr Smith) made, the Government extol the virtues of those who work in the national health service, yet they have offered them a paltry 1% pay rise. Does the hon. Lady think they could do better than that?

Caroline Lucas: Yes, I was about to come on to that exact point. The 1% pay rise is frankly insulting. It is unsurprising that there is so much concern among NHS staff, because it is not only about finances but about how they are being treated in general. We have a Health Secretary who constantly undermines their professionalism, helping to push our NHS into crisis.

To see off the many threats facing our NHS, the Bill is guided by the principles of the National Health Service Act 1946. It would reinstate the Secretary of State’s duty to provide services throughout England. It is time to put an end once and for all to the purchaser-provider split, which is the harmful cornerstone of the commercialisation of our health service. It is the open door that lets the health corporations in to pick off the most profitable NHS contracts.

Joanna Cherry (Edinburgh South West) (SNP): I congratulate the hon. Lady on bringing forward this Bill, which attempts to stop the dismantling of the NHS in England and Wales. Does she appreciate that dismantling poses a threat to the NHS in Scotland, because our funding is linked to English public expenditure through the Barnett formula? Does she also recognise that Scottish National party MPs are here in numbers today at the request of their constituents?

Caroline Lucas: The hon. and learned Lady is absolutely right. I am grateful to my SNP colleagues for being here today and for being patient as we waited to get to this point. What happens to the NHS in England has consequences for the NHS in Scotland. They are absolutely linked, which is why I am so grateful that she and her colleagues are here today.

Craig Whittaker (Calder Valley) (Con): Will the hon. Lady give way?

Caroline Lucas: If the hon. Gentleman does not mind, I will not, simply because I want to make a bit more progress and many Opposition Members have waited a long time to speak in this debate.

The purchaser-provider split has allowed NHS privatisation in England to increase dramatically since the 2012 Act. The most recent official figures show that the NHS paid £6.6 billion to private healthcare firms in 2013-14. Some have suggested that that figure has now increased to as much £10 billion.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): The Bristol clinical commissioning group, which issues contracts for local NHS services, is in the process of striking out rules that prevent tax-avoiding private companies from securing NHS contracts, for fear of litigation. Does the hon. Lady share my worry that the only health concern for some private contractors is ensuring that they get healthy profits?

Caroline Lucas: I agree with the hon. Lady’s strong and compelling point.

Valerie Vaz (Walsall South) (Lab): I remind the hon. Lady that Labour Members are also here. As a member of the Health Committee between 2010 and 2015, I know that the Bill is vital. Does she agree that it is necessary to overturn the reorganisation that nobody wanted and that cost £3 billion?

Caroline Lucas: I pay tribute to Labour colleagues who are here. Unfortunately, there were not enough to ensure that we could have had a closure motion earlier,
about which I am sorry. However, the hon. Lady is absolutely right that we need to tackle reorganisation head-on. Some will argue that the NHS cannot face yet more reorganisation. I agree with that on one level, but the alternative of carrying on down the current route is absolutely impossible. The Bill is framed in such a way to ensure that reforms are implemented organically over time. Frankly, I do not think that we can do without it.

**Dr Philippa Whitford:** The NHS is being reorganised on a daily, weekly and monthly basis. Every time a service is outsourced, it is completely reorganised. By being taken over, people’s contracts are altered, and the shape of the service changes. In Scotland, we reversed the purchaser-provider split in 2004, and it was relatively painless. What we need is simply a decision not to do it. Frankly, I do not think that we can do it head-on. Some will argue that the NHS cannot face yet more reorganisation. I agree with that on one level, but the alternative of carrying on down the current route is absolutely impossible. The Bill is framed in such a way to ensure that reforms are implemented organically over time. Frankly, I do not think that we can do without it.

**Caroline Lucas:** That intervention is incredibly helpful, as it shows what is possible. The fact that it has been done in Scotland without major problem demonstrates that, if the political will is there, changes can be made.

**Rachael Maskell (York Central) (Lab/Co-op):** The urgency of the Bill is notable. In my constituency, a hospital was closed within five days because of competition and the fragmentation of services. Is it not essential that we do everything we can to bring about a collaborative, planned service now?

**Caroline Lucas:** I am grateful to the hon. Lady for her intervention. She must have very good eyesight, as I was about to come on to exactly that point. We need a planned service, not one based on competition all the time. To those who say that the private sector is only a small part of our NHS, I make three important points. First, the private sector causes enormous harm by cherry-picking profitable services. Secondly, there has been an undeniable escalation of private sector involvement since the Health and Social Care Act 2012, and the direction of travel is plain. Thirdly, material harm is being caused by the purchaser-provider split, which puts competition above co-operation and sees NHS experience and practice were lost.

**Caroline Lucas:** I am grateful to the hon. Lady for bringing the Bill to the House—I am glad that she has finally been able to do so. Does she agree that the real issue with the privatisation of the health service is that the money that is made goes into the pockets of shareholders and not back into patient care?

**Caroline Lucas:** Absolutely. It is just criminal that the money that the NHS so desperately needs to provide front-line care is going to line the pockets of private companies’ shareholders.

**Philip Davies:** Will the hon. Lady give way?

**Caroline Lucas:** No, I will not. I will not give way to a gentleman who has spent about two hours boring on this morning.

**Dr Philippa Whitford:** I have asked on several occasions in the Chamber about the contribution of the Health and Social Care Act to the current financial state of the NHS in England. We constantly hear that it is all just due to agency nurses, yet when we look at the five years before the change, we see that the NHS managed, somehow, to balance its books. It then had a debt of £100 million, then £800 million, and now we are looking at a debt of £2.5 billion. That is because we are not looking after everyone. We are giving the private sector the cheap people and the NHS ends up with the expensive people.

**Caroline Lucas:** The hon. Lady puts her point well.

**Liz McIntyre (Heywood and Middleton) (Lab):** I thank the hon. Lady for bringing the Bill to the House—I am glad that she has finally been able to do so. Does she agree that the real issue with the privatisation of the health service is that the money that is made goes into the pockets of shareholders and not back into patient care?

**Caroline Lucas:** Absolutely. It is just criminal that the money that the NHS so desperately needs to provide front-line care is going to line the pockets of private companies’ shareholders.

**Mr Jamie Reed (Copeland) (Lab):** I congratulate the hon. Lady on bringing this Bill forward. In communities such as mine, in Whitehaven, Millom, Keswick, Maryport, Workington and elsewhere, we are really feeling the effect of Government policy right now—there are no two ways about it—as it is hollowing out the NHS. The Bill requires a lot of work, and I do not favour another reorganisation. Where in the Bill would provision be made for the NHS to recognise explicitly the difficulties and differences in providing healthcare in isolated rural peripheral areas? It is fundamentally different from how it is provided in more urban areas.

**Caroline Lucas:** I thank the hon. Gentleman. I think that point will be explored in Committee. I cannot point him right now to the relevant clause, but it is a serious point. I would say that we will have a better chance of having such a managed and planned NHS, in which we can ensure that there are appropriate services in rural and urban areas, if we have a guiding mind back in charge of the NHS. That is exactly what was broken by the provider-purchaser split. The hon. Gentleman’s point is a good one, and I would love to see it debated further in Committee.
When it comes to the overall direction of travel and the duty to provide, it is shocking that the private hospital share of NHS-funded patients grew rapidly between 2006 and 2011. By 2010-11, private companies performed 17% of hip replacements and 17% of hernia repairs, and handled 8% of patients. First attendances for orthopaedics or trauma, such as broken limbs, also increased, yet it is the NHS that invests in training and picks up the pieces when things go wrong in the private sector, and it is the NHS that so often innovates.

Following the coalition’s Health and Social Care Act 2012, the NHS Support Federation has been charting the impact of Government policy on the use of outside providers to deliver and plan NHS care. Its report, which came out last month, charts the continuing steep escalation of creeping private sector involvement in the NHS. Its research shows that more than 400 NHS clinical contracts, worth £16 billion, have been awarded through the market since April 2013. Over that time the private sector has won nearly £5.5 billion of them, so let me give a few examples of the kind of corporate takeover that we are talking about.

In September 2015, Capita, despite its chequered record in the provision of public services, took control of a contract worth £1 billion to be the provider of primary care services in England. In October 2015, Virgin Care won a five-year, £64 million contract from Wiltshire clinical commissioning group, Wiltshire Council and NHS England to provide community child health services in Wiltshire. As of April 2016, services including children’s specialist community nursing, health visiting and speech and language therapy will all transfer to Virgin Care. In my constituency, the private company Optum, part of the giant American corporation UnitedHealth, last year won a £1.5 million contract from Brighton and Hove CCG for referral management services.

Such outsourcing goes on despite a trail of failed, terminated and collapsed contracts, such as the £235 million contract for provision of musculoskeletal services in West Sussex, which was awarded but never begun once it was determined just how much damage it would do to other NHS services in the region. Then there was the collapsed £800 million contract for Cambridgeshire and Peterborough older people’s services. There are estimates that the collapse of that contract has cost the local hospitals, GPs and community care providers about £20 million. There is a third example, of course—that of Circle, the private company running Hinchingbrooke hospital, which pulled out after just two years of a 10-year contract. That company’s announcement came just after the publication of a damning report on the hospital from the Care Quality Commission that raised serious concerns about care quality, management and the culture at the hospital.

Dr Philippa Whitford: One of the areas in which I have concerns relates to the case of Mid Staffordshire. A lot of the blame in the Francis report was on the drive for foundation status, which meant that senior management were totally fixated on that instead of on the quality of care to the patient. Consideration should be given to clinical governance, so that management are responsible for the clinical outcomes and not just the financial outcomes.

Caroline Lucas: I thank the hon. Lady for making that important point.

In the last moments that are left to me in this debate, I want to talk a little about how what is happening to our NHS, sadly, did not just happen with the 2012 Act. It goes back further than that. To protect the NHS for future generations, we need to recognise that there were several other stealthy acts of vandalism before that Act. Margaret Thatcher’s Government introduced the internal market right back in the 1990s. The right hon. and learned Member for Rushcliffe (Mr Clarke) was in charge, following on from the so-called options for radical reform set out by the right hon. Member for West Dorset (Mr Letwin). In its 1997 manifesto, new Labour promised to end the Tory internal market but afterwards embedded it even further.

On those foundations, the now Lord Lansley, Secretary of State for Health in the coalition, drove forward the Health and Social Care Act. With that Act, no longer do the Government or anyone else have a legal duty to provide hospital services throughout England. That duty to provide was severed. Universal provision was replaced with commissioning for registered patients. Healthcare was thrown open to “any willing provider”—hastily changed to “any qualified provider”.

Shockingly, last October we learned that Lord Lansley has since been hired as a consultant to Bain & Company, which, according to its website, “helps leading healthcare companies work on the full spectrum of strategy, operations, organization and mergers”.

That appointment at Bain was signed off in July 2015 by Baroness Browning, who herself chairs the Advisory Committee on Business Appointments—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)). Ordered, That the debate be resumed on Friday 22 April.

Business without Debate

HOUSE OF LORDS (PARLIAMENTARY STANDARDS ETC) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 22 April.

LOCAL AREA REFERENDUM (DISPOSAL OF SCHOOL PLAYING FIELDS) BILL

Resumption of adjourned debate on Question (22 January), That the Bill be now read a Second time.

Hon. Members: Object.

Debate to be resumed on Friday 22 April.

RAILWAYS BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 22 April.
PERSONAL, SOCIAL, HEALTH AND ECONOMIC EDUCATION (STATUTORY REQUIREMENT) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

BENEFIT SANCTIONS REGIME (ENTITLEMENT TO AUTOMATIC HARDSHIP PAYMENTS) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

NEGligence and damages bill
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

ACCESSIBLE SPORTS GROUNDS BILL [LORDS]
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

CORONERS AND JUSTICE ACT 2009 (DUTY TO INVESTIGATE) (AMENDMENT) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

HOMES (FITNESS FOR HUMAN HABITATION) BILL
Resumption of adjourned debate on Question (16 October), That the Bill be now read a Second time.

Hon. Members: Object.
Debate to be resumed on Friday 22 April.

VICTIMS OF CRIME ETC (RIGHTS, ENTITLEMENTS AND RELATED MATTERS) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

FRACKING (MEASUREMENT AND REGULATION OF IMPACTS) (AIR, WATER AND GREENHOUSE GAS EMISSIONS) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

SUGAR IN FOOD AND DRINKS (TARGETS, LABELLING AND ADVERTISING) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

ARBITRATION AND MEDIATION SERVICES (EQUALITY) BILL [LORDS]
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

PROTECTION OF FAMILY HOMES (ENFORCEMENT AND PERMITTED DEVELOPMENT) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

AUTOMATIC ELECTORAL REGISTRATION (NO. 2) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

FREE SCHOOL MEALS (AUTOMATIC REGISTRATION OF ELIGIBLE CHILDREN) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

AIR QUALITY (DIESEL EMISSIONS IN URBAN CENTRES) BILL
Motion made, That the Bill be now read a Second time.

Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.
FOOTBALL GOVERNANCE (SUPPORTERS’ PARTICIPATION) BILL
Resumption of adjourned debate on Question (4 March), That the Bill be now read a Second time.
Hon. Members: Object.
Debate to be resumed on Friday 22 April.

ENGLISH NATIONAL ANTHEM BILL
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

TRANSPORT OF NUCLEAR WEAPONS BILL
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

Compulsory Emergency First Aid Education (State-funded Secondary Schools) BILL
Resumption of adjourned debate on Question (20 November 2015), That the Bill be now read a Second time.
Hon. Members: Object.
Debate to be resumed on Friday 22 April.

Representation of the People (Young Persons’ Enfranchisement and Education) Bill
Resumption of adjourned debate on Question (11 September), That the Bill be now read a Second time.
Hon. Members: Object.
Debate to be resumed on Friday 22 April.

Food Waste (Reduction) Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

On-demand Audiovisual Services (Accessibility for People with Disabilities Affecting Hearing or Sight or Both) Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

Marriage and Civil Partnership Registration (MOTHERS’ NAMES) BILL
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

Mesothelioma (Amendment) (No. 2) Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 22 April.

Off-shore Wind Farm Subsidies (Restriction) Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 6 May.

Defence Expenditure (NATO TARGET) Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 6 May.

Convicted Prisoners Voting Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 6 May.

UK Borders Control Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 6 May.

House of Lords (Maximum Membership) Bill
Motion made, That the Bill be now read a Second time.
Hon. Members: Object.
Bill to be read a Second time on Friday 6 May.
Luton Railway Station

Motion made, and Question proposed, That this House do now adjourn.—(Anne Milton.)

2.37 pm

Mr Gavin Shuker (Luton South) (Lab/Co-op): It was my hon. Friend the Member for Luton North (Kelvin Hopkins) who last secured a debate on the rebuilding of Luton railway station, some 2,179 days ago. I regret to inform the House that, despite his powers of persuasion, and mine since I was elected to this place, progress on the rebuild, which the Government, the council and the operator all agree needs to go ahead, has not advanced in that period at all, and in some areas it has gone backward.

That is despite the fact that Luton is easily in the top decile of stations, in terms of passenger numbers, and is growing rapidly, serving an urban conurbation in excess of a quarter of a million people. My constituents and I daily experience the frustration of this old, tired and inaccessible station. As a result of how it is situated, even non-passengers are disadvantaged by its presence and current state. It effectively cuts off the town centre to pedestrians with mobility issues coming from the vast majority of the town to the north.

My constituents pay some of the highest ticket prices in the south-east, yet virtually none of that is reinvested in our station. Residents have to put up with a total lack of disabled facilities for getting down to the platforms, and those passing between High Town and Southwards cannot travel either way with their pushchairs or heavy baggage on the regular stretches where the station’s single lift is inoperable, even if they are not seeking to access the station in the first place. Frustratingly, we have been close to securing the requisite funding on multiple occasions, only for our hopes to be dashed. I seek the Minister’s assurance today that the rebuild project is a priority for her Department and, if so, that it can proceed in this control period.

Built in 1868 on the midland main line, Luton station expanded in a piecemeal manner in the 1930s and the 1960s to serve a growing town. It was key to the expansion of my home town, serving the town’s gas works, power station and industries such as hat making and, later, car making. However, over the last century, Luton’s proximity to London has led to a massive expansion of my home town, serving the town’s gas works, power station and industries such as hat making and, later, car making. However, over the last century, Luton’s proximity to London has led to a massive growth in commuter traffic. We are just 22 minutes from St Pancras by direct train, and we link directly to towns such as Nottingham, Derby, Sheffield and Brighton, to name but a few. In short, Luton is a major railway station that is key to the south-east network and to our town’s prosperity.

However, the station also serves as the gateway to our borough and, as such, first appearances matter. If the Minister were to make the short journey up to Luton today, she would be greeted by runs of heavy glass windows that have been boarded up because they have a tendency to fall out on to the tracks and, potentially, on to passengers below. If it were raining, she might see the ingeniously named platform 3 “water feature”, which cascades down from the bridge above. As she exited our inadequate ticket gates and took the overcrowded stairs, she would have to hope that the station’s lift was working—this week, by the way, it is not. My constituents report that the station is inconvenient, grubby, unwelcoming and embarrassing. We are proud of our town, but not of our railway station.

Since the 1990s, a number of abortive schemes have sought to rectify the situation. Luton Borough Council has invested heavily in the station quarter, with improved links to Dunstable and the airport through the landmark guided busway, giving access to education and employment opportunities to the east and west. Local businesses and charities have bought and restored the old hat factories that sprung up in the 1800s around the station, and the area is a hub of activity and young, creative businesses, with many people wanting to start their entrepreneurial careers there. The business improvement district and The Mall have improved access to the town centre and its appearance, and the town’s single further education college intends to relocate to a new build just metres from the station. The new Network Rail-built car park is an iconic building and a statement of investment in the town. In short, the area has been transformed and befits a town of the size and status of ours.

However, just as the surrounding context has improved, the station itself has gone backwards. The net effect of the £6 billion Thameslink programme investment in Luton station and the surrounding area, which I welcome, has actually been to further diminish the facility’s accessibility—that surely cannot have been the aim of the programme—because 12-car running has cut off access for those with mobility problems.

The 2009 better stations programme identified Luton as one of the 10 worst stations in the country and gave the project sponsors access to a £50 million fund intended to improve category B railway stations. To unlock the potential of the scheme, that funding was to be provided alongside contributions from the local authority and the then operator—First Capital Connect—as well as Access for All funding. However, on the election of the coalition Government in 2010, the money was pulled, without a plan to proceed. Despite my best efforts and those of the local authority, the project stalled, and it has not advanced since.

Let me turn to the present situation. In April 2014, the Government announced that Luton was one of 42 stations that would be authorised to access about £100 million of Access for All funding. That was for the control period 5 delivery plan, which runs from 2014 to 2019. Access for All funding is key to advancing the project. In stark terms, there are two options available: either we use the funding to deliver a stand-alone footbridge, disconnected from the station, but seemingly offering better accessibility; or we use it to leverage in funding for a larger redevelopment.

The first option is a non-starter. If the footbridge were disconnected from the railway station, it would offer greater accessibility to only a small number of my constituents. It would not link to the station’s car park, in which there has already been significant investment, or to the ticket office or the retail sites. Once used, the funding could not be used to leverage in further funding from other available sources.

Assurances from Network Rail, the station redevelopment sponsor, that that could be the first phase of a multi-phase development spanning the control period—that is what Network Rail has advocated to me recently—are politically naïve. Once the legal requirements
were fulfilled, the moral imperative for greater, more positive improvements to the station would be quietly sidelined and dropped.

Therefore, the second option—that of a comprehensive scheme made up of funding from the station commercial project facility, the national stations improvement programme, Access for All, the Thameslink operator, local government and commercial funds—is vastly superior and appropriate for our needs. That is the route by which we would seek to deliver the approximately £20 million required for a perfectly adequate scheme.

The dilemma is that either we spend the Access for All funding, which would meet a legal requirement and would be delivered in this control period, or we delay the project in the hope of securing additional Department for Transport funding for an adequate scheme, which would cost time and delay delivery. The Access for All scheme, together with funding from other sources, is a once-in-a-generation opportunity to get this job done.

There is, of course, a third option, namely that the Department demonstrates that this is a priority scheme and signals that a masterplan should be agreed for the delivery of improvements starting before the end of this control period in 2019. The Minister has the power to make that happen, and I ask her to do it.

Having worked actively on the issue in recent months, alongside my local authority colleagues, I am pleased to say that Network Rail has accepted that we will not accept a stand-alone footbridge project and is now working with Luton Borough Council to create a masterplan. It will incorporate some of the elements of the previous options, but it will seek more straightforward ways to deliver the benefits. The local authority has been generous in authorising the early release of funds to enable that, and Network Rail has provided match funding. The council recognises that the improvement of the station is complex. There are constraints on public finances and it will involve the pulling together of a number of different pots of funding, but this really is the only way forward.

Last month, the Secretary of State for Transport wrote in a letter to Luton Borough Council:

“I agree with you that the condition of the station needs to be addressed and that investment is needed to bring it up to the standard Luton residents have every right to expect.”

With that in mind, I ask the Minister to consider a few points. First, will she ensure that, in the forthcoming Budget, the Chancellor understands the depth of feeling among my constituents and takes the first step towards the delivery of a new masterplan by approving Govia’s £2.5 million bid for station commercial project facility funding? That is a vital part of the various pots of funding that will need to be assembled, and it will ensure the political viability of such an approach.

Secondly, will the Minister instruct her officials to create a publicly transparent timescale and work programme for the project, and ensure that it is given prioritisation by both Network Rail and the Department for Transport, with a named lead officer at the Department?

Thirdly, will she take this opportunity to make it clear that a footbridge-only or footbridge-first scheme is unacceptable? It would reduce mobility for some and permanently exclude it for others. Will she instruct Network Rail to drop that idea forever and instead work to expedite progress on the masterplan with Luton Borough Council?

Fourthly, and finally, will the Minister give an assurance that she will do all in her power to ensure that a comprehensive project starts in control period 5, with shovels in the ground before the end of that control period in 2019? It would be understandable if a project of such a size and scale sought to span control periods, but it would be unacceptable for my residents and businesses, who have shown great forbearance in recent years, to continue to suffer from the state of the station through to the mid-2020s at least.

Last year, 100,000 more passengers entered and exited Luton station than in the preceding year. We are a growing town, and we need adequate facilities. We need this Government to do the right thing, as I hope the Minister wants to do, by the people of Luton.

2.50 pm

The Parliamentary Under-Secretary of State for Transport (Claire Perry): It is always a pleasure to respond the hon. Member for Luton South (Mr Shuker). He is a Lutonian born and bred, and he speaks very passionately on many issues relating to his constituents.

I want to say that I absolutely share the aspiration of getting this project started. The hon. Gentleman has made the compelling case that, for too long, Luton station has not had the investment it needs. It is the 136th busiest station in the UK, and is used by 3.5 million passengers a year. It is not only an important commuter link to London, but a gateway to the Midlands and beyond. The growth and development of the town will only continue, so ridership numbers will increase.

I gently point out to the hon. Gentleman that the Thameslink project—I am very proud that we are close to delivering on this very large investment for his constituents and those in the wider region—will run with brand-new trains. I take his point about 12-car rolling stock, but the upgrade of the tracks and trains was probably neglected by successive Governments. I am very proud to be part of a very pro-rail and pro-rail infrastructure Government.

As the hon. Gentleman knows—I have been pretty fully briefed about this—there are a number of moving parts, so let me summarise my understanding of what is happening. There is a commitment of almost £2 million to the national stations improvement programme: it is funded, ring-fenced and available to go. There are also proposals for the relocation of the ticket machines, and improvements to waiting facilities, as well as retail units, cycle storage and other things that will benefit the station.

Govia Thameslink Railway has made an application to the stations commercial project facility. The hon. Gentleman will understand why I cannot comment on that, given the current stage of the bid allocation process. The announcement of the successful bids will be made shortly.

The area on which there has been great disappointment, because the money is available, is the Access for All funding. We have committed more than £500 million for this work. As the hon. Gentleman pointed out, Luton was one of the first stations selected. It seems as though the whole project has been dogged by delay. As I
understand it, Luton fell out of the first wave. It reapplied for the extended programme, which was made available in 2014, and qualified for it, as was absolutely right.

I gently say to the hon. Gentleman that my concern is that if we do not get a scheme started, what happened last time might happen again. It will become harder and harder to defend a scheme when money has been committed but the work has not yet started, given the clamour for support for other commitments from right across the UK. I am very keen to make sure that the money is kept for the improvements at Luton. It would be absolutely ideal to take the two pots together as the start of a project facility and begin to develop a plan.

I want to point out to the hon. Gentleman that he must not doubt this Government’s commitment to investment in infrastructure both in his town and in the region. There has been £26.5 million from the regional growth fund for the improvements to junction 10A on the M1. There has been the further £15 million for the Woodside pinch point link scheme. There have been various other schemes, such as the £126 million from the local growth fund for the area. It is a shame that some of that has not been pulled through to support the station project, as has been done in other areas. Another £80.3 million has come in for the Luton to Dunstable busway, which is helping passengers right across his area. The £24 million Luton town centre transport scheme, to the north of the town centre, was opened in July 2014, with the support of £16 million of Government funding. I hope I have convinced him that the Government have no interest in not investing in the area; it is simply a question of pulling together the available funding and coming up with a scheme that will work.

I do not want to ascribe blame or point fingers at anybody, but it is incumbent on the council, Network Rail and GTR to come together to put together a feasibility scheme. I am sure that the hon. Gentleman would be keen to be heavily involved in that, and I will do whatever I can to help him. My Department is fully aware of this matter and has been working closely with Network Rail. Indeed, the council has written to ask for a meeting in the next few weeks and I have asked my officials to arrange it so that we can understand what the scheme looks like.

The hon. Gentleman is a very pragmatic person, so let us focus on what can be delivered for the money that we have to spend on the station, then let us think about what else could be bid for, what could be attracted from the development that is going on in the town and what we could get from broader growth funds. Many of the new station projects that I have the pleasure of going to and welcoming are part-funded by Network Rail and part-funded by other local government pots and growth money. Of course we want to build multi-modal systems and better bus travel, but we must not put other transport modes before the rail passenger experience. The station is a gateway not only for the railway but for the town. Many stations were built as the showcase for the railway that they served, but sadly many of them have fallen into neglect.

I want to point the hon. Gentleman towards a couple of examples that may help him in his conversations with the council, which may want to deliver the big bang scheme that is not fully funded. In Putney, a phased approach was taken to station development. First, the platforms were lengthened, which improved the business case for Access for All, because there was higher passenger usage. That helped to improve the business cases for the new mezzanine raft, then the new ticket office and then the additional retail units. The station became more and more interesting as a place in which to invest both public and private money through that staged approach.

I know that it is more difficult, and of course one wants to have a vision towards which one is working, but a phased approach might be the way to get the project moving and, as the hon. Gentleman said, to get shovels in the ground. At Leyland, which has a smaller station, Lancashire County Council spent £100,000 to draw in matching funding to improve the station. That led to £500,000 for a new ticket office and £4 million for three new lifts, delivered in phases.

The hon. Gentleman has to help me make the business case for these investments, against a clamour of competing interests. If he goes off and leads the charge with his local council to come up with a scheme that works—something that can be delivered and that will achieve his aims—we will be able to plug in the funding that is already available and get it spent before the end of this control period. I cannot believe that I am saying those words, Madam Deputy Speaker, but I want to get this money out the door and spent on these disability improvements. He should then look at how that can enhance the business case, so that matching funding can be drawn in over a longer period.

As I said, my Department will meet the council over the next few weeks. I hope that the hon. Gentleman will keep me informed of the results, because I want his passengers and his constituents in Luton to benefit from the Government’s record investment plan for rail.

Question put and agreed to.

2.57 pm

House adjourned.
House of Commons

Monday 14 March 2016

The House met at half-past Two o’clock

PRAYERS

[MRSpeaker in the Chair]

BUSINESS BEFORE QUESTIONS

Consideration of Bill, as amended, opposed and deferred until Monday 21 March (Standing Order No. 20.)

Oral Answers to Questions

WORK AND PENSIONS

The Secretary of State was asked—

Welfare Reform

1. Peter Grant (Glenrothes) (SNP): What assessment has he made of the effect of his Department’s welfare reforms on low and middle-income households since 2010.

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): As a result of our reforms, the number of people in work is at a record high; income inequality is lower than it was in 2009-10; the number of workless households in the social rented sector is also at a record low; the number of children living in workless households is at a record low; youth unemployment is at the lowest level in a decade; and the employment rate for women is also at a record high.

Peter Grant: I am grateful to the Secretary of State for his answer, but the question was not about work—it was about low income. It is one thing being in work, but it is quite a different matter if people are in work that does not pay them enough to earn a living. Is he concerned about reports at the weekend that the latest low-income statistics show that the percentage of individuals and children in relatively low-income circumstances is at its lowest level since the 1980s?

Mr Duncan Smith: Yes, and it is also worth noting that income inequality is now lower than it was in 2009-10. It is worth reminding ourselves that, for all the complaining from the Opposition, income inequality rose under Labour to the highest levels it had ever been.

Andrew Bridgen (North West Leicestershire) (Con): Will my right hon. Friend confirm that the latest low-income statistics show that the percentage of individuals and children in relatively low-income circumstances is at its lowest level since the 1980s?

Mr Duncan Smith: Yes, and it is also worth noting that income inequality is now lower than it was in 2009-10. It is worth reminding ourselves that, for all the complaining from the Opposition, income inequality rose under Labour to the highest levels it had ever been.

Andrew Gwynne (Denton and Reddish) (Lab): But the Secretary of State will know that research analysis from the House of Commons Library shows that three in four people who are currently receiving tax credits will see that in-work support reduced when they are naturally migrated over to universal credit. What does he have to say to those millions of workers whose in-work support will be revised downwards?

Mr Duncan Smith: As we have made clear on a number of occasions, anybody migrating across from tax credits will see no change to their income. The Institute for Fiscal Studies has made that clear publicly and we also make it clear. It is also worth reminding the hon. Gentleman, because his party seems to have opposed the advent of universal credit, that in the latest IFS-supported research universal credit claimants are seen to be much more likely to go into work than they would be under jobseeker’s allowance, they move into work faster, they stay in work longer and they earn more money. Those are major positives for people who are trying hard and working, whereas the last Labour Government penalised anybody who wanted to go to work.

Neil Gray (Airdrie and Shotts) (SNP): A report published yesterday by the Women’s Budget Group highlighted that this Tory Government’s policies are predicted to be more regressive even than those of their coalition predecessor. The report highlighted that single parent women and single female pensioners will see their standard of living reduced by an average of 23% by 2020. The Secretary of State’s Department’s policies are having a negative impact on gender equality. Will he go back to the drawing board to create a social security and pensions system that is fair and equitable?

Mr Duncan Smith: There have been many forecasts and most of them have been absolutely wrong—even the IFS forecast about child poverty has been wrong. It is worth reminding the hon. Gentleman of our reforms: the national living wage will give a boost of £900 to full-time workers who are currently on the national minimum wage; the personal tax allowance rising to £12,500 helps those on low income; and general childcare provision is available. That brings me to his point about lone parents, because universal credit, coupled with the incredibly generous childcare provision, now makes lone parents better off in work than they ever would have been before. That is why more people are going to work.

Neil Gray: That answer will not provide a crumb of comfort to those being hammered by social security cuts up and down this country. Today I have written to the Chancellor, highlighting the devastating impact that
the cuts to employment and support allowance and to universal credit will have on disabled and sick recipients. These cuts are predicted to save £1.4 billion, yet just £100 million appears to be set aside for the long-awaited, much vaunted White Paper on health and work. Does the Secretary of State agree that the White Paper must be properly resourced in order to provide direct financial support to the sick and disabled people who are seeing their support cut? Will he today finally confirm when that White Paper will be published?

Mr Duncan Smith: The White Paper will be published well before the summer break. It is worth reminding the hon. Gentleman of two things. First, and really importantly, half the spending on welfare and public services still goes to the poorest 40%, as it did in 2009-10. Secondly, it is also important to note that we expect no change in the proportion of spending projected to be received by the lowest and middle quintiles between 2010-11 and 2020. I also say to him that it is a bit rich that the Scottish Nationalists, who are in Government in Scotland and who now face a £15 billion deficit, which would have racked them had they gone for independence, have not once referred to the tough choices that they might have to make to reduce that deficit.

Owen Smith (Pontypridd) (Lab): Politics is always about choices, about priorities and about values. This past weekend, we saw the values and priorities of the current Government laid bare in their decision to implement a so-called welfare reform that will see £1.2 billion cut from the incomes of disabled people to pay for—we are told—a tax cut for top-rate taxpayers. Will the Secretary of State come back to the Dispatch Box and honestly describe that as a welfare reform, and then justify those choices?

Mr Duncan Smith: The changes that have been announced on personal independence payment are about changing, reforming and improving what goes to those who most need it in this disability allowance. The key point about this, which has been made by the Under-Secretary of State for Disabled People, my hon. Friend the Member for North Swindon (Justin Tomlinson), is that we put out a consultation long before the Christmas period. The Opposition had an opportunity to make their submissions, which they did, and we listened to all the submissions that came back. As a result, we are not implementing any of the first four options. It is right to continue to recognise aids and appliances and all the activities, as we previously did, but with a change to activities 5 and 6, changing the points numbers from two to one. That brings them into line with activity 3, in which one point has always been awarded for aids and appliances. Finally, activities 5 and 6 are less reliable indicators of additional cost. This all came on the back of an independent review published just after the last election, asking us to look again at the way those indicators are used. We have done that and, in fairness, this is the right way to go and will improve the lot of the worst off.

Owen Smith: For the benefit of the House, may I translate what the Secretary of State has just said? What he means is that he will take away £1.2 billion, completely eroding access to personal independence payment for 200,000 people, and cutting it by a third, from £70 to £50, for a further 450,000 people—people who are quite often unable to use the toilet or get dressed unaided. That comes on top of the cuts to ESA that went through the House last week. Before I came to the Chamber this afternoon, I asked disabled people what question they would like to put to the Secretary of State. One answer stood out. It was quite simply, “How does he sleep at night?”

Mr Duncan Smith: I remind the hon. Gentleman that, under this Government, spending on sickness and disability benefits has risen every year. We spend more than £50 billion, which is more than any other OECD country of equivalent size, such as Germany. I am proud of that, and, even with these changes, we will continue to see spending on PIP rise every year all the way to the end of this Parliament. As I have said, I am proud of that, because our reforms ensure that those most in need get full support and that the way that we do it is fair to everybody. I am also proud of the fact that this represents 6% of all Government spending, because, by reforming the economy and reforming welfare, we can get the money to those who most need it. By contrast, when Labour was in Government, we had a lot of promises, a broken economy and cuts all round.

Disability and Employment

2. Helen Whately (Faversham and Mid Kent) (Con): What steps he is taking to support people with disabilities into employment. [904051]

12. Peter Aldous (Waveney) (Con): What steps he is taking to support people with disabilities into employment. [904061]

16. Rebecca Harris (Castle Point) (Con): What steps he is taking to support people with disabilities into employment. [904066]

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): This Government are committed to halving the disability employment gap. In the spending review, we announced a real-terms spending increase on supporting disabled people into work. In the last year, 152,000 more disabled people entered employment. Our forthcoming White Paper will set out our plans to support more disabled people into work.

Helen Whately: I recently met the Kent Learning Disability Partnership, and the people there with disabilities told me that they are keen to work and welcome the Government’s support for that, but they asked me whether the Government would consider following the example of the NHS and introducing an accessible information standard, because they said they often found the communications from my hon. Friend’s Department too confusing and would like them to be easier to understand.

Justin Tomlinson: That is a powerful point. On 14 January I launched a taskforce that included the Royal National Institute of Blind People, the British Deaf Association, Action on Hearing Loss, the National Federation for the Blind, People First, the British Institute of Learning Disabilities, Sense and Mencap to look at that issue and
at how, as a Department, we can lead across Government. I would be delighted if my hon. Friend would join that taskforce.

Peter Aldous: May I urge the Minister to publish the White Paper on employment support for those with disabilities as soon as practically possible? I take note of the Secretary of State’s earlier response that it would be before the summer break, but there has been some slippage on that. Will my hon. Friend outline what provisions the White Paper will contain on integrating employment and health support?

Justin Tomlinson: We will shortly be publishing the White Paper, which will set out the reforms for improved support for people with disabilities and long-term health conditions. We will be looking at a number of issues, including ways to engage with employers as part of our commitment to halve the disability employment gap, integration across health and employment, and further localised tailored support. This is an exciting opportunity.

Rebecca Harris: My hon. Friend the Minister will be aware of the superb work that the Salvation Army does in my constituency in helping disabled people get back into employment, and of the fact that I and the jobcentre are about to hold a Disability Confident event. Can my hon. Friend expand on what more his Department can do in Castle Point, not least by engaging with employers to get more of them to take on disabled employees?

Justin Tomlinson: I thank my hon. Friend for agreeing to host her own Disability Confident event. More than 50 MPs from all parties are doing that, supporting our work to halve the disability employment gap, and promoting services such as access to work, where we now have funding for an additional 25,000 places on top of the near-record 38,000 that we are currently helping.

Mr Speaker: I call Naz Shah.

Naz Shah (Bradford West) (Lab): Thank you, Mr Speaker. Question 21.

Mr Speaker: No, on this question. Do you wish to come in on this question?

Naz Shah: No.

Mr Speaker: We may or may not get to question 21. Patience may be rewarded. We shall see.

Carolyn Harris (Swansea East) (Lab): Last Friday we heard that an additional £1.2 billion is to be cut from the PIP budget. That translates into £2,000 a year less for more than 60,000 claimants. What method or madness led the Minister to think that cutting support could help PIP claimants into work or to achieve independent living?

Justin Tomlinson: We are continuing to make improvements for claimants across the assessment process for PIP. At the end of this Parliament, we will continue to see increased numbers going through the system and benefiting from PIP.

Stephen Pound (Ealing North) (Lab): The establishment of a taskforce is occasionally a mechanism for kicking the can down the road, but in this case I give the Minister credit for his good intentions. Will he consider adding the Royal British Legion to the list of consultees, because there is a real issue of disabled ex-servicemen and women having a great deal of difficulty getting into work?

Justin Tomlinson: That is an important point, and something we are already doing work on. I would be happy to discuss that further.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The Government have sunk to a new low with this cut to the personal independence payment. As my hon. Friends have said, by 2020 some 640,000 disabled people will have their personal independence payment cut, a third by £2,865 a year and two thirds by £1,400 a year, stripping disabled people of their independence and their dignity. That is on top of the £24 billion cut to 4 million people since 2012. What are the Government’s estimates of how many of those disabled people will be in work, and how many will be unable to work as a consequence of those cuts?

Justin Tomlinson: PIP is about the extra costs that those with a disability would face. We made these changes on the back of the independent review published by Paul Gray, in which he highlighted concerns about the use of aids and appliance, the three recent legal judgments, and the fact that in the past 18 months we saw a trebling of the number of claimants who were able to access the benefit purely for aids and appliances. We listened carefully to the extensive consultation, including feedback from the hon. Lady, and for that reason aids and appliances will continue to be taken into account across all eight of the daily living components. We have ruled out the other four measures, and by the end of this Parliament there will be even greater numbers benefiting from the PIP system. [Interruption.]

Debbie Abrahams: Well, a Government Member is saying, “Listen to the answer.” Again, I am afraid, it is a non-answer—a hallmark of this dodgy, inept and unjust Government. Let us see whether they can do a bit better with this question.

Social security spending on disabled people as a percentage of GDP is lower now than it was in 1960. The Conservative manifesto for the last general election pledged not to cut social security support for disabled people. How and why have the Government gone back on that commitment, and how much more do they think disabled people will be able to take?

Justin Tomlinson: We spend almost double what the Germans spend—about 6% of our Government spending, which is more than we spend on our police and defence budgets combined.

Family Stability

3. John Glen (Salisbury) (Con): What assessment he has made of the effect of family stability on levels of poverty and on life chances. [904052]
The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): Our family stability review found that family instability is one of the main drivers of poverty, with unstable families more likely to have low incomes. That is why support for families is firmly at the heart of what we are doing in Government, such as doubling the funding for relationship support and doubling the amount of free childcare.

John Glen: I welcome the Government’s determination to tackle the root causes of poverty. With respect to the doubling of funding for the relationship support scheme, what steps is the Secretary of State taking to ensure that the scheme can be accessed across the country by those who find it hardest to reach Government support and those who most need it?

Mr Duncan Smith: My hon. Friend is absolutely right, and I pay tribute to the huge amount of work he has done in backing this up and supporting it, and to the work he is doing at present to make sure it gets across to everybody. We are clear that any new or extended support that we provide—and we do—will need to be accessible and effective for all families, no matter where they are, with additional, complex needs, and more will be said on that when we bring forward the life chances strategy, to be published this summer. However, I can guarantee to him that it is the No. 1 priority to make sure everybody who needs support gets it.

Suella Fernandes: Domestic violence is a stain on our society and often a cause of family instability. The Southern Domestic Abuse Service supports victims of domestic violence in Fareham, providing help in the community as an alternative to fleeing for refuge, which is often more costly and disruptive for the family. Will my right hon. Friend join me in congratulating the Southern Domestic Abuse Service on the vital work it does?

Mr Duncan Smith: I certainly will. I myself have been in the House on a ten-minute rule Bill to try to improve access to legal means to prosecute those who drive people to suicide, and I still believe this is something that could be done. I congratulate my hon. Friend and her remarkable charity. The Government have backed that work up, because we have now trebled the amount of money going to these organisations. I would be very happy, at some point, to meet them to congratulate them myself.

Frank Field (Birkenhead) (Lab): Would the Secretary of State like to confirm that if we look at the current poverty data, we see that there are almost no poor children in households where there is a parent in work and one parent is available for part-time work? What lesson does he draw from that?

Mr Duncan Smith: I simply draw the lesson that we need to be out of poverty. As usual, I pay tribute to the right hon. Gentleman, because he has done a huge amount of work on this issue. That lesson has been the drive behind everything that we have done—universal credit, our attempt to make sure that people get into work, and increased childcare to improve the possibility for more women to be in work to boost household income. However, universal credit also ensures that the first person into work is better off, and that therefore improves the likelihood of a household having more income and less chance of being in poverty.

Conor McGinn (St Helens North) (Lab): If we are talking about cause and effect, I fear the question is the wrong way around. What I would like the Secretary of State to explain is how increasing levels of poverty under his Government are affecting family stability. Perhaps he might answer that question.

Mr Duncan Smith: I just wish the hon. Gentleman would check the figures. There are 800,000 fewer people in relative poverty, including 300,000 fewer children. [Interruption.] I know it is always awkward for the Opposition when the facts do not bear out the rhetoric, but the reality is that the proportion on a relative low income is the lowest since the 1980s, income inequality is lower than it was when his Government left office, and household disposable income is £1,500 higher than two years ago. It is improving, but it is not good enough—we want to go further and further. All I can say is that we are working to get people into work and make sure that work always pays, as it is the route out of poverty. I just wish that instead of carping, Labour Members would one day support that.

Disability: Welfare Support

Rachael Maskell (York Central) (Lab/Co-op): What steps has he taken to review the system of assessments for disabled people seeking welfare support.

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): Independent reviews have been carried out of the assessments for personal independence payment and work capability assessment. The first review of the assessment for personal independence payment was undertaken and published in December 2014. There have also been five independent reviews of the work capability assessment.

Rachael Maskell: Disabled people, particularly those with mental challenges, report that the work capability assessment is exacerbating their ill health, even to the point that they want to take their own life. Those constituents are vulnerable and fragile. The situation is made worse by changes in benefits, financial hardship, and threats of future cuts. Rather than deny the problem, will the Secretary of State order an independent review of those with mental health challenges to assess the impact of the system from a service user’s perspective?

Justin Tomlinson: Following the Dr Litchfield recommendations, we accept that more needs to be done. We are improving training for staff, and now, across the jobcentre networks, we have mental function champions who can spread best practice in mental health.
Mr David Winnick (Walsall North) (Lab): In view of Friday's statement, why do the Government have such a compulsive need to hit out at disabled people at every opportunity? Does the Minister not realise how difficult it is for those people to lead their lives while their income is being undermined by the Government? This can only be described as an ongoing Tory war against the disabled.

Justin Tomlinson: I simply do not accept that. We are increasing the numbers of people who will benefit from the PIP system, we continue to improve the claimant's journey, and we work extensively with our stakeholders to make sure that improvements are ongoing. By the end of this Parliament, we will be spending more money in this area than we are today.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): One of my constituents, a Mr McLoughlin, is registered as blind, but he has been denied, through the access to work scheme, essential equipment to help him work. The reason given was that able-bodied people would also be able to use the equipment. I am interested to know what equipment the Minister believes an able-bodied person could not use that a registered blind person could. Will he personally look into Mr McLoughlin's case and that of others who face the same difficulty?

Justin Tomlinson: I will happily look into it, because without having all the details I cannot comment. On the broader issue, we are now helping more than 38,000 people a year—close to record numbers—with the access to work funding, which is in the fourth year of growth, and we have just secured funding for a further 25,000.

Mark Pawsey (Rugby) (Con): My constituent, who is also registered blind, has told me how valuable the access to work scheme has been in getting him into work. His disability employment adviser contacted a new employer about his needs and they made workplace adjustments without which it would be very difficult for him to hold down his job. Is it not the case that this scheme is extremely valuable in supporting people such as my constituent?

Justin Tomlinson: I thank my hon. Friend. That is why we were so delighted to secure the extra funding for the Corby site. Again, support from the rapid response service and the Department's team was offered to Tata workers following the announcement of the job losses. On top of that, at this very difficult time, we are giving those individuals support through our DWP network—for example, guidance on job applications, training and support—to enable them to get into work all over again.

Universal Credit

6. Neil Coyle (Bermondsey and Old Southwark) (Lab): How many people his Department expects to be naturally migrated on to universal credit during this Parliament.

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): Universal credit is rolling out, with the live service available in over 90% of jobcentres, and full roll-out will continue according to the published plan. It is worth reminding everybody that it is complete in London, and very shortly—probably by the end of this month or the beginning of next—universal credit will be in pretty much every single jobcentre in the country.

Neil Coyle: The Secretary of State made reference earlier to unreliable predictions. He predicted that by today's date 8 million people would be on universal credit, but the DWP confirmed last week that fewer than 365,000 people are on universal credit—a staggeringly pathetic success rate of 4.4%. The only reason why the Government are pushing out universal credit now is to deliver the tax credit cut that will hit thousands of working families in my constituency, so is it not time the quiet man went silent on pretending that universal credit is a success?

Mr Duncan Smith: I bet that looked good when the hon. Gentleman wrote it down. It is utter rubbish.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I hope that the Secretary of State does not think that this is a load of rubbish. I visited this morning, with Dame Steve Shirley, a wonderful place where young people with autism are prepared for work. They are very concerned about how universal credit is going to affect them, because they have already seen education not being allowed in their personal plans. Remember that autism costs this country £34 billion a year. If we do not get those young people into employment, the sum will increase and the misery of the families will also increase.

Mr Duncan Smith: The hon. Gentleman is right. Autism is a real problem, and we want to help the young people and adults who have that problem as much as we can. Universal credit lends itself hugely to that. Unlike in the past, when those people would have gone from jobseeker's allowance to working tax credits by themselves and had no advice, help or support once in work, under universal credit the adviser will stay with them all the way.

Importantly, we have now committed £100 million to train advisers to be specialists in helping people who have medical conditions such as autism, and that should help enormously. I would be very happy for the hon. Gentleman to come and discuss with me and the Minister
for Disabled People what more we can do, because we are determined to make sure that universal credit helps those in the deepest need as much as it possibly can.

Nick Thomas-Symonds (Torfaen) (Lab): The Secretary of State told “The Andrew Marr Show” show on 6 December:

“Nobody will lose any money on arrival on universal credit from tax credits because they’re cash protected, which means there’s transitional protection. They won’t be losing any money.”

If there were any doubt about that reassurance, the Secretary of State repeated it earlier to my hon. Friend the Member for Denton and Reddish (Andrew Gwynne). But according to the Library, only 27% of the final case load for universal credit will have got there through managed migration, so 73% of them will not have received transitional protection. Apply that to the current tax credit claimants in work, and 2.3 million families will be worse off as a result of moving from tax credits to universal credit. “no family will take an immediate…hit”

Mr Duncan Smith: I say to the hon. Gentleman that he is completely wrong on all that. The Institute for Fiscal Studies has made it absolutely clear that “no family will take an immediate…hit”

when transferred to universal credit. That is a reality. They are cash protected. Therefore, as they move across, their income levels at the time will remain exactly the same. As we said earlier, we are transitionally protecting them. I just wish that the Opposition, unless they want to stay forever in opposition, would get with it and support universal credit instead of attacking it all the time.

Universal Credit

7. Christian Matheson (City of Chester) (Lab): What estimate his Department has made of the likely average change in income for a disabled worker as a result of changes to the universal credit work allowance. [904056]

The Minister for Employment (Priti Patel): The effect of changes to universal credit work allowances cannot be considered in isolation. They form part of a broader package of measures, including the new national living wage and the increase in the personal tax allowance.

Christian Matheson: I thank the Minister for that response, but the Library disagrees and suggests that next year, disabled people will lose £1,700 on average. May I suggest respectfully to the Minister that nobody chooses to be disabled, that they are that way through illness, accident or simply bad luck? Now is the time not to pile more misery on those unfortunate people, but to give them a bit of dignity by not making this dreadful cut.

Priti Patel: The only point I would make is that this Government are supporting more disabled people to get them back into work. I of course agree with the hon. Gentleman’s point about dignity. We absolutely are providing dignity to individuals, by supporting them into work and also in giving them the financial support that will secure their employment in the long run.

Women and the State Pension

8. Jo Cox (Batley and Spen) (Lab): What the average notice period was for women whose pension age was brought forward by the Pension Act 2011. [904057]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shailesh Vara): Women whose pension age was increased had a notice period, between Royal Assent and their new state pension age, of between four years and eight months and 14 years and five months. The average notice period was 10 years and 11 months.

Jo Cox: One of the 1,400 women in my constituency affected by these changes recently told me that she is still waiting for official notification from the Department. Does the Minister accept the abject failure on the part of the DWP to communicate these changes to the women affected by them? Does he think it is acceptable that some women have found out only through the brilliant work of the Women Against State Pension Inequality campaigners?

Mr Vara: Between 2009 and 2010, over 5 million notices were sent to people, according to the records held by Her Majesty’s Revenue and Customs. I would point out to the hon. Lady that, in 2012, only 6% of women within 10 years of state pension age thought that their state pension age would be at age 60.

Kevin Foster (Torbay) (Con): Given the rhetoric in the recent Opposition day debate about the state pension age changes, does the Minister share my surprise that the six options put forward by the shadow Secretary of State would not make much difference at all to many women born in the 1950s? Does he agree that it is time for the Opposition to be clear about the choices they would make and how they would pay for them, and also to be clear about the changes they would not make?

Mr Speaker: Order. I know that the Minister will want to focus exclusively, and doubtless with loving care, on his own policy, and will not dilate on that of the Opposition, which would be disorderly. Knowing the hon. Gentleman, I do not think he does disorderly.

Mr Vara: You put that so eloquently, Mr Speaker, but I hope you will allow me to make the odd comment. It would be impractical to follow the Opposition’s policies because they have no sense of arithmetic.

Ian Blackford (Ross, Skye and Lochaber) (SNP): We are not just dealing with the issue of the notice period: there is a fundamental unfairness. Let us take an example: a constituent of mine born in 1953 would have retired at age 63, but a woman born on 10 February 1954 will not retire until July 2019, two and a half years later. That is patently unjust. What the Government can do is to mitigate the timetable so that people have time to react. That is the right thing to do, and the Government should act.

Mr Vara: The hon. Gentleman talks about mitigating things. May I just say to him that transitional arrangements were made at the time? Those transitional arrangements cost £1.1 billion. The period that women would have to work before they retired was reduced from two years to
18 months, and 81% of the women affected by that period of 18 months will not have an extension of beyond 12 months.

Angela Rayner (Ashton-under-Lyne) (Lab): I am really disappointed that the Minister still does not recognise that those women were given a totally inadequate notice period. Given that unfairness and the Secretary of State’s earlier comments—this Government are pretending they want to take people out of poverty—will the Minister look at the six options we have presented to the Government to deal with this injustice? Will he, as many Members of his party would support doing, allow those affected—[Interruption.] I am coming to that, if the hon. Member for Hexham (Guy Opperman) would listen. Will the Minister allow those affected to take a reduced state pension at an earlier age and be paid a lower state pension for a longer period?

Mr Vara: As far as the six options are concerned, all of them have a cost. It is time that the Opposition started to think about where the money would come from. The hon. Lady lays the blame at the feet of this Government, but she might reflect on the 13 years during which her party was in power, when it did absolutely nothing. [Interruption.] She is chuntering from a sedentary position about £20-something billion. May I just say to her that the cost of undoing the Pensions Act 2011 would be £30 billion?

Unemployment

9. Amanda Solloway (Derby North) (Con): What progress his Department has made on reducing the rate of unemployment.

[904058]

13. Matt Warman (Boston and Skegness) (Con): What progress his Department has made on reducing the rate of unemployment.

[904063]

The Minister for Employment (Priti Patel): In 2010, we inherited from Labour an unemployment rate of 8%. Since then, we have made excellent progress and the unemployment rate has continued to fall. It is now 5.1%, which is the lowest rate in a decade.

Amanda Solloway: I thank the Minister for that answer. As I am sure all hon. Members are aware, this week is apprenticeship week. May I therefore ask her what steps are being taken to help to convert apprenticeship places into full-time positions, particularly in my constituency of Derby North?

Priti Patel: My hon. Friend is absolutely right—this week is national apprenticeship week. In her area, there have been in excess of 5,000 apprenticeship starts. We are working with employers and have an employer engagement strategy across the Government, to ensure not only that we leverage our work in terms of encouraging more employers to take apprentices, but that apprenticeships are converted into careers—not just full-time jobs, but lifelong careers—for those young people who have the privilege of participating in those schemes.

Matt Warman: Many of my constituents work hard in the tourism industry but unfortunately become unemployed at the end of the season. Forward-thinking employers are annualising those seasonal contracts so that people are better able to plan their money and fewer people become unemployed. Will my right hon. Friend tell me what the Government are doing to encourage that good annualising of contracts?

Priti Patel: My hon. Friend is right, particularly about seasonal work and seasonal trends in local labour markets. Working with employers is crucial in ensuring that the Department for Work and Pensions and our jobcentres understand the flows and patterns in the local labour market. It is also crucial for us in the Department for Work and Pensions—we are doing this—to work with those individuals who find that seasonal work or changes in hours suit their individual needs and flexibility. Obviously, we work with Jobcentre Plus to ensure that we support people to fill those roles.

Women Against State Pension Inequality

11. Mr Alistair Carmichael (Orkney and Shetland) (LD): Whether he has had discussions with the Women Against State Pension Inequality campaign; and if he will make a statement.

[904060]

The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shailesh Vara): It is fair to say that many in the House have had discussions or correspondence with members of the WASPI campaign. The right hon. Gentleman will be aware that, in recent weeks, we have had a number of debates in which Members of Parliament on both sides of the House have expressed the views of their constituents.

Mr Carmichael: I am grateful to the Minister for that answer and encourage him to continue the engagement with the WASPI campaign. One of its achievements has been to bring forward an army of women who say that they were not given proper and effective notice of what was coming towards them in terms of their retirement age. Whether that was the right thing or the wrong thing to do is no longer the issue. The fact is that it was done badly, and that now needs proper attention.

Mr Vara: I have a huge amount of respect for the right hon. Gentleman—I had the privilege of serving in the coalition Government Whips Office when he was one of the deputy Whips. At the time, he supported the Pensions Act 2011 and was responsible for persuading his Lib Dem colleagues to do likewise. One thing that was always the case with the Lib Dems before the coalition Government was that they blew with the wind. There was a temporary pause during the coalition Government. He is now proving that blowing with the wind is part of the Lib Dems’ DNA, and that they are back to normal.

Richard Graham (Gloucester) (Con): The Opposition suggestion that the Government could allow that group of women to take their pensions early from the age of 63 has not been fully costed by anyone. Will my hon. Friend share with the House what the implications might be in terms of cost, whether it needs primary legislation and whether men over the age of 65 will be affected?
Mr Vara: We have today published information regarding that. It would cost additional funds, and the Opposition and others who support that position might wish to take that into account.

Youth Employment

17. Alberto Costa (South Leicestershire) (Con): What steps his Department is taking to help young people into employment. [904067]

The Minister for Employment (Priti Patel): We are determined that young people should not slip into a life on benefits, but that they are either earning or learning. That is why we have launched Jobcentre Plus support in schools and will introduce the youth obligation in 2017, to ensure that young people get the best possible start in life.

Alberto Costa: In my constituency of South Leicestershire, we have seen a welcome fall of 81% in the youth claimant count, from 505 in 2010 to 95 now. That has been achieved through the strong joint working between my right hon. Friend's Department, local authorities such as Blaby and Harborough District Councils, local enterprise partnerships, and not least businesses. Does she agree that it is through empowering and devolving responsibilities to those closest to the communities that we are most able to provide the support needed to help young people to get back to work?

Priti Patel: I pay tribute to all the local stakeholders in my hon. Friend's constituency who have been providing vital employment support to people to get the claimant count down so low. He is right to say that local decisions help to get people into work. That is why we are always mindful of local labour market trends.

Huw Merriman (Bexhill and Battle) (Con): Next month, Bexhill will be holding its first jobs and apprenticeships fair. This event, which I have put on in partnership with Jobcentre Plus and other local organisations, will allow constituents to meet 50 participating organisations. Does my right hon. Friend agree that local organisations working together can help us towards the goal of full employment?

Priti Patel: My hon. Friend is absolutely right. I speak with experience of not just my own constituency but the many other constituencies I have visited where jobs and apprenticeships fairs have taken place. The crucial point is that they can only happen with the support of local employers. The Department will continue to work at national and constituency level with local employers to support jobs and apprenticeships fairs like the one to which he refers.

Private Sector Jobs

18. Sir Henry Bellingham (North West Norfolk) (Con): What recent assessment he has made of trends in the number of private sector jobs; and if he will make a statement. [904069]

The Minister for Employment (Priti Patel): Supported by welfare reform and the Government’s long-term economic plan, we have seen worklessness fall. This has helped to boost private sector employment. There are now a record 26 million people working in the private sector, up by 2.7 million since 2010.

Sir Henry Bellingham: Is the Minister aware that since 2010 unemployment in my constituency has fallen by 67% from 1,900 to 624? Does she agree that one should look behind those statistics to all those lives that have been transformed: families with hope for the future and pride in themselves?

Priti Patel: My hon. Friend is absolutely right. Work and employment turn around the lives of families and communities. In his constituency and region, we have seen record levels of employment. That is down to the Government’s policies and, as I said earlier, to the support we have had from employers, who are, ultimately, the job creators in our economy.

Workless Households

19. Chris Green (Bolton West) (Con): What progress his Department has made on reducing the number of workless households. [904070]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): When we took office almost one in five households had no one in work and about 1.4 million people had been on benefits for most of the previous decade. Since 2010, the number of workless households has fallen by more than 680,000 to its lowest level since records began. The number of children in workless households is at a record low, down nearly 480,000 since 2010.

Chris Green: Does my right hon. Friend agree that making progress in reducing the number of people in workless households is key to improving the life chances of millions of children?

Mr Duncan Smith: I do agree with my hon. Friend. From all the evidence, we know that children in workless households grow up without the aspiration to achieve, something they might have if they grow up in driven families who are in work. They are almost certain to repeat the difficult lives of their parents and we want to turn those lives around. Since 2010, the number of workless households in the social rented sector has fallen by more than 280,000 to a record low. It is worth remembering that when we took office in 2010 the number of households where no one had ever worked had nearly doubled under the previous Labour Government.

Mr Speaker: I call Angus Brendan MacNeil. He is not here. Where is the fellow? I call Naz Shah.

Child Poverty

21. Naz Shah (Bradford West) (Lab): What assessment his Department has made of the effect of recent changes to benefits on levels of child poverty. [904072]

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): I congratulate the hon. Lady on getting her question in.
We have seen relative child poverty fall by 300,000 since we came to office. The number of children living in workless households is also down 480,000 to a record low. Living standards are up 3.3% and income inequality, which rose under the previous Labour Government, is down since 2010.

Naz Shah: In the light of research published by the Children’s Society, which shows that 104,000 children in Bradford are adversely affected by the benefit freeze and that in my constituency alone 29,500 children are living in poverty, does the Minister not think he would be better off arguing with his Chancellor about his Budget rather than needlessly pushing more families and children into poverty?

Mr Duncan Smith: I simply do not agree with the hon. Lady, because the figures do not bear it out. It is worth remembering that in-work and out-of-work poverty rose under the last Labour Government. Under this Government, out-of-work poverty, which affected 71% of households with children in 2009-10, has fallen to 61% and is still falling. As we know, three quarters of poor children living in families that move into employment leave poverty altogether. A child poverty transitions report made that very clear. I think we should all celebrate getting people and families back to work, as we have been doing, and giving them a real chance to earn and have aspiration.

Topical Questions

T1. [904040] Daniel Zeichner (Cambridge) (Lab): If he will make a statement on his departmental responsibilities.

Daniel Zeichner: My constituent Nick Dale is 36 years old and has a complex range of disabilities. His care package has just been reduced by Cambridgeshire County Council from 17 hours a week to 6.5 hours. The council told him he should see this not negatively but as a way “of utilizing the strengths and resources that he may not realise he has within himself.”

His mother is appalled by his loss and the patronising tone—borrowed from the Government. If I lift the Secretary of State’s wallet in the Lobby tonight, would it help him utilise hidden strengths he did not realise he had, or is he as furious as I am about the way Nick Dale has been treated?

Justin Tomlinson: I am happy to look at that matter. The Health and Social Care (Safety and Quality) Act 2015 should have put stronger protections in place, but I am happy to look at this matter further.

T2. [904041] Michael Tomlinson (Mid Dorset and North Poole) (Con): JPMorgan Chase, Sunseeker, Lush, Cobham and many other local businesses are supporting the inaugural Mid Dorset and North Poole apprenticeships and jobs fair. Does the Minister agree that supporting young people into apprenticeships is vital, and will she agree to open my jobs fair in Wimborne?

The Minister for Employment (Priti Patel): I thank my hon. Friend for his kind invitation. I would be happy to look into it and try to come to his constituency. It is National Apprenticeship Week as well. He is right of course that employers, such as the outstanding ones he referred to, continue to do their utmost to support young people. I myself will be visiting many employers in Essex this week just to make that point to them.

T3. [904042] Alex Chalk (Cheltenham) (Con): Unemployment in Cheltenham has fallen by 66% since 2010. Will the Minister join me in thanking staff at Cheltenham’s Jobcentre Plus office, who hosted a very successful jobs fair recently and who are working hard to bring opportunity to those seeking to get on in life and provide for their families?

Priti Patel: I am delighted to hear of the outstanding work undertaken by our local Jobcentre Plus staff. In fact, all our JCP staff across the country do great work supporting people, getting them off benefits and into work and helping to transform their lives. I am delighted to see that the employment rates in my hon. Friend’s constituency are going from strength to strength.

T5. [904044] Ian Blackford (Ross, Skye and Lochaber) (SNP): The House will be aware that hundreds of thousands of pensioners live in countries where there is no uprating. Now that we are facing the EU referendum, and given that 400,000 British pensioners live elsewhere in the EU, will the Minister tell us what will happen to either the partial or the full uprating for British pensioners if we leave the EU?

The Parliamentary Under-Secretary of State for Work and Pensions (Mr Shaielsh Vara): I remind the hon. Gentleman that the position of the Government is that we are better off in the EU: the people of Britain will be safer and more secure.
Mr Duncan Smith: Universal credit is now pretty much rolled out all over the country. The Institute for Fiscal Studies made it clear in respect of anybody transitioning from tax credits that “no family will take an immediate... hit” because they are “transitionally protected”. I said at the time that we would do our level best, working with the advisers and through the flexible support fund, to make sure that people’s situations continued and actually improved. That is exactly what universal credit will do. That is why I wonder why the Opposition do not support it. More people go into work quicker; they get into work faster; they actually earn more money; and they stay and work longer.

Michelle Donelan (Chippenham) (Con): The Minister will be aware that almost 15% of the working population are self-employed, and that in five years’ time, about 40,000 of them will be living in Wiltshire. Does he agree that something needs to be done and that a self-employed auto-enrolment scheme could be looked at? Would he welcome the inclusion of such a thing in this week’s Budget?

Mr Vara: Auto-enrolment is a very important issue that this Government are undertaking. I am happy to report that some 6 million people have already taken part in the initiative. This is something that will be of particular benefit to women, who will have the opportunity to enrol as part of a pension, which will certainly help their chances in the future.

Mary Glindon (North Tyneside) (Lab): When the Minister for Disabled People recently met Ravi Metha, Sulaiman Khan and Tanvi Vyas-Brady, campaigners from Muscular Dystrophy UK’s Trailblazers group, he heard at first hand the challenges that young disabled people face looking for work. Will he confirm that he can and will arrange for these young people to meet his access to work team so that their experiences can directly influence future DWP policies?

Justin Tomlinson: I pay tribute to the hon. Lady for taking the time to introduce those truly inspirational young ambassadors. They were brilliant in the meeting, and I look forward to them actively engaging with our access to work team to help to improve that service. It was a real pleasure.

Stephen Metcalfe (South Basildon and East Thurrock) (Con): One of the welcome provisions of the Pensions Act 2014 was the lifting of the Pension Protection Fund cap; yet, nearly two years on, this clause is still to be implemented. Will the Secretary of State agree to meet me and a cross-party delegation to discuss how we might move the issue forward and bring security in retirement to those who have found their pensions seriously curtailed through no fault of their own?

Mr Duncan Smith: I am very happy to meet my hon. Friend and any others he wants to bring with him. This Government have a proud record on reforming pensions. The single tier will mean that pension incomes improve dramatically, particularly for those who have broken care. We also have auto-enrolment, which is massively increasing savings among those who have never saved
before. Finally, the freedom to take an annuity or not, as and when a pension comes due, is enormous. I am very happy to make sure that reform programme continues, and I will happily meet my hon. Friend.

Alison Thewliss (Glasgow Central) (SNP): Can the Secretary of State tell me how many jobseeker’s allowance claimants have been sanctioned in the period between being offered work and taking up work?

Mr Duncan Smith: I do not have the figures to hand, but I am very happy to write to the hon. Lady about that. I have to say, the number of people who have been sanctioned has fallen dramatically in the last 12 months, and I am sure she will be very happy to see the figures.

Peter Heaton-Jones (North Devon) (Con): I thank my hon. Friend the Minister for Disabled People for attending a highly successful Disability Confident event in my constituency on Friday 10 days ago. Does he agree that such events are vital to ensuring that employers get the help they need and, crucially, that people with disabilities are moved closer to the world of employment?

Justin Tomlinson: I thank my hon. Friend for his hard work in championing disability employment opportunities. The good businesses of Ilfracombe seized that opportunity, which will make a real difference in the local community.

Diana Johnson (Kingston upon Hull North) (Lab): Have any DWP Ministers had conversations with Department of Health Ministers about the consultation on financial support for those who received contaminated blood in the ’70s and ’80s and whether they should have their benefits passported through to the new personal independence payment scheme?

Justin Tomlinson: I am very happy to meet the hon. Lady to discuss that further.
EU Referendum (Privy Council)

Mr Speaker: Before I call the hon. Member for West Bromwich East (Mr Watson) to ask the urgent question, which I am allowing him to ask, I remind all Members of the House that, and I quote from “Erskine May”:

“Her Majesty cannot be supposed to have a private opinion, apart from that of her responsible advisers; and any attempt to use her name in debate to influence the judgment of Parliament is immediately checked and censured... A Minister is, however, permitted to make a statement of facts in which the Sovereign’s name may be concerned.”

I earnestly hope that hon. Members will spare me the embarrassment of having to stop them in their tracks if they seek to draw to the House’s attention any alleged views of the monarch on the EU or, indeed, anything else. The urgent question has been carefully drafted by the hon. Member for West Bromwich East to cover process and not substance. I hope that colleagues will frame their questions accordingly.

3.33 pm

Mr Tom Watson (West Bromwich East) (Lab) (Urgent Question): I seek not to embarrass you in any way, Mr Speaker, but to ask the Lord President of the Council if he will make a statement on the adherence to the rules and conventions of the Privy Council in the light of the suspension of collective responsibility in connection with the European Union referendum.

The Lord President of the Council (Chris Grayling): The Privy Council provides support to Her Majesty in the implementation of the functions of the Crown. The members of the Council also have access to confidential national information and documentation related to national security, and receive briefings about secrets related to these matters. They swear an oath to maintain the confidentiality of these briefings. None of that has changed because of the current circumstances.

Mr Watson: Last Wednesday, The Sun published a front-page story relating to the EU referendum, which it said was based on two “impeccably placed” sources. The right hon. Gentleman will know that every member of the Privy Council swears a solemn and binding oath to the Queen that they will, in the words of the oath, “keep secret all Matters committed and revealed unto you”. My hon. Friend the Member for Rhondda (Chris Bryant) has written to the right hon. Gentleman asking for an investigation. Will he please confirm that that will take place? Will he also confirm that the Privy Council rules have not been suspended as a result of the referendum? Three members have categorically denied that they are the source, yet the Justice Secretary has only said: “I don’t know how The Sun got all its information”. That is hardly categorical.

The sovereign’s constitutional impartiality is an established principle of our democracy, and it is incumbent on those in political office to ensure that that remains the case. Such a breach would be particularly serious and significant. Had the Justice Secretary disclosed this information, he would have breached the principle of confidentiality and prayed in aid the monarch in a politically controversial manner, but he would also have undermined his role as the Minister responsible for upholding the rule of law. Does the Lord President of the Council and Leader of the House therefore agree that the public have a right to know whether the Justice Secretary was a source of this story, and will he now urge his colleague to confirm or deny such allegations?

There has been a referral to the Independent Press Standards Organisation to investigate a complaint about the story, but IPSO cannot investigate whether a Privy Counsellor has broken his oath. Only the Minister or the Prime Minister can order that investigation. A cover-up will not do. Surely any member of the Privy Council who was a source of this story, or whose special adviser or ally was, stands in contempt of his Privy Council oath, and should be removed from office if he will not honourably resign himself.

Chris Grayling: As the hon. Gentleman said, last week a national newspaper published a story that was allegedly based on a conversation that had taken place at a lunch following a Privy Council meeting. However, my predecessor as Lord President, the right hon. Member for Sheffield, Hallam (Mr Clegg), has said very clearly that the story is categorically untrue. As the House is aware, Buckingham Palace has referred the matter to IPSO, the new press complaints body, which is now investigating. Given all those facts, I do not believe that there is any need for further action here.

John Redwood (Wokingham) (Con): I agree with my right hon. Friend that the proper way to conduct this matter is the way in which Her Majesty’s office has conducted it, and I do not see how the House can spend all its time investigating every story in the newspapers that upsets some people, to try to find out who the sources were if neither the sources nor the newspapers wish to reveal it.

Chris Grayling: My right hon. Friend makes an important point. As I have said, the last Lord President said very clearly that the story was categorically untrue, and therefore, by definition, it must be a matter for the body that investigates complaints about the media.

Stephen Gethins (North East Fife) (SNP): I am surprised that the Leader of the House does not want to carry out an inquiry. Let me call on him again to do so. After all, the Government were able to carry out a successful leak inquiry into the Scotland Office’s dealings before the independence referendum. Will the Leader of the House reflect on that experience?

There also seems to be a disagreement on a question of fact between the Prime Minister and the Justice Secretary. Does the Leader of the House think that the Prime Minister is handling the situation well?

Chris Grayling: I can only refer to what I said a moment ago, which is that the former Lord President, who attended the said event, has said that the story is categorically untrue. It is therefore a matter for the press complaints body, and not a matter for anyone in the House or in the Government.

Dr Liam Fox (North Somerset) (Con): Does my right hon. Friend agree that what we are witnessing is a poorly disguised example of the tendency of the Labour
party to play the man and not the ball in any given circumstances? Does he also agree that the workings of the Privy Council are a matter for the Privy Council, and its rules are not the same rules that apply to Ministers who are answerable to the House of Commons?

Chris Grayling: My right hon. Friend is absolutely right—and it is worth pointing out that the conversation that is alleged to have taken place, and which the former Lord President said did not take place, did not take place at a Privy Council meeting.

Tom Brake (Carshalton and Wallington) (LD): Does the Leader of the House agree that when it comes to serial offenders, one of the most effective forms of reparation for the victim is restorative justice, whereby the offender apologises directly to the victim? Does he support the principles of restorative justice?

Chris Grayling: I support the principles of justice, and I also support the principle that people are innocent unless proven guilty.

Mr Jacob Rees-Mogg (North East Somerset) (Con): As the Lord High Chancellor is the keeper of the Queen's conscience, is it not inconceivable that he could misapply his conscience to Her Majesty? In the Privy Council oath, Privy Counsellors are asked to swear:

“You will to your uttermost bear Faith and Allegiance to the Queen's Majesty; and will assist and defend all civil and temporal Council oath, Privy Counsellors are asked to swear:

“You will to your uttermost bear Faith and Allegiance to the Queen's Majesty; and will assist and defend all civil and temporal Jurisdictions, Pre-eminences, and Authorities, granted to Her Majesty and annexed to the Crown by Acts of Parliament, or otherwise, against all Foreign Princes, Persons, Prelates, States, or Potentates.”

How, therefore, can members of the Privy Council go off and be European Commissioners swearing allegiance to the European Union?

Mr Speaker: That is an interesting point—some would say a fascinating point—but it is perhaps mildly tangential to the urgent question that I have selected. But we all savour the observations of the hon. Member for North East Somerset (Mr Rees-Mogg), so let us savour the reply.

Chris Grayling: Mr Speaker, I think you would agree that my hon. Friend makes his remarks in his customary way and that what he has said perhaps says it all.

Kevin Brennan (Cardiff West) (Lab): The Leader of the House prayed in aid the former Deputy Prime Minister's categorical denial that that conversation ever took place. Could not this matter be put to bed very simply and straightforwardly by the Justice Secretary, who is an honourable man, coming to the House himself and categorically denying that the conversation ever took place?

Chris Grayling: All I can repeat is what I said earlier, which is that my predecessor said that the story was categorically untrue. I therefore do not think that there is anything to answer for.

Mrs Anne Main (St Albans) (Con): The Cabinet Office has established a referendum unit. Can my right hon. Friend the Leader of the House explain what it does, when it was established, to whom it reports and how many civil servants work in it?

Mr Speaker: The short answer is no, not now. The right hon. Gentleman might be able to do that in the course of a private chat over a cup of tea with the hon. Lady, or by answering a written question if she were to table such, but today we must focus on the narrow terms of the urgent question that has been granted.

Joan Ryan (Enfield North) (Lab): I have always considered it an honour and privilege to be a member of the Privy Council, and I take very seriously the trust that is placed in those of us who are part of it. I believe that the allegations carry a great deal of currency, and that if they are not properly investigated, they could undermine the whole of the Privy Council and everybody in it. The Prime Minister was right to say that it would be very serious if a member of the Privy Council was the source of the newspaper story in The Sun. I therefore think that it behoves the Government to ask the Member involved to come to this House and to make a statement himself, in order to lay this matter to rest.

Chris Grayling: All of us who are members of the Privy Council take that responsibility enormously seriously. It is a great honour for us to serve the Crown in that way. However, I simply repeat that my predecessor as Lord President, who is a Privy Counsellor and who also takes that responsibility very seriously, has said that the story is categorically untrue, and that there is therefore nothing to answer for.

Mr Philip Hollobone (Kettering) (Con): It is quite right that Her Majesty, our sovereign, should have no views on important issues such as the EU referendum. How can it be in any way acceptable for members of Her Majesty's Government from the Prime Minister downwards to encourage foreign Heads of State to comment on the EU referendum? Does this not demonstrate the fact that the international Bilderberg group is ganging up against the British people?

Chris Grayling: I would discourage any foreign leader from entering the debate at the moment. This is a matter for the British people and it should remain so.

Vicky Foxcroft (Lewisham, Deptford) (Lab): What discussions, if any, has the Leader of the House had with the Prime Minister and the Justice Secretary about allegations that the Justice Secretary might have been the source of the leaked information, since such allegations were made in the media?

Chris Grayling: Since my predecessor has said that the story is categorically untrue, there is no need for me to have such conversations.

Mr Peter Bone (Wellingborough) (Con): I suppose the one thing that we have learned today is that we should not believe everything we read in the newspapers. However, I am learning more about the Privy Council and things like that, because I am obviously not a member of the Privy Council and not likely to be.

Sticking narrowly to the point, do Privy Council rules extend to former colonies that might now have a President who might want to come over here and tell us how to vote in the EU referendum?
Mr Speaker: Order. I think we know the President of whom the hon. Gentleman speaks. The President is a most illustrious individual, but the last time I looked he was not a member of the Privy Council. We will leave it there as I think it was a rhetorical question.

Toby Perkins (Chesterfield) (Lab): The Leader of the House is clinging to the defence that he is using today, but it is clear that the Secretary of State for Justice wants people to believe that he was the source and that the story is true. Given that the right hon. Member for Mid Sussex (Sir Nicholas Soames), whom we all respect tremendously on such matters, considers this to be treason, the Leader of the House’s rather flippant approach massively undermines the importance of this important role.

Chris Grayling: I am not quite sure where the hon. Gentleman is coming from. Someone cannot be found guilty of an offence when none has taken place. My predecessor has said that the story is categorically untrue, so that really should be the end of the matter.

Andrew Bridgen (North West Leicestershire) (Con): Does the Leader of the House agree that if the right hon. Member for Sheffield, Hallam (Mr Clegg) or someone else at the Privy Council meeting made a note of their recollection of a conversation with Her Majesty, perhaps for a book or diaries, which, amazingly, politicians tend to want to write at the end of their careers, perhaps the number of people who may have been privy to the information may include not only Privy Counsellors? That may be where the leak came from.

Chris Grayling: Lots of people talk to lots of others about lots of things, but the former Lord President has said that the story is categorically untrue and that the conversation did not take place.

Mr Dennis Skinner (Bolsover) (Lab): I have never been to this palace, so do I not know what takes place there, but the most bizarre thing for me is what on earth the Queen was doing confiding in Clegg. [Laughter.]

Chris Grayling: The response to the hon. Gentleman’s comment from across the House suggests that not everyone disagrees with the view he puts forward. I hope that he gets the chance to go to the palace before he ends his illustrious career.

Mr David Nuttall (Bury North) (Con): Will those members of the Privy Council who are also members of Her Majesty’s Government ensure that all the statistics that are usually published are published between now and 23 June?

Chris Grayling: I am sure that we will want to ensure that everyone on both sides of the debate has all the facts that they need to reach a conclusion when the vote comes in June.

Jo Stevens (Cardiff Central) (Lab): The Prime Minister has described the EU referendum as a once-in-a-generation decision and “more important than a general election”. Does the Leader of the House agree that public confidence in the outcome of this significant vote rests largely on members of the Government on both sides of the argument behaving fairly and abiding by agreed rules and conventions?

Chris Grayling: Ministers on both sides of the argument are making their case clearly and will remain friends afterwards. I am pleased to have my right hon. Friend the Secretary of State for Energy and Climate Change, whose view is different from mine, sitting alongside me, demonstrating that we are a united team that is doing the right thing for this country.

Henry Smith (Crawley) (Con): Without invoking the body of the sovereign, may I ask the Government when they plan to introduce a British sovereignty Bill?

Chris Grayling: We will soon be having a visitation from the Queen to this Palace for the Queen’s Speech, on 18 May, and I am sure that my hon. Friend will see on that occasion what our plans are for the legislative programme in the years ahead.

Mr Speaker: My natural generosity got the better of me; the hon. Member for Crawley (Henry Smith) is unfailingly courteous, but his question was a bit wide of the mark. Half a dozen or so people, perhaps slightly more, are still seeking to catch my eye and it would be good if everybody remained in order—led by Mr Stephen Pound.

Stephen Pound (Ealing North) (Lab): Thank you, Mr Speaker. This whole business leaves a pretty nasty stench in the nostrils. Does the Leader of the House agree that there is an unpleasant characteristic emerging, whereby people are picking up little scraps, trifles, tittle-tattle, gossip and rumour and then parlaying that into a book later on in their careers? My Sunday morning fry-up was ruined when I turned to my copy of The Mail on Sunday only to read the memoirs of Mr Laws, so does the Leader of the House agree that we should impose a self-denying ordinance and stop writing these dreadful scandalous books, seeking to expose what should be confidential? May I say that I have no intention of doing this?

Mr Speaker: I am not sure that a self-denying ordinance can be imposed. Those who have consulted their scholarly craniums advise me that that might not be possible—indeed, it might be either a contradiction in terms or a tautology. I will leave the hon. Gentleman to reflect on the matter.

Chris Grayling: We will see how robust the hon. Gentleman’s determination to stay outside the world of diary and book writing is when he concludes his illustrious career and receives a lavish offer from a publisher.

Paul Flynn (Newport West) (Lab): Early-day motion 1182 and interrogation at a recent Select Committee hearing raised two other possible breaches of this kind involving Her Majesty and Prince William. It was noted that the carefully crafted answer from the Justice Secretary said that he did not know where the Queen gets all her information. As we have now been told that the Justice Secretary is a “Maoist”, may we take it that this is an
attempt to do what Maoists do and achieve revolution by destruction—in this case, the destruction of the monarchy?

Chris Grayling: If we are talking about revolution by destruction, I have to say that the current Leader of the Opposition and shadow Chancellor take the biscuit.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I hope you will not deem my question to be tangential, Mr Speaker. Clearly, the Government have strong views on this matter and we are witnessing varied opinions from those on their Benches, but for future reference might the Leader of the House consider drawing up a list of approved contributors to the EU debate, saying whose view is acceptable and whose is not? Such a list would be very handy for future reference for the Scottish National party.

Chris Grayling: As far as I am aware, Mr Speaker, we are having a debate where everybody’s views are being put forward, on both sides of the argument, and that is going to carry on for another three months.

Clive Efford (Eltham) (Lab): I am racking my brain trying to think of a previous occasion when the Leader of the House has agreed so readily with the right hon. Member for Sheffield, Hallam (Mr Clegg). Surely the Leader of the House must accept that the Justice Secretary’s failure unequivocally to state that he had nothing to do with this is the reason he is answering this urgent question now. Should the Justice Secretary not either make such a statement or resign?

Chris Grayling: So the hon. Gentleman is asking the Justice Secretary to say that something that did not happen did not happen—that just does not make any sense.

Justin Madders (Ellesmere Port and Neston) (Lab): Millions of working people throughout this country know that when an allegation of gross misconduct comes to an employer’s attention, it is usually expected that an investigation will follow and that if the allegation is proven, dismissal is a potential outcome. Doing nothing creates a precedent that others may rely on in future if other allegations are made, so does the Leader of the House agree that the failure even to investigate this shows a lack of courage and creates an unwelcome precedent?

Chris Grayling: Normally, investigations are not launched into unsubstantiated stories. I simply say again that my predecessor, the former Lord President of the Council, said that the story is categorically untrue.

Melanie Onn (Great Grimsby) (Lab): I am disappointed to hear the response of the Leader of the House, because Buckingham Palace is sufficiently concerned by this story to have made a formal complaint to the press watchdog. There are two impeccable sources involved, so why are the Government not taking the matter seriously by holding an investigation?

Chris Grayling: If I understand it correctly, Buckingham Palace is complaining about the story in the newspaper, and the proper body to investigate a complaint of that kind is the Independent Press Standards Organisation.

Mike Kane (Wythenshawe and Sale East) (Lab): The Prime Minister has described the situation as “very serious”. Does the Leader of the House agree with him that it is very serious if a member of the Privy Council has breached confidential codes and been the source for The Sun story? If he does, why is he not launching his own investigation?

Chris Grayling: If I understand it correctly, the serious issue is about the story in the newspaper, which is being investigated, but my predecessor, the former Lord President of the Council, has said that the story is categorically untrue.

Naz Shah (Bradford West) (Lab): Yesterday, the Sunday Telegraph reported that Government sources had described the alleged leak by the Justice Secretary as a “sackable offence”. Will the Leader of the House confirm that the Justice Secretary had the support of the Prime Minister and his Cabinet colleagues to remain in post?

Chris Grayling: Yes.
Mrs Anne Main (St Albans) (Con): On a point of order, Mr Speaker. On 7 March, I tabled a question which asked the Secretary of State for Business, Innovation and Skills whether he would publish any contingency plans that his Department has made on trade agreements in the event of the UK’s exit from the EU. I received this answer today:

“At the February European Council, the Government negotiated a new settlement, giving the United Kingdom a special status in a reformed European Union. The Government’s position, as set out by my right hon. Friend the Prime Minister to the House on 22 February, is that the UK will be stronger, safer and better off remaining in a reformed EU.”

That is not an answer to my question. I believe that, at the time of the Iraq inquiry, Lord Justice Scott agreed that it was parliamentary protocol that questions must be given a substantive answer. Is it possible that, through your good offices, Mr Speaker, I can get an answer to that particular question?

Mr Speaker: As the hon. Lady knows, the Chair is not responsible for the content of answers. There is a general presumption in favour of answers to questions that are both timely and substantive. If, however, the hon. Lady is dissatisfied with the substance of the reply, which she believes fails adequately to respond—or to respond at all—to her inquiry, she has two recourses open to her, neither of which involves the Chair. One is to table further questions with that dogged persistence for which she has become renowned over the past nearly 11 years in the House, and the other is to complain to the Chair of the Procedure Committee, the hon. Member for Broxbourne (Mr Walker), with a view to securing an inquiry into the approach by Ministers to providing answers to parliamentary questions. I hope that that constitutes an adequate answer to the hon. Lady, who has aired her concern today.
Energy Bill [Lords]

Consideration of Bill, as amended in the Public Bill Committee

New Clause 2

Onshore wind power: renewables obligation

“The power to make a renewables obligation closure order in respect of electricity generated by an onshore wind generating station in Scotland may only be exercised by Scottish Ministers.”

This new clause would return to the Scottish Ministers the power to close the renewables obligation in relation to electricity generated by onshore wind generating stations in Scotland.—(Callum McCaig.)

Brought up, and read the First time.

3.59 pm

Callum McCaig (Aberdeen South) (SNP): I beg to move, That the clause be read a Second time.

Mr Speaker: With this it will be convenient to discuss the following:

Amendment 24, in clause 79, page 46, line 20, leave out “31 March 2016” and insert “1 March 2017”.

This amendment and amendments 25, 26, 40, 41, 42, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38 and 39 have the effect of closing the Renewables Obligation for onshore wind a month earlier than the original date set out in the Statutory Instrument: Renewables Obligation Closure Order 2014: 2588, rather than a year earlier, as the Bill does in its present form.

Amendment 25, page 46, line 25, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 26, in clause 80, page 47, line 27, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 27, page 47, line 30, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 28, page 47, line 36, leave out “31 March 2017” and insert “1 March 2017”.

Amendment 29, page 47, line 42, leave out “31 March 2017” and insert “1 March 2017”.

Amendment 30, page 48, line 3, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 31, page 48, line 6, leave out “31 March 2017” and insert “1 March 2017”.

Amendment 32, page 48, line 20, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 33, page 48, line 33, leave out “1 April 2017” and insert “2 March 2017”.

Amendment 34, page 48, line 43, leave out “1 April 2017” and insert “2 March 2017”.

Amendment 35, page 49, line 8, leave out “1 April 2017” and insert “2 March 2017”.

Amendment 36, page 49, line 17, leave out “1 April 2017” and insert “2 March 2017”.

Amendment 37, page 50, line 13, leave out “18 June 2015” and insert “18 May 2016”.

Amendment 1, page 50, line 18, leave out “planning permission” and insert “an application for 1990 Act permission or 1997 Act permission”.

Amendment 2, page 50, line 20, leave out “or judicial review”.

Amendment 3, page 50, line 30, after “Act” insert “(excluding an extension agreed for the purposes of section 78(2) of the 1990 Act or section 47(2) of the 1997 Act)”.

Amendment 4, page 50, line 35, leave out paragraph (iii).

Amendment 5, page 50, line 40, after “following an appeal” insert “or otherwise”.

Amendment 6, page 50, line 40, after “following an appeal” insert “or a decision made by the Secretary of State, Welsh Ministers or Scottish Ministers following directions given under section 77 of the 1990 Act or section 46 of the 1997 Act, and”.

Amendment 7, page 50, line 46, at end insert “; or (e) evidence that—

(i) an application for 1990 Act permission or 1997 Act permission was made on or before 18th June 2015 for the station or for additional capacity,

(ii) a grant of planning permission was resolved by the relevant planning authority on or before 18th June 2015,

(iii) planning permission was granted after 18th June 2015, and

(iv) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 8, page 50, line 46, at end insert “; or (f) evidence that—

(i) an application for 1990 Act permission or 1997 Act permission was made on or before 18 June 2015 for the station or for additional capacity,

(ii) the period allowed under section 78(2) of the 1990 Act or (as the case may be) section 47(2) of the 1997 Act (excluding an extension agreed for the purposes of section 78(2) of the 1990 Act or section 47(2) of the 1997 Act) ended on or before 18 June 2015 without the things mentioned in section 78(2)(a) or (aa) of the 1990 Act or section 47(2)(aa) of the 1997 Act being done in respect of the application,

(iii) the application was referred to the Secretary of State, Welsh Ministers or Scottish Ministers in accordance with directions given under section 77 of the 1990 Act or section 46 of the 1997 Act,

(iv) 1990 Act permission or 1997 Act permission was granted after 18 June 2015, and

(v) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 9, page 50, line 46, at end insert “; or (g) evidence that—

(i) planning permission was granted after 18th June 2015 and

(ii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.
(i) an application for 1990 Act permission or 1997 Act permission was made on or before 18 June 2015 for the station or for additional capacity,

(ii) the relevant planning authority resolved to grant 1990 Act permission or 1997 Act permission on or before 18 June 2015,

(iii) 1990 Act permission or 1997 Act permission was granted after 18 June 2015, and

(iv) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 9, page 50, line 46, at end insert—

“( ) evidence that—

(i) an application for consent for the station or for additional capacity was made under section 36 of this Act,

(ii) the consultation period prescribed by Regulations made under paragraphs 2(3) or 3(1)(c) of Schedule 8 to this Act had expired on or before 18 June 2015,

(iii) the Secretary of State caused a public inquiry to be held under paragraph 2(2) or 3(3) of Schedule 8 to this Act or decided that a public inquiry need not be held,

(iv) consent was granted by the Secretary of State after 18 June 2015, and

(v) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 10, page 50, line 46, at end insert—

“( ) evidence that—

(i) an application for development consent for the station or for additional capacity was made under section 37 of the Planning Act 2008,

(ii) the deadline for receipt of representations under section 56(4) of the Planning Act 2008 had expired on or before 18 June 2015,

(iii) consent was granted by the Secretary of State after 18 June 2015, and

(iv) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 11, page 50, line 46, at end insert—

“( ) evidence that—

(i) planning permission for the station or additional capacity was granted on or before 18 June 2015,

(ii) planning permission under sections 73, 90(2), 90(2ZA) or 96A of the 1990 Act or sections 42, 57(2), 57(2ZA) or 64 of the 1997 Act, a consent under section 36C of this Act, or an order under section 153 of, and paragraph 2 or 3 of Schedule 6 to, the Planning Act 2008 varying the planning permission under clause 32LJ(4)(i)(i) was granted after 18 June 2015, and

(iii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 12, page 50, line 46, at end insert—

“( ) evidence that—

(i) 1990 Act permission or 1997 Act permission for the station or additional capacity was granted on or before 18 June 2015,

(ii) consent under section 36 of this Act that permits a greater capacity for the station than that permitted by the planning permission under clause 32LJ(4)(j)(i) was granted after 18 June 2015, and

(iii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 13, page 50, line 46, at end insert—

“( ) evidence that—

(i) planning permission for the station or additional capacity was granted on or before 18 June 2015,

(ii) planning permission under clause 32LJ(4)(k)(i) was superseded by a subsequent planning permission granted after 18 June 2015 permitting a station with the same or a lower capacity than that granted under the planning permission referred to in clause 32LJ(4)(k)(i), and

(iii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 14, page 50, line 46, at end insert—

“( ) evidence that—

(i) planning permission for the station or additional capacity was granted or refused on or before 18 June 2015, and was subsequently confirmed or granted after that date following a statutory challenge under section 288 of the 1990 Act, section 237 of the 1997 Act or section 118 of the Planning Act 2008, or following a judicial review, and

(ii) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”.

Amendment 15, page 50, line 48, leave out sub-paragraph 5(a) and insert—

“(a) evidence of an agreement with a network operator to carry out grid works in relation to the station or additional capacity and was originally made on or before 18th June 2015 notwithstanding the fact that it may have subsequently been amended or modified, and

(ab) a copy of a document written by, or on behalf of, the network operator which estimated or set a date for completion of the grid works which was no later than 31 March 2017; or”.

Amendment 40, page 50, line 49, leave out “18 June 2015” and insert “18 May 2016”.

Amendment 41, page 51, line 10, leave out “18 June 2015” and insert “18 May 2016”.

Amendment 42, page 51, line 16, at end insert “and includes planning permission deemed to be granted in accordance with section 90 of that Act”.

Amendment 43, page 51, line 26, at end insert “and includes planning permission deemed to be granted in accordance with section 57 of that Act”.

Amendment 44, page 52, line 16, leave out “31 March 2017” and insert “1 March 2017”.

Amendment 45, page 52, leave out lines 27 to 29, and insert—

“In this section “recognised lender” means a bank or financial institution or trust or fund or other financial entity which is regulated by the relevant jurisdiction and which is engaged in making, purchasing or investing in loans, securities or other financial instruments.”.

Amendment 20, page 52, line 32, leave out subsection (6).

Amendment 46, page 54, line 19, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 47, page 54, line 19, leave out “31 March 2017; or”.
Amendment 44, page 54, line 21, leave out “31 March 2017” and insert “1 March 2017”.

Government amendment 50.

Amendment 45, in clause 81, page 56, line 3, leave out “31 March 2016” and insert “1 March 2017”.

Amendment 21, page 56, line 3, leave out subsection (a) and insert—

“(aa) by a 33kV connected onshore wind generating station consented after 30 September 2015, or

(ab) by a cluster connected onshore wind generating station consented after 31 October 2015, and”.

Amendment 46, page 56, line 6, leave out “31 March 2016” and insert “1 March 2017”.

Callum McCaig: New clause 2 is straightforward. It would re-devolve the power to issue a closure order in respect of the renewables obligation for onshore wind back to the Scottish Government, where it used to belong. That power was re-reserved, so to speak, on the explicit understanding that there would be no changes—no closure and no material impact on Scotland from agreeing to that proposal. The proposal would have allowed for closure of the renewables obligation later next year, as had previously been agreed.

We have been through this. There has been extensive debate on the renewables obligation. It is worth reiterating briefly some of the concerns. As I said, power over the renewables obligation was removed from Scotland against the explicit undertaking that the Government had given to Scottish Ministers. An element of betrayal of trust has come about. That has woven its way through the entirety of the Government’s handling of onshore wind and the closure of the renewables obligation. For a long time the industry had trust in the Government. That trust has vanished.

Today’s debate and a number of the amendments offer the opportunity to improve the measure that introduces the closure of the renewables obligation, notably the numerous amendments tabled by my hon. Friend the Member for Coatbridge, Chryston and Bellshill (Philip Boswell), who has meticulously detailed how the closure of the renewables obligation was removed from Scotland against the explicit undertaking that the Government had given to Scottish Ministers. An element of betrayal of trust has come about. That has woven its way through the entirety of the Government’s handling of onshore wind and the closure of the renewables obligation. For a long time the industry had trust in the Government. That trust has vanished.

Last week the Energy and Climate Change Committee produced a report on investor confidence which suggested:

“Sudden and numerous policy announcements have marred the UK’s reputation for stable and predictable policy development.”

That is fairly damning. I am not steeped in the ways of Select Committee reports and how Committees finesse their arguments, but that is a clear criticism of the Government’s policy and how it has been implemented. It did not need to be done that way.

Through the various stages of the Bill we have accepted that the Government have a commitment to pursue that policy. We disagree with it. Their policy is short-sighted and is not the correct way of going about things. Onshore wind, in the view of the Scottish National party, has a significant role to play in the energy mix in the United Kingdom and should not have been taken out of the mix in a rather crude and cack-handed manner, but the Government have chosen to act in that way. [Interruption.] If the Government are to do that, they should do so in the best way possible. [Interruption.] I feel there is something else happening that I am not aware of.

Mr Speaker: Very disorderly conduct. The hon. Gentleman is pressing a serious case. If I may, at the risk of making an in-joke, be permitted to say this, that whatever is the subject of this debate, fortunately, not least for him, Otis is not.

Callum McCaig: I do not think I quite caught that, Mr Speaker.

Mr Speaker: Fortunately for the hon. Gentleman, he does not need to do so. He is innocent. He has been transgressed against; he has not transgressed. He can now speed ahead with his oration, to which we look forward.

Callum McCaig: Speed is the operative word, I think. We have called for the re-devolution of the power and for the grace periods to be dealt with in the most appropriate manner. In its manifesto and in debates the Conservative party has professed a desire to see local control of this matter, and nobody would argue with that. However, that requires that we respect local decisions, but the grace periods as they stand do not do that. That is why the new clause and the amendments are necessary, particularly amendment 8, in the name of my hon. Friend the Member for Coatbridge, Chryston and Bellshill, which relates to planning decisions at committee that were dealt with before the closure date, but where the approval certificate was not granted, in Scotland, owing to section 75 of the Town and Country Planning (Scotland) Act 1997, on planning gain—in England, I think it is section 106 of the Town and Country Planning Act 1990. This issue is clearly about local decision making, and the Government should give their consent so that it can be included in the Bill.

We accept that the change is going to happen. Having been explicitly opposed to it, the industry now sees that it is better to have some certainty, rather than continued uncertainty. However, that certainty needs to be correct certainty—it needs to be fair certainty and it needs to be certainty that does what it is intended to do.

We should respect local decision making. Where locally elected bodies—councils in England, Scotland, Wales and Northern Ireland, although there are different stipulations there—have agreed to projects but have not been able to get their certificate to allow them access to the renewables obligation because of the technical nature of decision making around planning gain and other such issues, that is simply wrong.

John Redwood (Wokingham) (Con): Will the hon. Gentleman remind the House why he wishes to burden his constituents and others with much dearer electricity from an interruptible source we cannot rely on?

Callum McCaig: Onshore wind has clearly been demonstrated to be one of the cheapest forms of renewable energy. If we were having a tête-à-tête, I would ask the right hon. Gentleman why he supports the obscene waste of money that will be spent on the Hinkley power plant, which will cost considerably in excess of what would be spent on onshore wind. However, as we are not having a back-and-forth, I will resist that temptation.
The issue is straightforward: we need to press ahead. The industry needs to be given certainty. The issue has been handled incredibly badly, but there is time, particularly taking cognisance of last week’s Energy and Climate Change Committee report, for the Government to make amends, to change some of the stipulations on the grace periods and to allow things to happen in the best way possible. Repenting, however late, is better than carrying on regardless.

Several hon. Members rose—

Mr Speaker: Order. The hon. Gentleman is not giving way—he has concluded his remarks.

John Redwood rose—

Chris Heaton-Harris (Daventry) (Con) rose—

Mr Speaker: Does Mr Redwood wish to speak?

John Redwood indicated dissent.

Mr Speaker: No. We will take Mr Chris Heaton-Harris and then come to the hon. Member for Southampton, Test (Dr Whitehead).

Chris Heaton-Harris: Thank you for calling me early in the debate, Mr Speaker.

I sat on the Energy Bill Committee, along with many right hon. and hon. Members present today, and I want to add a bit of balance to the Scottish National party’s contribution. We had this debate in Committee. The SNP would very much like the responsibility for the renewables obligation sent back to Scotland, and many people on the Government Benches would probably like the SNP to commit to paying for that, if it were to happen. However, only half of that is covered in the SNP proposal.

Callum McCaig: Will the hon. Gentleman give way?

Chris Heaton-Harris: I am surprised that the hon. Gentleman wants me to give way.

Callum McCaig: The hon. Gentleman is absolutely right that we had that debate, but does he accept that we will be paying an extortionate price for the Conservative party’s nuclear power plans if he gets his way?

Chris Heaton-Harris: If we are talking about paying for things, I wonder how the SNP would have paid for its proposals had Scotland gone independent, given that the oil price is residing around $30 or $40 a barrel. Let us make sure that we talk about energy in a sensible way. We did have a constructive and sensible debate in Committee, even though it was good fun to fall out occasionally on different points.

Unfortunately, Mr Speaker, you did not select any of the amendments to which I put my name. I was not being cheeky in tabling them; I just wanted to make a point. The Conservative party had a manifesto commitment on removing the renewables obligations a year earlier than expected, with no new subsidies for onshore wind, and on some planning changes. Those provisions were in the Bill, but Members of the House of Lords did not like them. In Committee, we debated what would happen if we reinserted that clear manifesto commitment, and how that would be quite a foolish thing to do because there are other methods within the planning rules that we could use.

It would be fair to talk about amplitude modulation in relation to planning requirements. There is a huge amount of concern about noise from wind turbines. I thought that I would identify a couple of the concerns in a tiny bit more detail so that Members could understand my approach.

Mr Stewart Jackson (Peterborough) (Con): My hon. Friend has a great deal of knowledge of and expertise in these issues. The other place set a very unfortunate precedent in disregarding the post-war Salisbury convention and considering it appropriate to decide that the British public were wrong to re-elect the Government on a manifesto commitment to undertake the proposals that he has elucidated.

Chris Heaton-Harris: I thank my hon. Friend for that intervention. I actually think there has been some sensible debate about this at the other end of the building. A number of sensible Labour peers, and a handful of Lib Dems, understand this point. It would be foolish for a once-coalition partner that has very few MPs in this place, but way too many peers in another place, to use that bulk of unelected opinion to force down a Government manifesto commitment. However, there are many ways to get around this problem. We can solve one planning problem in a way that would be good for communities affected by onshore wind, but it might not be the route that the peers at the other end of this building would like to go down. Perhaps they should think very sensibly about how they view this Bill in future, just in case.

A couple of years ago, I put in a freedom of information request to every planning authority across England because I wanted to see whether any of them had experienced, or had knowledge of, an element within wind noise called amplitude modulation, which is a kind of low whooshing sound that causes people great concern. I asked every environmental health officer across the country whether they had any experience of this. A large number, especially from rural areas where there are lots of onshore wind turbines, said yes, they did have had some experience of amplitude modulation, but as the current Government guidelines did not cover it, there was nothing they could do, and they wanted more information on it and better guidance from the Government. In fact, neither the wind industry nor the Department recognised that amplitude modulation existed until only a couple of years ago. That is quite bizarre considering that it was well recognised across the world at that time.

Fortunately, after I presented my findings to the Department, it came up with this statement: “DECC has recognised that amplitude modulation (AM) noise produced by wind turbines can be a cause of concern for some residents. DECC has appointed an external consultant to review the available evidence on AM, with a view to recommending how excessive AM might be controlled through a planning condition. The INWG’s study”—
the independent noise working group study that I helped to commission, which studied what causes amplitude modulation and how it can be tempered—

"will be considered alongside other evidence that is being gathered as part of this review."

The evidence that I presented showed that lots of communities and individuals up and down the country are living in houses close to wind turbines that are directly affected by excessive amplitude modulation.

In fact, it is a significant factor in people's lives. Noise complaints from wind farms are primarily related to the phenomenon of the whooshing noise. In many cases, it means that people cannot get to sleep in their own houses, which puts them under a great deal of stress. The "whoomph", swish or beating noise is known about by engineers, and we experience it when we stand next to helicopters or other turbine-like blades when they are turning. It is the most intrusive element of noise from wind turbines.

4.15 pm

The Scots are at the forefront of everything to do with—I was going to say noise, but I will say onshore wind turbine knowledge, and leave it at that. A Scottish study found that at a distance of 1 to 2 km from a wind farm, 72% of people who suffered audible noise strongly disliked it, and that a vast number of those were suffering from the effects of excessive amplitude modulation. That noise is not covered by the current Energy Technology Support Unit noise guidelines.

Mr Jackson: Does my hon. Friend agree that the issue that he rightly raises is compounded by the complementary problem of shadow flickering, which has caused distress to many people in the environs of onshore wind infrastructure? The movement of very large plant and machinery on suboptimal rural roads can also have an impact on the quality of life of people adjacent to those facilities.

Chris Heaton-Harris: Those are two very valid points. I have seen flicker for myself. Although I stood in the flicker of a wind turbine for only 10 minutes on one occasion, I understand how intrusive it could be if it affected someone's house or their place of work. I know from my constituency—I am sure that other hon. and right hon. Members will have had similar experiences—that when those turbines are moved through small villages, sometimes they cannot get through without some sort of remedy having to be made to the road. A number of people visited me this morning from the lovely village of Guilsborough, where, if a turbine shaft were to be driven through the village to a nearby wind farm, there would be a gap of inches between the turbine shaft and the houses on each side of the road. Those things do cause concern. I would say that flicker causes more concern than traffic movement, and amplitude modulation probably more than flicker.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Does the hon. Gentleman share my concern about the fact that in Wales, policy is concentrated in strategic zones, and all developments are put into five or six big development zones? The fact that there is a series of different projects makes enforcement difficult when noise levels go above what they should be. Although technically we are talking about one giant development, as far as the planning regime is concerned it is a series of smaller developments within the strategic zone, so the issue about noise enforcement becomes acute.

Chris Heaton-Harris: That is a very wise point, and one that I will come to later, if I may. I will just tease the hon. Gentleman briefly. It is possible to monitor such noise and predict where it might occur. Therefore, when amplitude modulation is causing distress to nearby residents and that is being monitored, it is possible with the agreement of the wind farm developer to stop the turbines turning during that period of time—this has happened in a couple of places in England—so the noise stops and everybody goes about their business happily.

I know that some of the proposals in Wales have been massive, and I have been working hard with my hon. Friend the Member for Montgomeryshire (Glyn Davies) on some amazingly large proposals for his constituency. I know that the matter is of real concern to many people across Wales.

As I have said, the current guidelines do not require amplitude modulation to be monitored at all. In fact, the noise falls outside ETSU monitoring. I know of only one wind farm planning decision in the United Kingdom in which a planning condition for amplitude modulation noise was imposed, which was the Den Brook development in Devon.

My concern is that everybody has known about this issue for a very long time—for decades—but no one has spoken up about it. We gave the green light to this industry, and I have previously spoken in this place about how some of the developers have not been particularly kind to villages and constituents of mine when proposing developments, because they knew everything was stacked on their side. I have previously made the argument to the hon. Member for Wigan (Lisa Nandy) that developers could have done a lot better in the past, and we might not have the current problem if it had been recognised that local people's views should carry a great deal of weight.

For decades, there was no such recognition. The wind industry has consistently denied the existence of excessive amplitude modulation, even though I can point hon. Members to experts who have demonstrated that amplitude modulation is a frequent occurrence that potentially affects all large industrial wind turbines. It often does so for long periods, and more frequently than not during the night. I point to my survey of environmental health officers and planning authorities, many of whom said that they knew amplitude modulation or something of that ilk was happening, but had no powers to deal with it and did not have the correct guidance from Government to point them in the right direction.

People complain about amplitude modulation to Members of Parliament and local planning authorities, but I think there is a hidden silent majority. People are willing to suffer such noise in silence and do not want to complain because they fear the adverse implications of getting involved, such as having to disclose any complaint they have made to a planning authority or a council when they come to sell their house.

The existing legal remedies have been found wanting. Remedies are available for neighbours of wind farms who are affected by turbine noise under ETSU, but they...
are simply not fit for purpose, and they are certainly not fit for measuring amplitude modulation. Taking action for statutory nuisance has been actively advocated by the wind industry and supported by planning inspectors, but the evidence suggests that an abatement notice is not an effective control to protect nearby residents from excessive amplitude modulation. Other remedies, such as taking action for private nuisance and similar legal actions, have been considered, but they place too much risk and burden on residents for a problem that is not of their making, with the likelihood of adverse long-term financial implications.

In addition, the recent trend is for secondary operators to form individual shell companies for each wind farm. The impact of that was highlighted in July 2015 when my right hon. Friend the Member for Haltemprice and Howden introduced a Bill to require wind farm developers to obtain public liability insurance for any nuisance they caused to nearby residents. That was particularly aimed at noise nuisance. One of his constituents had had a problem with noise from a local wind farm, but had found it impossible to sue because the operator was purely a shell company and had very limited assets.

Of more concern is the effect of amplitude modulation on health. I have read studies demonstrating adequately that wind turbine noise adversely affects sleep and health. It is abundantly clear from evidence examined by a world-renowned expert, Chris Hanning—I asked him to help me, and he worked with the group that I got together—that wind turbine noise adversely affects sleep and health at set-back distances and noise levels that are permitted by the current ETSU noise regulation. There is no reliable evidence—not one single study—that wind turbines are safe at those distances and noise levels. By contrast, an increasing volume of studies and evidence have outlined the contrary. There is a particular concern about the health of children exposed to excessive wind turbine noise. The inadequate consideration of amplitude modulation is a major factor in why I believe that ETSU fails to protect the majority of people who live near wind turbines and why I believe that it needs to be reformed. The wind industry’s denial is reminiscent of other denials of health issues in the past. It could be a very big public health issue.

I contend that the current noise standard, ETSU-97, is not fit for purpose and I have plenty of evidence to suggest that its methodology is completely incorrect. I do not have to go into that evidence because I am fortunately supported by the findings of a recent Northern Ireland Assembly report in January 2015 on wind energy. The report recommends a review of the use “of the ETSU-97 guidelines on an urgent basis, with a view to adopting more modern and robust guidance for measurement of wind turbine noise, with particular reference to current guidelines from the World Health Organisation.”

I therefore contend that we need an effective planning condition for amplitude modulation. The wind industry’s claims that an amplitude modulation planning condition is not necessary, and that the legal remedy of statutory nuisance provides adequate protection, are thoroughly discredited by the evidence I have seen and that I have published on my website. Without a planning condition, there is no effective remedy for wind farm neighbours who suffer from excessive noise. The relevance of amplitude modulation in causing noise complaints has driven the wind industry to ensure that a planning condition of that type is not applied as standard planning practice. That is why I raise it today when we are having a conversation about renewables obligation certificates and the planning guidance that goes alongside them as part of our manifesto commitment.

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): Does the hon. Gentleman agree that the decision on whether projects go ahead should sit with the local people via the planning process, so that when local people have agreed to and are in favour of the project, it should be allowed to go ahead?

Chris Heaton-Harris: I have long contended—I have said it in pretty much every speech I have given on wind in the House—that, if local people want a wind farm, who is the local MP or any politician to get in their way? I want it to be subsidy-free and I want people to benefit from it, but if the majority of local people believe that it is a benefit to their local community, I have no issue with it whatever.

People should be aware of the potential health concerns from the noise from amplitude modulation. We have the opportunity to ensure that those concerns can be mitigated. When a local community steps forward and says, “Yes, we’d desperately love to have 100 wind turbines surround our village, devalue our houses and hide us from our rural hinterland,” they can do so knowing that they could get the turbines that produce amplitude modulation turned off, so that they could at least sleep comfortably in bed at night.

Mr Jackson: Is my hon. Friend aware of the work of Professor Peter Styles of Keele University, who published a study on vibrations from 60 metre-high wind turbines at Dun Law in Scotland? He states that “when the windfarm starts to generate, even at low wind speeds, considerable infrasound signals can be detected at all stations out to” about 10 km. He adds that some developers propose to install bigger turbines, so the older studies that showed that turbines are safe for the purposes of noise are out of date. He says that modern wind turbines in excess of 100 metres high cause more problems.

Chris Heaton-Harris: I am very much aware of that study and obviously agree with what Professor Styles found. The interesting thing is that, as turbines get larger, amplitude modulation is generated over a slightly larger area. We have gone past the 80-metre stage. My constituency has dozens of wind turbines of 126.5 metres and upwards. That is about the size of the London Eye. When the blades move around and chop the wind, they create amplitude modulation. There is an understanding now that this is happening, so we need a suitable and sensible planning condition to ensure that local communities affected by this problem have a way of stopping it happening to them.

4.30 pm

This is why I wanted to talk about the application of an amplitude modulation planning condition, such as the one that came forward in 2009 for Den Brook in Devon. That represented a serious risk to the wind
industry, which fought it tooth and nail. A planning condition of this type can add cost and make it more difficult to get turbines through the planning process. People might well decide to campaign even more against a big industrial turbine being placed near them if it has potential health risks.

**John Redwood:** Can my hon. Friend tell us what the fix is for this? Is there a realistic way of suppressing the noise?

**Chris Heaton-Harris:** The best way to suppress the noise is to turn the turbine off for the period of time when the noise is likely to occur. As acousticians have demonstrated to me, the noise is more likely to occur at night when other background noises have dropped down. We can predict it, because we know which way the wind is blowing and at what speed. It drops down to ground level in a certain way, so we can know exactly which houses and which zone it will affect. Therefore, with sensible meteorological readings using the correct monitoring equipment, which is now remarkably cheap to purchase—it used to cost an awful lot—we can do a lot better.

**Heidi Allen** (South Cambridgeshire) (Con): Will my hon. Friend give way?

**Chris Heaton-Harris:** I will give way to my hon. Friend, who has a vast amount of experience in this area.

**Heidi Allen:** Not me personally, but certainly the residents in my constituency have. Everything my hon. Friend has said is right. I find it staggering, given that the world of physics and wave technology is well understood, that amplitude modulation should suddenly be a surprise to us in relation to wind farms. It is a natural occurrence of wave technology. We have a wide knowledge and evidence base in my constituency, mostly of the natural occurrence of wave technology. We have a wide area. I met the illustrious Bev Gray—I do not know if he is a constituent of my hon. Friend—who has commissioned from her Department and would like to hear our plea about amplitude modulation. Is it predictable—is it possible to say, given a certain design, “There will be this much modulation”—or is it something that just happens, depending on other factors, and therefore quite hard to plan for?

**Chris Heaton-Harris:** It is as predictable as the wind. We know which direction the wind will come from and how fast it will be, which means we can predict a zone that will be affected by amplitude modulation on any given day. So yes, we can predict it.

I ask the Minister not to give up on the changes to the renewables obligation, which were part of a manifesto commitment, and to hear our plea about amplitude modulation. I have some concerns about the report she has commissioned from her Department and would like it judged against the evidence I have given her. Had the wind industry behaved more pragmatically and sensibly a few years ago, we probably would not be in this position. I am known for my views on this subject, but I know that there are sensible developers of wind technology who try to do their best for the local communities in the areas in which they install turbines. Unfortunately, I do not have an example of that in my constituency. It might be that the wind industry has woken up to this issue after the horse has bolted.

**Dr Alan Whitehead** (Southampton, Test) (Lab): I rise to speak to our amendments 24 to 33 and 40 to 46, which, although standing individually, form a collective whole and refer to successive amendments the Government made to the Bill in another place in Committee to bring forward the closure date of the renewables obligation from 31 March 2017 to 31 March 2016. Our amendments would move that date and those of the various grace periods to 1 March 2017. They would therefore bring forward the closure date by one month, rather than one year, as is the present proposal.

I have some fears about the robustness of the present closure date in the face of the Bill’s passage. We are discussing a closure date that is very close to the day on which we are actually discussing it. The passage of the Bill, given that it came from the other place in the first instance, will have to finish in the other place shortly. The fact that the closure date before us is just a fortnight or so away from today creates considerable difficulties for the closure of the RO itself. It is not the case that we are discussing something that does not exist that can be brought into existence under legislation. We are discussing something that not only exists but, if we do nothing
by way of legislation, will continue to carry on until 31 March 2017. We are discussing something that is in the legislation already, in that there is a specific mention in the Bill that the RO comes to an end on 31 March 2017, so if nothing happens to stop the RO carrying on, it will carry on until that date. In a sense, then, we have just one go in this place at changing the date in the legislation. If the Bill continues its passage through Parliament after the closure date has come into being, we will be dealing with retrospective legislation.

John Redwood: Is it not the case that from the moment people knew who had won the general election, they knew what would be Government policy in this area and they knew that it would be done as expeditiously as possible? Surely everyone could plan perfectly well around that obvious point.

Dr Whitehead: The right hon. Gentleman might have jumped the gun in respect of the point he wanted to make about the effect of the proposed closure, but it is a different point from the one I am making about the closure. My point is that we stand in danger not only with respect to investor confidence, investor certainty or other considerations about what investors should do, which I shall come on to in a minute, but in respect of what we do, potentially exposing this House to legal action. Although the Government will have closed the renewables obligation administratively, they will not have closed it legislatively. There could be difficulties if discussions here and in the other place mean that the Bill receives Royal Assent after 31 March 2016.

Mr Jackson: I hear what the hon. Gentleman is saying, but is there not an issue of fairness and social equity here? He is making a special plea on behalf of the renewables companies for what is effectively a de facto fiscal payment from some of the poorest consumers who are in fuel poverty to those individuals and those companies. Is that not the bigger issue, not least when we also have an electoral mandate to carry through this policy, as the hon. Gentleman is well aware?

Dr Whitehead: I shall come on in a few moments to the question of whether the Conservative party has an electoral mandate to carry through this particular policy. This is not the point I am making right now. My point is that we stand in some danger not of making legal action available to those who do not want this RO to be closed. The hon. Gentleman might like to reflect on the fact that if there is a mandate, it is to get on and do it, but to do it properly, not incompetently, so that exposure to legal action can be avoided. The point about the fact that the RO is here, has been here for quite a long time and, as the legislation states, will continue until 31 March 2017—unless someone does something to stop that—is that, in principle, if no one does anything to stop it by 31 March 2016, then claims can still be put forward for receipt of an RO after that date, because that is what the legislation says. Although I do not think that in practice very many people would venture to seek certification of an RO after 31 March 2016 if we are still discussing this in the House, that possibility is nevertheless open.

Jonathan Edwards: In formulating his amendments, has the hon. Gentleman had time to consider the recent excellent report by the Select Committee on Energy and Climate Change, which said that the Government’s current policy would lead to bills increasing due to uncertainty?

Dr Whitehead: The hon. Gentleman is absolutely right to draw attention to that report and, indeed, to the issue that has arisen not just from these changes, but from a series of other abrupt lurches in policy from the Government in the field of renewable energy. The net result has been a dramatic drop in investor confidence and a dramatic fall from our advanced position as a country that was regarded as a safe, good place to invest in renewable energy. This policy lurch has led to a feeling among many investors that they are now living in a world of confusion, in which it may be recommended in the boardroom that—perhaps in light of the competitiveness of many other countries—they should invest elsewhere when it comes to renewables. It has
thrown a great many programmes into confusion and affected a great deal of potential investment in this country, not just in onshore wind but in many other renewables. Policy lurches of this sort tend to disperse and spread across confidence in other areas of investment. If things had been left well alone, it would have been possible to envisage the continued progression of a secure investment circumstance, along with a clear understanding of what investors were doing and of how investments would change over a period.

This is not about putting an end to new subsidies; it is about the removal of a well-understood, long-lived subsidy before the point at which investors, the market and everyone else had expected it to be replaced by another system. As late as the spring of last year—afer, I imagine, the Conservative manifesto had been written—the Secretary of State announced that the renewables obligation would close in March 2017, and the changeover would then be undertaken. I think that that came as a particular surprise to investors and the market because the Government had previously seemed to be so confident that the procedure would be as it had been originally set out.

It has been claimed that the removal of the renewables obligation at an early date is okay because we are reaching one of our European targets relating to the proportion of renewable energy that should make up our overall energy mix by 2020. The claim is that because the component that is represented by wind, and particularly by onshore wind, is reaching its target, it is okay to throw the market into its current confusion. We must, however, bear it in mind that we are failing substantially on the two other components of our European 15% target, heat and transport. Incidentally, the United Kingdom can be fined for missing that target.

The target can be achieved through overachievement in some areas, even if there is underachievement in others. The 12% renewable heat target, on which we are failing fairly miserably at the moment, and the 10% renewable fuel target, on which we are also failing, could be supported by our continuing to deploy onshore wind in particular. It might be suggested that to cut onshore wind at this time, given the extent of the failure to keep up with the overall energy target, is irresponsible to say the least.

A further claim that we have heard during the Bill’s passage is that all this is being done to help the customers who will have to pay for the underwriting of onshore wind. Of course it is important for us to consider the bills that customers are paying when deciding how best to establish our energy mix for the future.

We will have to establish an energy mix that is the most affordable, the most secure and the least carbonising over the next period, but the claim that this change is being introduced to help customers is in reality paper thin.

If the Government were serious about renewables in general, as they claim, the hole left by onshore wind over the next period as a result of the early closure of the RO—estimates suggest that a loss of investment of £1 billion is on the cards, as the Select Committee has noted—would have to be filled by other renewable sources that are currently more expensive to underwrite than the onshore wind they would replace. The net outcome of this measure could well be that the cost to customers is considerably more than it would have been if the present arrangements had been allowed to continue to their conclusion.

Onshore wind is at the leading edge of market parity. As the Government will be aware, it was on a sustained glide path down to parity, with investor confidence high and costs coming down. I emphasise that the damage to investor confidence as a result of this essentially retroactive Bill will be enormous. If it goes through, it will effectively replace a steady path down to market parity in which competitive deployment could progress—a cliff over which investment will fall.

A further claim that the proposed change is necessary is connected to the levy control framework, the éminence grise in many of our discussions on energy, particularly renewable energy. It is a control framework formed in obscurity by the Government and continuing in background gloom as people attempt fruitlessly to find out about its calculations, its variations and its consequent prescriptions. The levy control framework was devised in 2011 by the Government to get us into a position where about £7.6 billion at 2012 prices of levy payers’ money—money derived not from Government sources but from levies on energy companies, which would pass those costs on to their customers—would provide a framework within which renewables could develop.

However, the levy control framework is based on a static endpoint—2020 in this instance—even though prices will be variable over the period. It is based on the idea of a strike price that renewable energy will receive and that has been agreed, certainly for onshore wind, at an auction process, set against a reference price, which is the median price for energy at a particular time. The strike price is considered in relation to what rewards will be undertaken for that renewable energy. When and if energy prices go down, the difference between the strike price and the reference price widens. Although a renewable energy developer will receive the same amount of money for their energy, the make-up of the amount paid to the developer will be different. The more prices go down, the less the developer will get in relation to the reference price and the more they will get in relation to the difference between the reference price and the strike price, which will come from the levy control framework. Therefore, over a period of time the levy control framework, as designed, increases the reward to those inside the system, even though they do not get a total additional reward. New entrants are squeezed out, because the money goes to rewarding those who are already in the system and less money is provided to new entrants outside the system. Indeed, many commentators consider the present form of the levy control framework to be, in essence, bust as far as new entrants are concerned. The relatively small amount of change that the levy control framework will undergo through the ending of the renewables obligation period a year early is all about how the framework balances itself, which is a pretty thin claim bearing in mind the range of theoretical headroom in the framework and the difficulties it has experienced.

5 pm

I was recently struck by the Government announcing they were closing the RO early for an equally cheap and verging on competitive renewable technology—small commercial solar—to save customers an estimated £1 on...
their bills by 2020. Almost in the same breath, they announced a hugely expensive and dubiously effective programme for capacity market auctions, which have precisely the same funding origin in that levies will eventually be paid for by customers and which will, in this instance, put at least £20 on bills by 2020. It is estimated that early closure of the RO will save bill payers some 30p while potentially increasing our carbon emissions by 63 million tonnes. It is far more about appeasing the obsessions of several Conservative Back Benchers—[Interruption.] the hon. Member for Daventry and his hon. Friends—about wind than a surgical strike on an area of difficulty for the levy control framework.

As shown by the inadequacies of the grace periods provided for in the Bill, it is not even as if the Government are changing the rules to benefit only those schemes that those Back Benchers have been praying in aid for some time. The Opposition support the need to ensure that local decision making favours onshore wind, provided that it really is the case that if a wind farm gets local support through the planning process and has community backing, as many schemes currently outstanding do, it will get the go ahead from Government. If the Government really support that as a principle behind the future deployment of onshore wind, they should immediately include rather than exclude, which is the case currently, those schemes that always have gone down the path of seeking local support and local planning agreement in their programmes. Instead, the Government have put in place an arbitrary cut-off date for such schemes, even if the schemes were in an advanced position, such as having plans agreed and being supported locally, and were just awaiting the final certificate following agreement on administrative matters.

David Mowat: A few moments ago, the shadow Secretary of State appeared unhappy that the capacity auction announced by the Government two weeks ago had been brought forward. Is the Labour Front-Bench position that the auction should not be brought forward?

Dr Whitehead: The question of whether the capacity auction should have been brought forward is secondary to the extent to which the Government believe that the auction will actually produce new capacity, as I am sure the hon. Gentleman is fully aware. Like the levy control framework, capacity auctions warrant a much deeper reorganisation than the rather tepid arrangement undertaken by the Government. Simply bringing an auction forward by a year, using roughly the same parameters about the likely clearance price and the distance between the clearance price and the likely price necessary to secure any new investment over a 15-year period for new gas-fired power stations, does not strike me as the smartest way to procure longer-term capacity in the capacity market. A deeper reorganisation of capacity auctions is required to secure that aim over the next period.

Before that intervention, I was briefly thinking about the subject of my amendments 23 and 52, to which I wish to draw the House’s attention. If the Government were serious about the proposals in their manifesto—that schemes that have local support should proceed—they should immediately adopt these amendments. They are about schemes where all the right moves in getting local agreement to the plans have been undertaken, all inquiries, concerns and planning arrangements have been dealt with, the schemes are on the cusp of getting agreement at planning and local authority level, and they have the support of local communities, but the Government have just pulled the plug on them and they now cannot proceed. The Government ought to adopt these amendments if they were, in principle, serious about their own principle that local areas should decide on local schemes and that those local schemes could be supported where local communities support them. Conversely, I fear that if clause 80 remains in the Bill, as amended, we will have in store a programme of onshore wind execution and not the execution of an onshore wind programme.

Labour’s vision is for a locally supported, appropriate programme of onshore wind deployment, complementing other renewables such as solar, biomass, offshore wind and tidal in reaching renewable targets, not because we have to, but because it is the right thing to do in ensuring that we have a balanced, low-carbon energy mix for the future. This clause points us squarely in the opposite direction and I urge hon. Members to support amendments that put us back on track again.

John Redwood: I rise to support the Government and to urge the rejection of amendments that would delay getting rid of the subsidies for wind power. Our country desperately needs more electrical power to be available, and I am pleased that the Government are now taking action, with capacity auctions, to try to get some more power available. We need more affordable power. We need to tackle fuel poverty and have power at prices that households can afford. We also need to have affordable power for extra industry, which is one of the Chancellor’s aims. We need reliable power; we want to know that the power is there whether the wind is blowing or not, and whether the sun is shining or not. People expect continuous power, in order to light and power their homes, and industry needs continuous power for its processes. On all those grounds, wind does not cut the mustard, and I am glad that we now have a Government who recognise that.

When the history of the past 15 or 20 years comes to be written, what the European Union is doing and what the previous Labour Government did on energy policy will go down as one of the catastrophic failures. It will be at least as big as the exchange rate mechanism, which destroyed so much activity, jobs and prosperity in our country. It may not be as big as the disaster of the euro, but it will be one of the big, classic disasters of the European Union that Europe as a whole is becoming an area of too little energy and very high-cost energy, driving industry out of the European Union area and into Asia and America, where more plentiful and affordable energy is available. Far from sparing the planet extra carbon dioxide, all this mad policy is doing is making sure that the carbon dioxide is produced somewhere else, rather than within the European Union itself.

Germany has much more wind power than we do and many Opposition Members admire it in this respect, but what happens when the wind does not blow? I will tell them what happens: Germany relies on a large number of extremely dirty coal power stations to churn out the electricity, producing more carbon dioxide than it would if it had opted for a fleet of modern gas stations in the first place. On average, that would have been better than this strange mixture of intermittent
wind, which is very good on carbon dioxide when the wind blows, and back-up power, which in Germany and elsewhere in Europe is often generated from coal, and is extremely bad on carbon dioxide when the wind does not blow.

David Mowat: Germany uses coal all the time and the wind power is the intermittent stuff. Germany’s carbon emissions are 30% higher than the UK’s per unit of GDP and per capita just because it uses so much coal and fossil fuels, even though its renewables level is quite high as well.

John Redwood: Yes, but, as my hon. Friend will agree, when the wind does not blow, Germany has to use more coal. When there is no wind energy, the replacement must come from fossil fuel. A wind system with fossil fuel back-up does not even work on its own terms, and he is right that the German merit order is somewhat different.

I was going on to point out that from an economic point of view, we in this country have managed to damage every kind of power generation. If we insist on giving priority to dear, interruptible, intermittent sources such as wind, the more reliable, cheaper sources such as gas become intermittent, as they are switched off every time the wind blows and switched back on every time the wind is not blowing, which in itself is difficult and expensive. That undermines the economics of what would otherwise be good-value power. It means that we cannot run the plants flat out. We have higher operating costs because of the complications of switching on and off and managing the furnaces accordingly, with much less revenue coming in because less power is generated and power cannot continuously be sold to the market.

The ham-fisted interventions—I must interrupt, The hon. Member for Southampton, Test (Dr Whitehead) does not seem to understand the policy that his party put in place and that the European Union supports. The ham-fisted interventions in our energy market mean that we have less reliable energy, because we deliberately subsidise a lot of intermittent and unreliable energy; that we have dearer energy, because, as is commonly accounted, renewables are considerably dearer; and that we have much dearer energy overall, because of the extra cost, which is not included in the way that the cost of renewables is accounted for, which means that non-renewable power becomes a lot dearer per unit as well.

Jonathan Edwards: Has the right hon. Gentleman had an opportunity to reflect on the complete U-turn by Energy UK, which now says that the Government need to promote renewables instead of fossil fuels? Indeed, it says that an energy policy based on fossil fuels is a smartphone equivalent of placing all our bets on Nokia as opposed to Apple and Samsung.

John Redwood: No, I have not had the chance to reflect on that, but it does not seem to be a very interesting observation given the fundamental truth that I have just given him, on which the hon. Gentleman has not reflected at all. The truth of our current energy policy—

Dr Whitehead: Has the right hon. Gentleman had the opportunity to go to the national balancing services centre, which is in his constituency, as it undertakes a great deal of work balancing the system? There are substantial constraints on non-fossil fuel as well as fossil fuel inputs to the system, which cause shortages in power delivery at various stages, whether non-fossil fuel or fossil fuel delivery. Perhaps he could reflect on that in his comments.

John Redwood: Of course, as Member of Parliament for Wokingham, I have visited the centre on several occasions, and met the dedicated group of people there. The last time I visited was quite recently, and they were saying to me how much more difficult it is to manage a system that relies on wind, which is becoming more and more intermittent. That is self-evidently true. I am grateful to the hon. Gentleman for reinforcing my point, although I am not sure whether that was what he was trying to do. It used to be much easier when we had baseload power that could be relied upon and that was not interrupted by changes in the weather or the wind, and where the swing factor could be accounted for primarily by the pumped storage systems at Dinorwig. A command could be sent from Wokingham to Dinorwig. The water would come down the hill very quickly, and the kettles could boil in the interval of the big movie or whatever it was that was causing the surge in power demand. It is much more difficult now to call up power because, at the same time, the wind suddenly drops.

That is leading to our having to put in more and more interconnectors with other countries, so we become a net importer of power on a more regular basis, which is not something I value. I want us to have security of energy supply in our own country. We are, after all, an island of coal in a sea of oil and gas, and one would think we could find environmentally acceptable ways of exploiting that and burning it to produce the power we need. As I want an industrial revival in this country, that could well start with us importing less electricity.

Matthew Pennycook: Has the right hon. Gentleman had the chance to reflect on the complete U-turn by Energy UK, which now says that the Government need to promote renewables instead of fossil fuels? Indeed, it says that an energy policy based on fossil fuels is a smartphone equivalent of placing all our bets on Nokia as opposed to Apple and Samsung.

John Redwood: No, I have not had the chance to reflect on that, but it does not seem to be a very interesting observation given the fundamental truth that I have just given him, on which the hon. Gentleman has not reflected at all. The truth of our current energy policy—

5.15 pm

Matthew Pennycook: The right hon. Gentleman talks about security. Does he share the concerns that I have and that have been expressed by my hon. Friend the Member for Southampton, Test (Dr Whitehead) about the operation of the capacity market? That is costing us a great deal of money and it is manifestly failing to bring on new gas, which is its central aim.

John Redwood: As I have been trying to explain, the reason we end up with dear gas is all the other subsidised interventions we have been making. We cannot run gas flat out and get the benefits of running it in the most economical way possible. Yes, I would rather have a much simpler market. The market worked a lot better in
the 1980s and 1990s when we first set up a pretty open competitive market and power prices came down a lot. We had roughly a 25% margin of extra supply so that we were secure and we never had to worry that, if there was a cold day with the wind not blowing when industry was doing quite well, we would have to tell industry to switch its machines off. We did not get to such a position under that regime.

Now that we have a grossly intervened regime with all sorts of subsidies and priorities that do not reflect the economics of power production, we get to exactly the point that the hon. Gentleman rightly identifies, when we have to bid quite high to get people to provide gas-based power because we cannot guarantee full access to the market on a continuous basis. Of course, the more interventions there have been over the years of Labour and coalition and now the Conservatives, the more changes are needed in that intervention regime as the Government tinker or try to change it to make it work better, and the higher the prices tend to have to be because people become more suspicious if Government have so much power and if Government keep changing their mind.

So it is quite easy to get from a relatively free, successful market to a badly damaged, rigged, subsidised market. It is quite difficult getting from a badly damaged, subsidised market where the interventions are not very helpful to one that works better, because there is suspicion in the minds of investors, and they need longer contracts, bigger guarantees and higher prices to give them some kind of offset as they fear the Government may tinker unnecessarily.

This debate is about the amendment. I support the Government in their view. I want the Government to get on with removing the subsidies to onshore wind, as we said we would do. I hope the Opposition and the other place will not delay that further. We gave plenty of notice of this, and the sooner we do it the sooner we will get a bit closer to having a less damaged energy market.

**Philip Boswell:** Onshore wind is one of the most inexpensive forms of renewable energy, and it is therefore critical to maximise its input into a renewable energy solution across the UK to enable Scotland and the rest of the UK to meet our climate change targets.

Closing the RO early puts in jeopardy £3 billion-worth of onshore wind investment in Scotland alone for a forecast 30p saving in energy bills. This is a false economy of onshore wind investment equates to 63 million tonnes of CO2. That is from DECC’s own analysis and represents a missed opportunity both economically and in terms of hitting climate change targets.

I spoke at length in Committee on the grace periods and the importance of getting them right, so I will not labour the point here. However, it is important that they are fair and do not disadvantage projects which, through no fault of their own, fall through the crack owing to early closure of the RO.

My hon. Friend the Member for Aberdeen South (Callum McCaig) and the hon. Member for Southampton, Test (Dr Whitehead), who is no longer in his place, spoke eloquently about the real and very difficult deterioration in investor confidence caused by the early closure of the RO. Now that that is proceeding, it must be done fairly and with a view to the critical part that onshore wind plays in the overall energy solution for the UK. We must keep the lights on, which is why we intend to press amendment 8 to a Division.

**The Minister of State, Department of Energy and Climate Change (Andrea Leadsom):** Before dealing with other proposals, I would like to speak to Government amendment 50. As I made clear during our last debate on this issue, I would like to see an equivalent approach taken right across the UK to the early closure of the renewables obligation onshore wind, to provide consistency to industry and to protect consumer bills. Amendment 50 relates to clause 81—the backstop power regarding Northern Ireland.

In Committee, I introduced a clause with a view to protecting consumers in Great Britain from the costs of any additional support that Northern Ireland may decide to provide to onshore wind. I remind hon. Members that the clause received considerable support at that stage and that it is a backstop power—this is to say, it is intended to be exercised only if Northern Ireland decides not to close the Northern Ireland renewables obligation scheme to new onshore wind on equivalent terms to those in Great Britain.

The new amendment simply clarifies the drafting of the clause to ensure consistency with the provisions relating to the early closure of the renewables obligation in Great Britain by making it clear that the power in clause 81 extends to capacity added to existing onshore wind stations, as well as to new stations. I should highlight that the intent behind the clause has not changed at all.

I thank all hon. Members for their comments on the non-Government provisions. A number of them—specifically amendments 1 to 21, tabled by the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell)—were discussed in some detail and at length in Committee. As far as I can see, the amendments have not changed at all since we last discussed them. Following our agreement not to include them then, the hon. Gentleman has tabled them here once again.

To ensure clarity for hon. Members who did not attend the Committee debates and to move forward with this debate, and indeed the Bill, I am happy to set out the Government’s position again. I will first remind hon. Members of the intended effect of clauses 79 and 80. Clause 79 implements the early closure of the renewables obligation to new onshore wind in Great Britain. Clause 80 sets out the grace period conditions under which certain projects may continue to accredit beyond the early closure date.

Let me be clear: the Government remain committed to delivering our manifesto pledge to end new subsidies for onshore wind, and I am grateful to my right hon. Friend the Member for Wokingham (John Redwood) and my hon. Friend the Member for Daventry (Chris Heaton-Harris) for the clear support they expressed. The Government are, however, also conscious of the need for industry certainty. Therefore, in response to the question from the hon. Member for Southampton, Test (Dr Whitehead), I would like to make it clear that, if Royal Assent for the Bill goes beyond 31 March, the Government intend the provisions to come into force.
from the date of Royal Assent and do not intend to backdate them. I reiterate that there is absolutely no change to our commitment to end new subsidies for onshore wind, and our actions have shown that we will be tough on subsidies to keep bills down for families and businesses.

Onshore wind has deployed successfully to date. Based on our analysis, and taking early closure of the renewables obligation into account, we still expect the deployment of onshore wind to fall within our electricity market reform delivery plan projections of 11 to 13 GW by 2020. That is our best estimate of what is needed to meet our 2020 targets and of what is affordable under our low-carbon spending cap.

When we announced early closure on 18 June, we made it clear that it was appropriate to curtail further deployment of onshore wind, balancing the interests of onshore wind developers with those of the wider public. As I explained in our earlier debates, the grace period conditions in clause 80 were developed following extensive stakeholder engagement and have been designed specifically to provide certainty and clarity for industry. In particular, we engaged in detail on the core grace period conditions, referred to as the “approved development condition” in the Bill. This requires projects wishing to accredit under the RO beyond 31 March 2016 to provide evidence that, of 18 June 2015, they had, first, relevant planning consents; secondly, a grid connection offer and acceptance of that offer, or confirmation that no grid connection is required; and thirdly, access to land rights.

Following further industry engagement and analysis by my Department, the Bill’s provisions have been improved in a number of ways: first, to capture those projects that had a planning application refused on or before 18 June 2015, or where the relevant planning authority failed to determine a planning application where a decision was due by 18 June 2015, and which are then subsequently granted consent on appeal; secondly, to introduce an “investment freezing condition” allowing certain projects that qualify for the grace period an additional nine months in which to accredit where they have been unable to secure debt funding due to legislative uncertainty; and thirdly, to provide that the existing grid and radar grace period will continue to be available so that projects that have suffered delays outside their control in this area will have a further 12 months in which to accredit.

Let me take a moment to reflect on the important point about investor confidence. The Government believe that the early closure and grace period provisions that we have presented within the Bill strike the right balance between protecting investor confidence and ensuring our ability to control costs under the levy control framework.

Jonathan Edwards: The Minister has outlined the criteria for closing the scheme. Does she share my concern that in Wales this has created some difficulty in understanding which schemes will now fall outside the RO and which will fall within it, because in Wales the generation applications and infrastructure applications come separately, whereas in England they come together in the same application?

Andrea Leadsom: I am grateful to the hon. Gentleman for making that point, but I think that our grace periods are already clear, and that developers who have sought clarity have been able to get it from the words in our debates and in the Bill.

Investor confidence seems to be the main reason used to support further changes to the grace periods, as proposed in the amendments from the hon. Member for Coatbridge, Chryston and Bellshill and in many of the other amendments that have been tabled. The Energy and Climate Change Committee’s inquiry into investor confidence concluded earlier this year. I want to reflect on one point in particular that was raised during the Committee’s very thorough evidence sessions. The evidence given by Peter Dickson from Glenmont Partners suggested that “investments continue to attract capital in the UK—for example in offshore wind”.

Far from Government policies putting investors off investing in renewables in the UK, in fact it seems that significant investment is still coming forward.

I thank my hon. Friend the Member for Daventry, my hon. Friends the Members for Peterborough (Mr Jackson) and for South Cambridgeshire (Heidi Allen), and my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) for raising with me the important issues around visual, amenity and noise impacts from onshore wind farms and the impact that they can have at local level. I can confirm that our manifesto commitment specifically called for a halt to the spread of onshore wind farms and a change in the law so that local people have the final say on wind farm applications. We are making sure that people’s concerns are addressed. Specifically, the Government are considering measures related to noise and amplitude modulation. We touched on this matter in Committee. As I said then, we are determined to address this and find a solution to the problem. This is possibly taking longer than my hon. Friends would like, but we are taking independent advice and will consider how best to act in the light of that advice, which I expect to receive shortly. At this stage, I cannot comment further, but I hope that my hon. Friend the Member for Daventry will continue to be patient with me in the knowledge that we are looking at this very closely.

On new clause 2, tabled by the hon. Member for Aberdeen South (Callum McCaig), it is imperative that the early closure applies consistently across Great Britain in order to protect consumers from the risk of over-deployment beyond what has been agreed is affordable under the levy control framework. The new clause would allow Scottish Ministers to provide for further deployment of onshore wind in Scotland under the renewables obligation at a cost to consumers right across Great Britain. In fact, our estimates show that in 2015-16, £520 million, or approximately 60%, of RO support will already go towards funding Scottish onshore wind farms, even though only about 10% of UK bill payers are in Scotland.

The hon. Gentleman tabled the new clause in Committee at the beginning of February, and at that time we discussed the question of Scotland being willing to take responsibility for funding its own renewables obligation. During the debate, the hon. Member for Coatbridge, Chryston and Bellshill expressly responded to that suggestion:

“The short answer to that is no.”—[Official Report, Energy Public Bill Committee, 2 February 2016: c. 133.] I cannot imagine that his position has changed in the brief period since that debate.
5.30 pm

Amendments 8 and 23 relate to projects for which a local planning committee may have indicated that it was minded to grant planning consent, but which did not have formal planning permission as of 18 June last year. That would include projects that just had an indication that they would receive planning consent subject to a section 106 or section 75 agreement being entered into, or projects for which the local planning committee was minded to approve a planning application before 18 June, but for which planning permission was not formally issued until after that date.

The amendments would lead to additional deployment and increased spend under the levy control framework, further blurring the clear, bright line that the Government have set out for projects wishing to accredit under the RO after 31 March this year. To be clear, those projects did not have formal planning permission as at 18 June last year, and therefore they would not meet the grace period criteria.

Jonathan Edwards: Further to my previous intervention, is the Minister in a position to inform the House and my constituents whether the Brechfa West project in my constituency will be eligible for the RO? It had generating planning permission but not infrastructure planning permission. Despite my requests to the Department and to Ofgem, nobody can tell me or my constituents whether the Brechfa West project will be able to claim the RO.

Andrea Leadsom: As I have said to the hon. Gentleman, I think our intentions are clear from words spoken in this Chamber and in the Bill Committee. I will certainly look into the case he mentions, but I do not have the information that he is looking for right now.

Amendments 24 to 46 are all intended to delay the early closure of the RO until 1 March 2017, closing it only one month earlier than the original closure date of 31 March 2017. It is therefore my understanding that the hon. Members who have tabled the amendments want the RO to close to onshore wind only a month earlier than planned, while maintaining the grace period provisions set out by the Government. Clearly, such a change would not meet the objectives of the early closure policy, which I have consistently set out in debates on the Bill and have explained again today. To change the early closure date to 1 March 2017 would go against the intentions of our manifesto commitment, and would be likely to make no reduction to overall deployment or costs under the levy control framework.

I remind hon. Members that those limits have been set for a crucial reason. As my right hon. Friend the Member for Coatbridge, Chryston and Bellshill, who spoke in Committee on this very issue:

“We can only expect bill payers to support low carbon power, as long as costs are controlled. I inherited a department where policy costs on bills had spiralled. Subsidy should be temporary, not part of a permanent business model.”

I remind hon. Members again that the Government have an electoral mandate to deliver on our manifesto commitment to halt the spread of onshore wind, and that is exactly what the clause is intended to do. However, the Government are mindful of the need to protect investor confidence and to take into account the interests of the onshore wind industry. That is why we have set out grace period provisions, which appear in clause 80.

I believe that I have consistently explained that the Government have an obligation to protect consumers from the risk of over-deployment of new onshore wind and rising energy bills. The date changes proposed in the amendments would simply put us back to where we started, providing no protection for consumers and putting us at risk of deploying up to 7.1 GW of additional onshore wind, which is well beyond what the Government have decided is affordable under the levy control framework.

To conclude, I stress the importance of swiftly moving forward with the proposals. I again quote the hon. Member for Coatbridge, Chryston and Bellshill, who said in Committee on this very issue:

“We agree that swift passage of the Bill with clear and consistent RO grace period provisions is needed in order to provide certainty to investors in the onshore wind sector as quickly as possible.”


Clear and consistent provisions are exactly what the Government are attempting to provide, and we need to be able to move forward with the debate to do so.

Callum McCaig: I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

Clause 79

Onshore wind power: closure of renewables obligation on 31 March 2016

Amendment proposed: 24, page 46, line 20, leave out “31 March 2016” and insert “1 March 2017”—(Dr Whitehead.)

This amendment and amendments 25, 26, 40, 41, 42, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38 and 39 have the effect of closing the Renewables Obligation for onshore wind a month earlier than the original date set out in the Statutory Instrument: Renewables Obligation Closure Order 2014: 2388, rather than a year earlier, as the Bill does in its present form.

Question put, That the amendment be made.

The House divided: Ayes 183, Noes 270.

Division No. 214

[5.35 pm]

AYES

Abbott, Ms Diane
Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Austin, Ian
Barron, ro Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Campbell, rh Mr Alan
Carmichael, rh Mr Alistair
Champion, Sarah
Chapman, Jenny
Coaker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cox, Jo
Coyne, Neil
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic

NOES
Danczuk, Simon        Magee, Stephen
David, Wayne          Mai, Michelle
De Piero, Gloria      Makinson, Deborah
Donaldson, rh Jeffrey  Markham, Stephen
Doughty, Stephen      Mawby, Michael
Dowd, Peter           Mathews, Nicholas
Durkan, Mark          McDowell, Stephen
Eagle, Ms Angela      McFadden, Dr John
Eagle, Maria          McDonnell, John
Efford, Clive         McEachern, Rhys
Ellman, Mrs Louise    McEwen, Stephen
Esterson, Bill        McIlven, Rhys
Evans, Chris          McKee, Peter
Farrell, Paul         McKie, Jamie
Field, rh Frank       McKinnell, Catherine
Fitzpatrick, Jim      McMahon, Jim
Fletcher, Colleen     Mears, Ian
Flint, rh Caroline    Miliband, rh Edward
Flynn, Paul           Milden, Alan
Fovargue, Yvonne      Miers, Rhys
Gardiner, Barry       Millward, Tim
Glass, Pat            Milne, Rhys
Glindon, Mary         Minka, John
Godsiff, Mr Roger     Minton, John
Greenwood, Lilian     Mordaunt, James
Greenwood, Margaret   Morrell, Martin
Griffith, Nia         Morris, Tom
Hanson, rh Mr David   Morris, Tom
Harris, Carolyn       Morris, Tom
Hayes, Helen          Morris, Tom
Hayman, Sue           Morris, Tom
Healey, rh John       Morris, Tom
Hermon, Lady          Morris, Tom
Hillier, Meg          Morris, Tom
Hodgson, Mrs Sharon   Morris, Tom
Hollern, Kate         Morris, Tom
Howarth, rh Mr George Morris, Tom
Hunt, Tristram        Morris, Tom
Huq, Dr Rupa          Morris, Tom
Hussain, Imran        Morris, Tom
Jarvis, Dan           Morris, Tom
Johnson, rh Alan      Morris, Tom
Johnson, Diana        Morris, Tom
Jones, Graham         Morris, Tom
Jones, Helen          Morris, Tom
Jones, Mr Kevan       Morris, Tom
Jones, Susan Elan     Morris, Tom
Kane, Mike            Morris, Tom
Kaufman, rh Sir Gerald Morris, Tom
Keely, Barbara        Morris, Tom
Kendall, Liz          Morris, Tom
Kinnoch, Stephen      Morris, Tom
Kyle, Peter           Morris, Tom
Lamb, rh Norman       Morris, Tom
Lammy, rh Mr David    Morris, Tom
Laver, Ian            Morris, Tom
Leslie, Chris         Morris, Tom
Lewell-Buck, Mrs Emma Morris, Tom
Lewis, Clive          Morris, Tom
Long Bailey, Rebecca  Morris, Tom
Lucas, Caroline        Morris, Tom
Lucas, Ian C.         Morris, Tom
Lynch, Holly          Morris, Tom
Mactaggart, rh Fiona  Morris, Tom
Madders, Justin       Morris, Tom
Mahmod, Shabana       Morris, Tom
Malhotra, Seema       Morris, Tom
Marris, Rob           Morris, Tom
Marsden, Mr Gordon    Morris, Tom
Maskell, Rachael      Morris, Tom
Matheson, Christian   Morris, Tom
McCabe, Steve         Morris, Tom
McCarthy, Kerry       Morris, Tom
McDonagh, Siobhain    Morris, Tom
McDonald, Andy        Morris, Tom
McDonnell, John       Morris, Tom
McFadden, Dr Mr Pat   Morris, Tom
McGinn, Conor         Morris, Tom
McInnes, Liz          Morris, Tom
McKinnell, Catherine  Morris, Tom
McMahon, Jim          Morris, Tom
Mearns, Ian           Morris, Tom
Miliband, rh Edward   Morris, Tom
Morden, Jessica       Morris, Tom
Murray, Ian           Morris, Tom
Nandy, Lisa           Morris, Tom
Onn, Melanie          Morris, Tom
Onurah, Chi           Morris, Tom
Osamor, Kate          Morris, Tom
Owen, Albert          Morris, Tom
Pearce, Teresa        Morris, Tom
Pennycook, Matthew    Morris, Tom
Perkins, Toby         Morris, Tom
Pound, Stephen        Morris, Tom
Powell, Lucy          Morris, Tom
Qureshi, Yasmin       Morris, Tom
Rayner, Angela        Morris, Tom
Reed, Mr Jamie        Morris, Tom
Reed, Mr Steve        Morris, Tom
Rees, Christina       Morris, Tom
Reynolds, Jonathan    Morris, Tom
Rimmer, Marie         Morris, Tom
Ritchie, Ms Margaret  Morris, Tom
Robinson, Mr Geoffrey Morris, Tom
Rotheram, Steve       Morris, Tom
Ryan, rh Joan         Morris, Tom
Saville Roberts, Liz  Morris, Tom
Shah, Naz             Morris, Tom
Sharma, Mr Virendra   Morris, Tom
Sheerman, Mr Barry    Morris, Tom
Sherriff, Paula       Morris, Tom
Siddiq, Tulp          Morris, Tom
Skinner, Mr Dennis    Morris, Tom
Slaughter, Andy       Morris, Tom
Smith, rh Mr Andrew   Morris, Tom
Smith, Angela         Morris, Tom
Smith, Cat            Morris, Tom
Smith, Nick           Morris, Tom
Smith, Owen           Morris, Tom
Smyth, Karin          Morris, Tom
Stevens, Jo           Morris, Tom
Stuart, rh Ms Gisela  Morris, Tom
Tami, Mark            Morris, Tom
Thomas-Symonds, Nick  Morris, Tom
Thomberry, Emily      Morris, Tom
Timms, rh Stephen     Morris, Tom
Trickett, Jon         Morris, Tom
Turley, Anna          Morris, Tom
Twaig, Derek          Morris, Tom
Twaig, Stephen        Morris, Tom
Vaz, Valerie          Morris, Tom
Watson, Mr Tom        Morris, Tom
West, Catherine       Morris, Tom
Whitehead, Dr Alan    Morris, Tom
Winterton, rh Dame Rosie Morris, Tom
Woodcock, John        Morris, Tom
Wright, Mr Iain       Morris, Tom
Zeichner, Daniel      Morris, Tom

Tellers for the Ayes:          Morris, Tom
Grahame M. Morris and
Jeff Smith

Adams, Nigel           Morris, Tom
Afriyie, Adam          Morris, Tom
Aldous, Peter          Morris, Tom
Allan, Lucy            Morris, Tom
Allen, Heidi           Morris, Tom
Amess, Sir David       Morris, Tom
Andrew, Stuart         Morris, Tom
Ansell, Caroline       Morris, Tom
Argar, Edward          Morris, Tom
Atkins, Victoria       Morris, Tom
Bacon, Mr Richard      Morris, Tom
Baker, Mr Steve        Morris, Tom
Baldwin, Harriett     Morris, Tom
Barclay, Stephen       Morris, Tom
Barwell, Gavin         Morris, Tom
Bellingham, Sir Henry  Morris, Tom
Benyon, Richard        Morris, Tom
Beresford, Sir Paul    Morris, Tom
Berry, Jake            Morris, Tom
Berry, James           Morris, Tom
Bingham, Andrew        Morris, Tom
Blackman, Bob          Morris, Tom
Blunt, Crispin         Morris, Tom
Bone, Mr Peter         Morris, Tom
Borwick, Victoria      Morris, Tom
Bottomley, Sir Peter   Morris, Tom
Bradley, Karen         Morris, Tom
Brady, Mr Graham       Morris, Tom
Brazier, Mr Julian     Morris, Tom
Bridgen, Andrew        Morris, Tom
Brine, Steve          Morris, Tom
Brokenshire, rh James  Morris, Tom
Bruce, Fiona           Morris, Tom
Burns, Conor           Morris, Tom
Burns, rh Sir Simon    Morris, Tom
Cairns, Alun           Morris, Tom
Carmichael, Neil       Morris, Tom
Cartilage, James       Morris, Tom
Cash, Sir William     Morris, Tom
Caulfield, Maria       Morris, Tom
Chalk, Alex            Morris, Tom
Chishti, Rehman        Morris, Tom
Clark, rh Greg         Morris, Tom
Clarke, rh Mr Kenneth  Morris, Tom
Cleverly, James        Morris, Tom
Clifton-Brown, Geoffrey Morris, Tom
Coffey, Dr Thérèse     Morris, Tom
Collins, Damian        Morris, Tom
Costa, Alberto         Morris, Tom
Cox, Mr Geoffrey       Morris, Tom
Crabb, rh Stephen      Morris, Tom
Davies, Byron          Morris, Tom
Davies, Glyn           Morris, Tom
Davies, Mims           Morris, Tom
Davies, rh Mr David    Morris, Tom
Djobjory, Mr Jonathan  Morris, Tom
Donelan, Michelle      Morris, Tom
Double, Steve          Morris, Tom
Dowden, Oliver         Morris, Tom
Doyle-Price, Jackie    Morris, Tom
Drax, Richard          Morris, Tom
Drummond, Mrs Flick    Morris, Tom
Duddridge, James       Morris, Tom
Duncan, rh Sir Alan    Morris, Tom
Duncan Smith, rh Mr Iain Morris, Tom
Dunne, Mr Philip       Morris, Tom
Ellis, Michael         Morris, Tom
Ellison, Jane          Morris, Tom
Ellwood, Mr Tobias     Morris, Tom

NOES
Elphicke, Charlie      Morris, Tom
Eustice, George        Morris, Tom
Evans, Graham          Morris, Tom
Evwennett, rh Mr David Morris, Tom
Fabricant, Michael     Morris, Tom
Fallon, rh Michael     Morris, Tom
Fernandes, Suella      Morris, Tom
Field, rh Mark         Morris, Tom
Foster, Kevin          Morris, Tom
Fox, rh Dr Liam        Morris, Tom
Frazier, Lucy          Morris, Tom
Freeman, George        Morris, Tom
Freer, Mike            Morris, Tom
Fuller, Richard        Morris, Tom
Fysh, Marcus           Morris, Tom
Gale, Sir Roger        Morris, Tom
Garnier, rh Sir Edward Morris, Tom
Garnier, Mark          Morris, Tom
Gauke, Mr David        Morris, Tom
Ghani, Nusrat          Morris, Tom
Gibb, Mr Nick          Morris, Tom
Glen, John             Morris, Tom
Goodwill, Mr Robert    Morris, Tom
Graham, Richard        Morris, Tom
Grant, Mrs Helen       Morris, Tom
Grayling, rh Chris     Morris, Tom
Green, Chris           Morris, Tom
Green, rh Damien        Morris, Tom
Griffiths, Andrew      Morris, Tom
Gummer, Ben            Morris, Tom
Gyimah, Mr Sam         Morris, Tom
Halfon, rh Robert       Morris, Tom
Hall, Luke             Morris, Tom
Hammond, Stephen       Morris, Tom
Hands, rh Greg          Morris, Tom
Harper, rh Mr Mark      Morris, Tom
Harrington, Richard    Morris, Tom
Harris, Rebecca        Morris, Tom
Hart, Simon            Morris, Tom
Hayes, rh Mr John       Morris, Tom
Head, Sir Oliver       Morris, Tom
Heappey, James         Morris, Tom
Heaton-Harris, Chris    Morris, Tom
Heaton-Jones, Peter    Morris, Tom
Henderson, Gordon      Morris, Tom
Herbert, rh Nick        Morris, Tom
Hinds, Damian          Morris, Tom
Hoare, Simon           Morris, Tom
Hollinrake, Kevin      Morris, Tom
Hollobole, Mr Philip    Morris, Tom
Holloway, Mr Adam      Morris, Tom
Hopkins, Kris          Morris, Tom
Huddleston, Nigel      Morris, Tom
Hunt, rh Mr Jeremy     Morris, Tom
Jackson, Mr Stewart    Morris, Tom
Javid, rh Sajid        Morris, Tom
Jayawardenia, Mr Ranil Morris, Tom
Jenkyns, Andrea        Morris, Tom
Jennick, Robert        Morris, Tom
Johnson, Boris         Morris, Tom
Johnson, Gareth        Morris, Tom
Johnson, Joseph        Morris, Tom
Jones, Andrew          Morris, Tom
Jones, Mr Marcus        Morris, Tom
Kawczynski, Daniel    Morris, Tom
Kennedy, Seema        Morris, Tom
Kirby, Simon          Morris, Tom
Knight, rh Sir Greg    Morris, Tom
Knight, Julian         Morris, Tom
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Mackinlay, Craig
Main, Mrs Anne
Mak, Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCarty, Jason
McCarty, Karl
McPartland, Stephen
Menzies, Mark
Merrimans, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Millng, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Olford, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pincher, Christopher
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tolhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shashi
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williamson, rh Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim

**Tellers for the Noes:**
Margot James and George Hollingbery

**Clause 80**

**Onshore wind power: circumstances in which certificates may be issued after 31 March 2016**

Amendment proposed: 8, page 50, line 46, at end insert—

‘( ) evidence that—

(i) an application for 1990 Act permission or 1997 Act permission was made on or before 18 June 2015 for the station or for additional capacity,

(ii) the relevant planning authority resolved to grant 1990 Act permission or 1997 Act permission on or before 18 June 2015,

(iii) 1990 Act permission or 1997 Act permission was granted after 18 June 2015, and

(iv) any conditions as to the time period within which the development to which the permission relates must be begun have not been breached.”—(Philip Boswell.)

**Question put.** That the amendment be made.

The House divided: Ayes 229, Noes 271.

**Division No. 215**

[5.49 pm]

**AYES**

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Shelkhi, Ms Tasmina
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Arkless, Richard
Austin, Ian
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Bosswell, Philip
Bradshaw, rh Mr Ben
Brennan, Kevin
Brook, Deidre
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Burnham, rh Andy
Butler, Dan
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Champion, Sarah
Champion, Douglas
Champion, Jenny
Coaker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cox, Jo
Court, Tom
Cross, Stephen
Cullum, Dr Sarah
Doherty, Stephen
Dodd, Philip
Doherty, Stephen
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrell, Paul
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Forster, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Gethin, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter

**Question accordingly negatived.**
Tellers for the Ayes:
Owen Thompson and Marion Fellows

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Barwell, Gavin
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Burns, Conor
Burns, rh Sir Simon
Cairns, Alun
Cameron, rh Mr David
Carroll, Neill
Cartwright, James
Cash, Sir William
Cautfield, Maria
Chalk, Alex
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Davies, Byron
Davies, Glyn
Davies, Mims
Davis, rh Mr David
Djanogly, Mr Jonathan
Donelan, Michelle
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie

NOES
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Glen, John
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollinrake, Kevin
Hollóbone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Hudgell, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkyns, Andrea
Jennick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr Marcus
Kaczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Shabana
Malhotra, Seema
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonnell, Stuart C.
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Morden, Jessica
Morris, Grahame M.
Mullin, Roger
Murray, Ian
Nandy, Lisa
Newlands, Gavin
O'Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Pound, Stephen
Powell, Lucy
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Mr Geoffrey
Rotheram, Steve
Ryan, rh Joan
Shah, Naz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Serriff, Paula
Skinner, Mr Dennis
Slaughter, Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Smyth, Karin
Stephen, Chris
Stevens, Jo
Stuart, rh Ms Gisela
Tami, Mark
Thewlis, Alison
Thomas-Symonds, Nick
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Twigg, Derek
Twigg, Stephen
Vaz, Valerie
Watson, Mr Tom
West, Catherine
Whitehead, Dr Alan
Whitford, Dr Philippa
Wilson, Corri
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel
More than two hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme Order, this day).

The Deputy Speaker put forthwith the Question necessary for the disposal of the business at that time (Standing Order No. 83E).

Clause 81

Offshore wind power: use of Northern Ireland certificates

Amendment made: 50, page 56, line 2, leave out from “generated” to end of line 7 and insert

“(a) using the original capacity of a Northern Ireland onshore wind generating station accredited after 31 March 2016 (or any later date so specified), or

(b) using additional capacity of a Northern Ireland onshore wind generating station, where in the Authority’s view the additional capacity first formed part of the station after 31 March 2016 (or any later date so specified).”—(Andrea Leadsom.)

This amendment expands the definition of a relevant Northern Ireland certificate to include a certificate issued in respect of energy generated using additional capacity which first formed part of the generating station after the closure date.

New Clause 3

Carbon capture and storage strategy for the energy industry

‘(1) By June 2017, the Secretary of State must develop, promote and implement a comprehensive national strategy for carbon capture and storage (CCS) for the energy industry to deliver the emissions reductions required to meet the fifth and subsequent, carbon budgets at the scale and pace required.

(2) In developing the strategy, the Secretary of State must consult—

(a) HM Treasury;
(b) the Department for Business, Innovation and Skills;
(c) the Oil and Gas Authority;
(d) the National Infrastructure Commission;
(e) Scottish Ministers;
(f) Welsh Ministers, and
(g) other relevant stakeholders including the CCS industry.

(3) The strategy must include though shall not be restricted to—

(a) the development of infrastructure for carbon dioxide transport and storage;
(b) a funding strategy for implementation including provision of market signals sufficient to build confidence for private investment in the CCS industry;
(c) priorities for such action in the immediate future as may be necessary to allow the orderly and timely development and deployment of CCS after 2020;
(d) promotion of cost-effective innovation in CCS; and
(e) clarification of the responsibilities of government departments with respect to the implementation of the strategy.”

(4) The Secretary of State must report to Parliament on the progress of its implementation of the strategy every three years starting in 2020.”.—(Callum McCaig.)

This new clause would compel the Secretary of State to bring forward a strategy for carbon capture and storage for the energy industry

Brought up, and read the First time.
6 pm

Callum McCaig: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

New clause 6—Emissions trading: United Kingdom carbon account—

In section 27 (net UK carbon account) of the Climate Change Act 2008, after subsection (2) insert—

“(2A) No carbon units deriving from the operation of the EU Emissions Trading System may be credited to or debited from the net United Kingdom carbon account for any period commencing after 31 December 2027.”

New clause 7—Carbon capture and storage strategy for the energy industry—

’(1) The Secretary of State must—

(a) develop, promote and implement a comprehensive national strategy for carbon capture and storage (CCS) for the energy industry to deliver the emissions reductions required to meet the fifth and subsequent carbon budget, as advised by the committee on climate change;
(b) develop a strategy in consultation with HM Treasury, the Department for Business, Innovation and Skills, the Oil and Gas Authority, the National Infrastructure Commission, energy intensive industries and other relevant stakeholders including the CCS industry;
and
(c) have that strategy in place by June 2017 and report to Parliament on the progress of its implementation every three years thereafter.

(2) The strategy provided for by subsection (1) shall, amongst other things, include—

(a) the development of infrastructure for carbon dioxide transport and storage;
(b) a funding strategy for implementation including provision of market signals sufficient to build confidence for private investment in the CCS industry;
(c) a strategy for international co-operation on the development and implementation of relevant technologies;
(d) priorities for such action in the immediate future as may be necessary to allow the orderly and timely development and deployment of CCS after 2020.
and
(e) a strategy for co-operation through the European Union.”

New clause 8—Decarbonisation target range—

’(1) Section 1 of the Energy Act 2013 is amended as follows.

(2) Leave out subsection (2) and insert—

“(2) The Secretary of State must by order (“a decarbonisation order”) set a decarbonisation target range, which shall be reviewed annually thereafter.”

(3) Leave out subsection (5) and insert—

“(5) The decarbonisation order shall be made within six months of the adoption of the fifth carbon budget set by virtue of the duty of the Secretary of State under section 4 (2) (b) of the climate Change Act 2008.”

New clause 9—Amendment to Energy Act 2013: Capacity agreements—

After Section 28(4) of the Energy Act 2013, insert—

’(4A) Electricity capacity regulations introduced by subsection (1) for any fossil fuel generating plant granted 15 year capacity contracts under the capacity agreements established by this section shall be subject to the Emissions Performance Standard as established by Section 57 (2) of this Act.”

New clause 10—Emissions trading: United Kingdom carbon account—

In section 27 (net UK carbon account) of the Climate Change Act 2008, after subsection (3) insert—

‘(3A) In respect of any period commencing after 31 December 2027, the regulations must not make provision for carbon units to be credited to or debited from the net United Kingdom carbon account on the basis of the number of carbon units surrendered by operators of installations in the United Kingdom pursuant to the European Union Emissions Trading Scheme.”’

New clause 11—Zero net UK [carbon] emissions—

’(1) The Climate Change Act 2008 is amended as follows.

(2) After section (3) of the 2008 Act, insert the following—

3A Net UK carbon emissions target: zero emissions year

’(1) The Secretary of State shall set a date by which net UK emissions must be zero or lower (“the zero emissions year”) by order no later than 12 months from the date on which the Energy Act 2016 comes into force.

(2) It is the duty of the Secretary of State to ensure that the net UK emissions for the zero emissions year and each year thereafter is zero or less.

(3) If an annual statement of UK emissions under Section 16 for a year after the zero emissions year shows that net UK carbon emissions are more than zero, the Secretary of State must, as soon as reasonably practicable lay before Parliament a statement which—

(a) explains why the zero net emissions target has not been met, and
(b) sets out proposals and policies to ensure that the target will be met in subsequent years.

(4) The Secretary of State may by order amend the zero emissions year.

(5) The power in subsection (4) may only be exercised if it appears to the Secretary of State that it is appropriate to do so due to significant developments in—

(a) scientific knowledge about climate change, or
(b) European or international law or policy.

(6) An order under subsections (1) or (4) may only be made by statutory instrument that has been laid in draft before, and approved by a resolution of, each House of Parliament.

(7) Before laying a draft of a statutory instrument under subsection (6) the Secretary of State must obtain, and take into account, the advice of the Committee on Climate Change.

(8) As soon as is reasonably practicable after giving its advice to the Secretary of State, the Committee shall publish its advice in such manner as it considers appropriate.

(9) If an order under subsections (1) or (4) sets or amends the zero emissions year in a way that is different from the recommendation of the Committee under subsection (7), the Secretary of State must lay a statement before Parliament explaining his reasons for that decision.

(10) When the Secretary of State comes to any decision under this section, or the Committee on Climate Change considers its advice in relation to any such decision—

(a) the matters listed in Section 10(2) must, and
(b) other matters may, be taken into account.”

New clause 12—Strategy for a Just Transition away from fossil fuels—

’(1) The Secretary of State must develop a comprehensive national strategy for the UK energy sector to move away from fossil fuels and towards 100% renewable energy by 2050, under the framework of a Just Transition outlined in subsection (5)(a).

(2) The strategy must be developed by June 2017 and the Secretary of State must report to Parliament on the progress of its implementation every year thereafter.

(3) The transition must ensure that UK carbon emission reductions make a fair contribution to the goals set out in the 2015 Paris Climate Change Agreement.

In section 27 (net UK carbon account) of the Climate Change Act 2008, after subsection (3) insert—

‘(3A) In respect of any period commencing after 31 December 2027, the regulations must not make provision for carbon units to be credited to or debited from the net United Kingdom carbon account on the basis of the number of carbon units surrendered by operators of installations in the United Kingdom pursuant to the European Union Emissions Trading Scheme.”’
(4) The strategy must be developed in consultation with—
(a) energy sector workers,
(b) trade unions,
(c) the Committee on Climate Change,
(d) HM Treasury,
(e) the Department for Business, Innovation and Skills,
(f) the Oil and Gas Authority,
(g) the renewable energy industry,
(h) the National Infrastructure Commission,
(i) Scottish and Welsh Ministers,
(j) civil society organisations, and
(k) other relevant stakeholders.

(5) The strategy must, amongst other things, include—
(a) the adoption of the principles of Just Transition set out by national and international trade unions, including—
(i) full participation and engagement of workers, trades unions and communities most directly affected, and
(ii) training, education and skills policies to enable workers to make the transition to employment in sustainable, low carbon industries,
(b) an assessment of the proportion of existing UK oil and gas reserves that should remain unexploited,
(c) a strategy for redirecting all direct and indirect fossil fuel exploration and production subsidies into low carbon industry; and
(d) cooperation with EU institutions and EU member states to embed the principles of Just Transition at EU level.”

This new clause would require the Secretary of State to develop a strategy for a Just Transition away from fossil fuels and towards a renewable energy future.

New clause 1—Strategy for incentivising competitiveness of UK-registered companies in decommissioning contracts—

‘(1) By June 2017, the Secretary of State must develop a comprehensive strategy for the Department of Energy and Climate Change to incentivise the competitiveness of UK-registered companies in bidding for supply chain contracts associated with the decommissioning of oil and gas infrastructure (the strategy), which shall be reviewed annually thereafter.

(2) In developing the strategy, the Secretary of State must consult—
(a) HM Treasury;
(b) the Department for Business, Innovation and Skills;
(c) the Oil and Gas Authority;
(d) Scottish Ministers, and
(e) any other relevant stakeholders that the Secretary of State thinks appropriate.

(3) The strategy must include, though shall not be restricted to—
(a) an appraisal of tax incentives that can be extended to oil and gas operators to incentivise their use of UK-registered supply chain companies; and
(b) an outline of other appropriate support that can be provided by the Government, or its agencies, to UK-registered companies which express interest in bidding for decommissioning contracts.”

This new clause would compel the Secretary of State to hold a Contract for Difference allocation round at least once in each year that the carbon intensity of electricity generation in the UK exceeds 100 grams per kilowatt hour.

New clause 5—Amendment to the Petroleum Act 1998: definition of “the principal objective”—

In subsection 9A of the Petroleum Act 1998, leave out subsection (1) and insert—

“(1) The “principal objective” is the objective of maximising the economic return of UK petroleum, while retaining oversight of the decommissioning of oil and gas infrastructure, and securing its reuse for transportation and storage of greenhouse gases, in particular through—
(a) development, construction, deployment and use of equipment used in the petroleum industry (including upstream petroleum infrastructure), and
(b) collaboration among the following persons—I
(i) holders of petroleum licences;
(ii) operators under petroleum licences;
(iii) owners of upstream petroleum infrastructure;
(iv) persons planning and carrying out the commissioning of upstream petroleum infrastructure;
(v) owners of offshore installations.”’

Government amendments 48 and 49.

Amendment 47, in clause 8, page 6, line 10, at end insert—

“Hierarchy of matters relating to decommissioning
The need to consider the most advantageous use of North Sea infrastructure for the overall benefit of oil and gas extraction prior to the decommissioning of such sites”

To require the OGA to have regard to the need to ensure most advantageous use of North Sea infrastructure for the overall benefit of oil and gas extraction prior to the decommissioning of such sites when exercising its functions.

Government amendment 51.

Callum McCaig: Having moved new clause 3, I shall speak to new clauses 1 and 4—I am rather confused by the ordering—and I shall support the cross-party new clause 10 on behalf of the SNP.

I was struck when, in the earlier debate on the previous group, the right hon. Member for Wokingham (John Redwood), who is no longer in his place, talked about how to find an environmentally sustainable way of getting power from the island of coal in a sea of oil and gas. I take it that he was referring to Great Britain in that regard. There might well be a way of achieving that in an environmentally sustainable way—through carbon capture and storage. My new clause 3 calls on the Government to bring forward a proper, well thought out and extensively consulted on plan and strategy for carbon capture and storage for utilisation in both the energy industry in particular and industry more widely, including energy-intensive industries, which might move offshore if they are not able to consume power in an affordable way that meets our higher environmental standards.

We have talked about the discussion and report from the Energy and Climate Change Select Committee, which referred to the innumerable sudden changes to policy as having an impact on the reputation of the United Kingdom for investor confidence. The decision to withdraw the £1 billion funding available for the CCS competition at the same time as the Secretary of State for Energy and Climate Change was in Paris leading the “high-ambition coalition” on behalf of the country at the Paris talks is perhaps the most grave of the changes.
Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): I agree with the hon. Gentleman. Does he agree with me that the fact that this information was extolled to the City of London and the stock exchange rather than this place on the very same day demonstrates this Government’s real attitude to this place?

Callum McCaig: I very much agree. I remember sitting on this very Bench, looking through the Budget statement and being somewhat relieved that the rumours I had heard about this competition being scrapped did not appear to be in that statement. Lo and behold, however, an announcement was made to the stock market a few moments after the Chancellor had left the Chamber, removing that funding. I understand that no greater certainty was provided to the companies involved in both White Rose and Peterhead.

Philip Boswell: Further to that point, on the very morning of that Budget, I intervened on another Member and asked the Minister to provide assurances that both the Peterhead and the White Rose projects would not be cut, but no answer was forthcoming. There was nothing in the paperwork that day to show that this was going to happen.

Callum McCaig: I agree with my hon. Friend. The fact that different parties have the same essential view not only about the Government’s abysmal handling of this process, but about how to salvage something from the ashes of the carbon capture competition suggests that there is not a huge amount of difference between my new clause and new clause 7, tabled in the names of Labour Front-Bench Members. The main difference—we discussed the issue in Committee—is that our provision includes the devolved Administrations as bodies that should be developing a strategy. I know that the Scottish Government—who, working with DECC, pursued what should have been the second phase of carbon capture and storage at Grangemouth—have high ambitions for the deployment of CCS and share the concerns of many Members here about the way in which the Government have handled this matter.

As for short-sighted decisions, I understand that the White Rose project had substantial European Union funding associated with it. The potential for Peterhead to use carbon capture and storage—or potentially carbon capture and utilisation to create a virtuous cycle for enhanced oil recovery—was there, but that potential has now been lost. The suggestion from the Energy and Climate Change Committee that this will make meeting our climate change commitments all the harder, highlights the need for the strategy that I am proposing.

We have seen that the Government are all over the shop when it comes to CCS. One minute they are for it; another minute they are against it. One minute it is not working; the next minute it is looking promising for the future. These represent severe mixed messages for investor confidence, when we need clarity. If we are to get investment from industry—I hope we do, and I gain the impression that Members of all parties want to see this become a reality in the UK—we need an unequivocal statement from the Government. Then we need an unequivocal strategy, which is what I am calling for today.

There is a tie-in between the utilisation of the infrastructure in the North sea and what can be deployed for CCS. I believe that it is also incumbent on the Government to bring forward a strategy for decommissioning, which is the subject of my new clause 1.

Decommissioning is one of the sad realities of the North sea that is going to happen. We all, or at least the majority of us, hope that this will happen at some time in the future. The Government can take steps to deal with that. The industry has called for tax cuts, and loan guarantees for oil and gas companies are also a key part of ensuring that decommissioning happens as far in the future as possible. It is, however, going to come.

Decommissioning provides a huge opportunity, when there is upwards of £30 billion-worth of work to be done. A large part of the bill will be paid back by reimbursing the companies for previous tax paid. They have built up the tax to offset against decommissioning costs. Essentially, as we go forward, the Treasury will be footing the bill for a large part of decommissioning.

It strikes me and my party that we need to ensure that the greatest possible benefit comes to these shores. The east coast of this island is ripe with opportunities for ports and the like. Frankly, they should be champing at the bit to see the work come ashore. I believe that the Shell platform at Brent is coming to Hartlepool. That is a strong commitment and an investment in infrastructure, but also in skills.

Tom Blenkinsop: The hon. Gentleman is spot on about Teesport work at Hartlepool and the decommissioning of rigs. Does he agree, however, that including the decommissioning of rigs also provides potential for extra surveys of where rigs are currently based to investigate syngas potential? The infrastructure is already there for looking at sub-sea coal, for example.

Callum McCaig: A large number of things need to be done before we commence wholesale decommissioning, and this includes the widest possible consideration of what the infrastructure could be used for. The proposals and possibilities are perhaps not endless, but they are numerous. Whether we are talking about carbon capture, storage of hydrogen or looking for further hydrocarbon resources that are yet to be discovered, there are vast possibilities. While the infrastructure is there, the opportunities for doing other things with it will remain; once it is gone, the opportunity is gone. The Oil and Gas Authority—which a large part of this Bill deals with, although not the aspects we are debating at this precise moment—has done a lot of work on that and is to be commended on that development.

Decommissioning is a reality. If we are smart collectively—if we can line up the ducks, in terms of the supply chain, skills and investment in the ports and suchlike—there could be a massive windfall. We have considerable leverage, as funders of a large part of this work, through tax receipts offset against previous earnings, and we should be looking to maximise that economic potential, in the same way as we were looking to maximise the economic recovery of the North sea.

Philip Boswell: On the point about that opportunity, does my hon. Friend agree that decommissioning goes hand in hand with the critical assessment, evaluation and management of the infrastructure that surrounds
these isles to enable access to marginal fields, which would not otherwise be available, were the critical infrastructure not kept in place, as part of an overall plan with a long-term vision for the energy supplies of these isles?

Callum McCaig: I agree with my hon. Friend, and that is something the Oil and Gas Authority is set to look at. It will also be hugely beneficial to the oil and gas industry, so that work needs to take place. We need to be aware of what opportunities exist, but we also need to remember that this Government have a duty to support the oil and gas industry at this time, so I reiterate the calls made by me and others in my party to see substantial movement in Wednesday’s Budget.

It might seem somewhat ironic to some that I am moving from how we best exploit the North sea to how we best tackle climate change but, as I have said a number of times in this place, because we have been a major producer and user of hydrocarbons, there is a moral duty on us to do what we can. I note new clause 11, standing in the name of the right hon. Member for Doncaster North (Edward Miliband), among others, which is not something I would be ready to support, although I wholeheartedly endorse the principle. This is something we need to do, but I would see new clauses 4, 8 and 10—which deal more closely with the short term—plus the issue around carbon capture and storage, as being the correct pathway.

It strikes me that we are very much at a crossroads when it comes to the deployment of technology. It is likely—or, I am hopeful—that a zero-carbon future can be achieved, but the pathway to that is not clear to me, and I do not think it would be clear to the Government if they were to commence that work now. I would rather see things that are in the gift of the Government at this precise moment in time—if they were to focus on them, to deliver on them and act sooner rather than later—because the more work we do now, the less we have to do in future. It is about timing and priorities. The concept is to be wholeheartedly commended and supported, but I am not quite sure I am there when it comes to prioritising it now.

Finally, I would like to talk about new clause 10, to which I was happy to add my support—I imagine that a number of others who also put their name to it will talk about it in greater detail. Our carbon accounting mechanisms need to be brought into line with what is happening and going to happen. The fact that we can get to the stage where upwards of half our emissions do not properly factor into our carbon accounting means that we cannot set about achieving what we must in an open and honest way. Following on from Paris, numerous people have said that we need to get serious about this. If we are to get serious about taking the steps we need to take to make our contribution to tackling climate change, we absolutely have to be clear about what we are counting, which is the basics of this. The bean counting of climate change might not seem particularly appealing to some, but it is fundamental. If we do not know what the emissions are and we are not counting them properly, how can we tackle the challenge of reducing them properly?
and Skills talking about this—there is an issue with state aid, which does not apply to Germany because it started doing that in advance of state aid rules being set up, which is why it can charge such a differential and apparently we cannot. I agree that that is unsatisfactory.

I was talking about the 900,000 jobs in energy-intensive industries that we in this place need to be cognisant of as we legislate and move forward. These are jobs in steel and what is left of our primary aluminium industry—there were three smelters in this country until a few years ago; there is now one left, in Scotland, and a consultation is under way on its closure. This stuff matters. Of course, so does climate change. My only point is that we must get it right. There is a balance to be struck, and the people who pay for that balance cannot be the people who work in some of those industries.

I have four points to make about what I believe is an increasing difference between the approaches of the United Kingdom—with our climate budgets and our Climate Change Act 2008—and the European Union. The first relates to the Paris agreement which was reached in December, and which we have discussed in the House before. Some people describe it as a triumph, and in many respects it was. I personally do not think that it will be enough to limit the temperature rise to 2.7°C; I think that that is an optimistic analysis. However, the key fact that we, as legislators, need to understand is that the United Kingdom did not have a submission to the “intended nationally determined contribution” process. Europe did, and Europe’s submission was a reduction in carbon emissions by 40% over 40 years. The UK is part of Europe, and it is therefore implicit that we must do the same, but the commitment for which we have legislated is to reduce emissions by—

David Mowat: The hon. Gentleman’s position strikes me as rather odd. I agree with him that the ETS status is important, that dumping is important, and that business rates are important, but, as is made clear in report after report—there is one from the aluminium industry in my office now—so are energy prices.

I do not think that I am making a massively controversial point. I am merely saying that in an industry that uses significant amounts of electricity, it is not a competitive advantage if our electricity costs more than other people’s. I agree with the hon. Gentleman that Chinese dumping is probably more significant, but we are talking about economics, and in economics everything happens at the margin. The stuff that I am talking about matters to our manufacturing industry. My central point is that if we are intending to have a march of the makers that involves a rebalancing of industry predicated on high electricity prices, it is going to be tough.

As I was saying before the hon. Gentleman’s interventions, the cross-European Paris INDC submission is about 50% less onerous than the requirements of our own Climate Change Act. When I first saw that statistic, I thought it odd. Why had we allowed this to happen? Given that we have a stringent, rigorous and, in many respects, very good process involving carbon budgets driving down emissions, and all that goes with that, why did we become involved, at a big world summit, in a European submission that was so feeble? Although the requirements of the European submission are so much lower than those of the UK, in terms of the Climate Change Act, it is not allocated by country, even now. I believe that that process will start this year, or perhaps next year.

My second point relates to the European emissions trading system itself. New clause 10 was deemed necessary because it was felt that the system was not acting as enough of a brake on carbon emissions. The European price of carbon—which is implicit within the system— is too low: it is about €5 a tonne, as opposed to the €23 a tonne or so that we are paying. In 2013, precisely that point was debated in the European Parliament. It was proposed, in an amendment, that the emissions trading system should be “re-baselined” in a way that would have made it meaningful. The amendment might have prevented the need for a carbon price floor in the UK, and created a carbon price that properly reflected where the market needs to be in order to drive actions. However, the European Parliament did not pass it, probably in response to the vested interests of big manufacturers in a number of big countries in Europe. I think that that was a pity.

As a consequence, here we are now, saying that the ETS is not fit for purpose, that the accounting that it implies—which was intended, in the Climate Change Act, to serve as a way of controlling generated power—does not work, and that therefore we are doing something different. However, the right answer is not to turn our back on the European system. I am a Conservative. I may be an “inner”, but only just. It is odd that those in the Opposition parties who are deeply committed to the European ideal should turn their backs on this European solution.

My third point is that there is no country-based reporting or control of emissions in Europe. Since 1990, Austria has increased its emissions by 13%, Ireland has increased its emissions by 7%, and Holland has kept its emissions static. During the same period, the United Kingdom has reduced its emissions by some 28%. If the European Union were serious about getting to grips with emissions, and getting to grips with individual countries that are tackling the problem, it would have addressed that fact.
My final point is that we are seeing dysfunctional member state behaviour. Germany and Holland are building brand-new coal-powered stations—lignite-burning stations. I believe that those countries not only do not engage in carbon capture and storage, but have made it illegal, which does not suggest that they understand the challenge that must be faced.

I have just been given a note saying that I should wrap up. Let me end by saying that, while there is no doubt that we all agree that climate change is a clear and present danger, we must bring the rest of the world with us, and by turning our back on arrangements such as the European emissions trading system and allowing the EU to put a submission to the Paris COP talks that is frankly feeble, we are doing the opposite. We will not solve the problem of global warming by fixing our 1.5% of total global emissions.

Dr Whitehead: I want to speak about new clauses that relate to a number of aspects of the Bill, and to the position in which we find ourselves in relation to a low-carbon economy for the future.

New clause 7 is very similar to new clause 3, and concerns an issue about which I think both Opposition parties feel very strongly: the need to develop a systematic strategy for carbon capture and storage. We have heard several references to what the Conservative manifesto at the last general election did or did not say, but the Government mentioned CCS in that manifesto. They also mentioned the least-cost routes to decarbonisation. Clearly—this is certainly the advice of the Committee on Climate Change—they will have to think carefully about CCS when they respond on the fifth carbon budget this summer, because CCS, among other things, represents a substantial implementation of least-cost routes to decarbonisation in the long term. The shameful pulling of the two CCS pilot projects mentioned by the hon. Member for Aberdeen South (Callum McCaig), in essence on the grounds of cost, represents a missed investment opportunity that could have reduced the cost of decarbonisation at a later date. That cost is an important element of our approach to a future CCS strategy. It is important to be clear that the cancellation of the projects does not and should not mean the end of CCS in this country.

6.30 pm

We will have to bring about large-scale CCS sooner than many people believe, if we are to stay even remotely on course to meet our climate change targets in the longer term. That is especially true because CCS relates not only to energy production but to energy-intensive industries and other intensive carbon emitters. The effect of the cancellation of the CCS pilots will be that this country will have to start importing technology from the rest of the world instead of taking the lead in technology as we might have done if the pilots had gone ahead.

Mr Alistair Carmichael (Orkney and Shetland) (LD): I absolutely agree with the hon. Gentleman: How likely does he think it will be that any private money will ever be forthcoming, given the somewhat irrational manner in which the funding for the projects has been abandoned in this country?

Dr Whitehead: The right hon. Gentleman makes an important point. Indeed, a carbon capture strategy that sets out a longer-term route for our carbon capture and storage would play an important part in ensuring that investment for CCS was available. He also makes the point that the cancellation of those pilot projects has cast quite a pall over the future investability of carbon capture and storage projects, despite the fact that many such projects are now getting under way across the world.

It is important to reflect on how we will import the relevant technology under a new CCS strategy and how we might keep as much as possible of the rest of the supply chain and other CCS arrangements in the UK, particularly the substantial developments and intellectual property gained from the White Rose and Peterhead projects, which must be retained in the UK for use in future CCS developments. All of that should be part of a strategy, but we simply do not have one at the moment. Having a strategy in place would enable us at least to recover substantially from the immense setback caused by the cancellation of those pilot projects. The new clause calls for such a strategy to be articulated at an early stage and for us to be clear about exactly how and why we will keep CCS on track for the future.

We have heard about targets today, but new clause 8 does not set a new target. It relates to the undertakings in part 1 of the Energy Act 2013 relating to setting a target for the decarbonisation of the energy sector by 2030. Part 1 makes it clear that the Secretary of State has a duty to ensure that the carbon intensity of electricity generation in the United Kingdom is no greater than the maximum permitted level of the decarbonisation target range. There is a clear undertaking in the Act to set a decarbonisation target range and a requirement for the Secretary of State to take related actions.

As I have mentioned, that target already exists. It has done so since the Energy Act 2013 was passed. The outstanding issue at the time was not whether there should be a target but what the target range should be. Under the legislation, it is up to Ministers to clear up that matter through secondary legislation. It is not a particularly small matter: it is in the gift of Ministers to decide whether the target for decarbonisation is strong or not. During the passage of that legislation, it became clear that Members across the Committee envisaged the target being strong and in line with the aim that carbon reductions should make a proper contribution.

Unfortunately, during the passage of this Bill in another place, we heard about a letter to the Opposition from the Minister in the other place. In Committee, I quoted the Minister stating in that letter that “a power was taken within the Energy Act 2013 which gives the Secretary of State the ability to set a ‘decarbonisation target range’ for the electricity sector, for a year ‘not before’ 2030. This allows a target to be set on the same date or after setting the Fifth Carbon Budget which must be set before end of June 2016 (measured in emissions intensity in grams of CO₂ per kWh)...it is the intention of this Government not to exercise this power. This position is consistent with our manifesto pledge not to support additional distorting and expensive power sector targets.” [Official Report, Energy Public Bill Committee, 4 February 2016, c. 206.]

Clause 8 does not propose an additional distorting target. It is a target that was included in the Energy Act 2013, and it is incumbent on the Government to take action on the decarbonisation target range through secondary legislation. It is extremely disappointing that
the Minister in the other place indicated that the Government were not going to exercise this power. The new clause would require the Secretary of State to set a decarbonisation target and discharge section 1 of the Energy Act 2013. I am sure that, in the light of our discussions this afternoon, Members would agree that it is extremely important that such targets should be placed as waystations on our way to 2050. That is what the new clause seeks to achieve.

New clause 9 addresses an aspect of that decarbonised structure for energy in looking at the perverse results of the first two capacity auctions in not procuring any long-term new large generating plant; instead, almost the only long-term outcome was the procurement of diesel sets as generators. More than 1 GW of generators was procured, and they are more polluting than coal, which the Secretary of State has pledged to take off the system by 2025. The new clause adds to the 2013 Act’s requirements relating to fossil fuel-generating plant that is granted a 15-year capacity contract. That plant must adhere to certain conditions if the contract is to be granted. One of those conditions is the emissions performance standard. Section 57 of the Act contains a target or formula that, under subsequent secondary legislation, has led to a performance standard of 450 grams per kWh being established.

The new clause clearly does not seek to capture gas, because new plant for gas comes in at about 370 grams per kWh and is below the emissions performance standard. It refers to diesel coming into the provision of electricity, particularly in the context of what has happened in the two previous capacity auctions. Those diesel engines escaped the provisions of the 2013 Act because they were individually below the size at which plants were caught by the legislation. However, in terms of their individual emissions, they are among the dirtiest of the energy generation devices.

Diesel is exempt from present EPS levels because of the individual size of the reciprocating sets, and it has therefore cumulatively obtained a substantial proportion of long-term capacity payments coming into the system. Diesel sets have been able to get into the capacity auctions not because they are particularly cheap to run but because until recently they were already receiving a substantial underwriting from the Treasury through the enterprise investment scheme payments for the establishment of such plants. It appears that the payments were originally introduced to encourage the plants to be established for standby purposes, but they have of course been used for other purposes in the capacity auction. Although that route has been changed in the autumn statement, the most polluting generating plants have managed to get two lots of subsides for generating and have got in through the capacity auction process as well. That is not only bad climate policy but bad public policy in general.

The question of diesel sets was discussed in Committee, and in a recent ministerial statement on changes to the capacity auctions, the Government undertook to look again at the matter. They suggested that this might happen through proposals to change the air quality regulations under the large plants directive, which might include diesel sets. However, they said that those changes might not occur until 2019 at the earliest, which would be too late for the next series of capacity auctions. The new clause seeks the most straightforward route to ensuring that diesel is not the perverse beneficiary of auctions as of now.

New clause 10 looks further forward, to the fifth carbon budget, but perhaps not quite so much further forward, in that we will have to decide on the fifth carbon budget by the summer. The new clause seeks to strengthen the Government’s intention to use their powers to ensure that we keep on track by outlawing the use of private trading sector credits at and after the fifth carbon budget. The hon. Member for Warrington South (David Mowat) made some valuable points about that.

Hon. Members will recall that when the Bill arrived in the House from another place, clause 80 sought to simplify the accounting of the UK’s carbon budgets under the Climate Change Act 2008. That clause was removed during the passage of the Bill in Committee. This new clause seeks a slightly different route to the goal of more effective carbon accounting in the fifth carbon budget and beyond. It seeks to make the Government directly accountable for emissions in the sectors covered by the EU emission trading system when determining whether the UK is staying within its national carbon budgets. The EU ETS covers emissions in the electricity sector and heavy industry, and the carbon accounting regulations currently allow the Government to ignore emissions from those sectors when determining whether the carbon budgets have been met. For that reason, the UK’s carbon budgets, as currently designed, fail to provide a framework that offers investor confidence in the UK power sector. In particular, it provides no assurance that the Government will put in place the necessary measures to ensure that the power sector is largely decarbonised by 2030 despite the fact that the Committee on Climate Change has repeatedly indicated that the power sector must reduce emissions to below 100 grams per kWh by 2030 in order to maintain a cost-effective trajectory to our 2050 climate target.

If the accounting rules are changed, the Committee on Climate Change has indicated that it will provide new advice on the appropriate level for the fifth carbon budget, and the committee will for the first time be able to recommend a budget that reflects a cost-effective pathway for UK emissions across the economy. The new clause differs from the original clause 80 in a key respect: while clause 80 prevents any carbon units in the EU ETS from affecting the UK carbon account, the new clause specifically prevents the carbon trading system from being used to track UK emissions. It also prevents the Government from ignoring emissions from the ETS sectors when determining whether the carbon budgets have been met. For that reason, the UK’s carbon budgets, as currently designed, fail to provide a framework that offers investor confidence in the UK power sector. In particular, it provides no assurance that the Government will put in place the necessary measures to ensure that the power sector is largely decarbonised by 2030 despite the fact that the Committee on Climate Change has repeatedly indicated that the power sector must reduce emissions to below 100 grams per kWh by 2030 in order to maintain a cost-effective trajectory to our 2050 climate target.

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Finally, amendment 47 reminds us of the first part of the Bill and the wide consensus for change regarding North sea oil. It seeks to give the Oil and Gas Authority new powers and oversight to ensure that decommissioning is used to best advantage in the North sea. Decommissioning should not operate in the short-term interests of those involved in it but in the longer-term interests of the co-operative use of infrastructure, which hon. Members have touched on, and for the benefit of not only the production of future crude oil but also the future possible use of the North sea as one of the world’s finest repositories when
carbon capture and storage gets under way. The amendment would add an important tool to the Oil and Gas Authority’s arsenal and I hope that the Minister will accept it.

Edward Miliband (Doncaster North) (Lab): I rise to speak to new clause 11, which was tabled in my name, that of my hon. Friend the Member for Sheffield Central (Paul Blomfield) and those of Members from five other parties across the House. I thank the hon. Members for Westmorland and Lonsdale (Tim Farron), for Brighton, Pavilion (Caroline Lucas), for Beverley and Holderness (Graham Stuart), for Central Suffolk and North Ipswich (Dr Poulter), for Belfast South (Dr McDonnell) and for Arfon (Hywel Williams) for their support. I also thank my Front-Bench team and Baroness Worthington in the other place for her support and advice.

The new clause would insert the commitment to zero emissions in the Paris climate change agreement into our domestic law, with the Committee on Climate Change advising on when it should be achieved. It is the right thing to do and the science is clear: the world needs to get to zero emissions early in the second half of this century, and it is worth reminding the House of the debate’s context.

We know from recent scientific analysis that 2015 was the hottest year on record. The record for global temperatures has been broken in each of the past five months, with February’s record broken in shocking fashion. Atmospheric concentrations of CO2 are now higher—this is hard to get your head around—than they have been for at least a million years. That is what the scientists tell us and it highlights the necessary urgency, which is shared by Members on both sides of the House.

My proposal makes economic, moral and political sense. It makes economic sense because we have to get to zero emissions eventually. It will be tough, so we need to start planning now. We are already aware of some of the tools we will need, but not all of them. We need clean energy supplies, a revolution in the household sector and reforestation. As the hon. Member for Aberdeen South (Callum McCaig), who speaks for the SNP, said, we need carbon capture and storage to trap emissions. We will also need other technologies that are in the early stages of development. Crucially, we need to start the work now so that we can get to zero emissions at least cost. The economic case is proven by the support from the business community, and I thank Aviva, GSK, Unilever, Kingspan, Kingfisher and the broader “We Mean Business” coalition for their backing. The proposal also makes moral sense. Achieving zero emissions is necessary, so it would be irresponsible to pretend otherwise. Future generations will look badly on a generation that could lose momentum or go backwards, and there are some early straws in the wind suggesting that might happen. We need to build on the momentum, not squander it. The hon. Member for Warrington South (David Mowat) is right that we need to close the gap between the Paris ambition to keep global warming to no more than 1.5°C and the reality of the current pledges, which are off track. We can make a difference. We may contribute only 1.5% of global emissions, but look at the experience of the Climate Change Act 2008—the hon. Gentleman and I have discussed this matter outside the House—which was passed with the support of all parties. It pushed others to follow us—perhaps not as much as we would have wanted, but others did follow.

The hon. Member for Aberdeen South is right about getting things right in the short term, but the long term affects the short term. The 80% target that we put into law in 2008 shapes the current discussions and holds Governments of all parties to account and the same would be true if we put zero emissions into law. Since we know that that will have to be the backstop, we might as well get on with it.

Rebecca Pow (Taunton Deane) (Con): I have enormous respect for the right hon. Gentleman. I applaud his positive steps and everything that happened in the 2008 Act, but we must be economically realistic. I wonder whether this is the right time and whether it might be better to ask the Committee on Climate Change to have a closer look at the proposal. After all, we are in the process of agreeing the first carbon budget, so perhaps all the energy should be put into that.

Edward Miliband: I agree with the end of the hon. Lady’s point. My proposal is deliberately pragmatic. It would put zero emissions into law, but the date would be decided by Government on the basis of advice from the Committee on Climate Change. That is right and it would be the lowest-cost way of proceeding. We need the experts’ advice. After all, they were appointed with cross-party support.

I am delighted to say that since I made this proposal three months ago I have had constructive discussions with the Government. I will not try to predict the reaction of the Minister of State, but I want to record my thanks to her, the Secretary of State, and the Minister for the Cabinet Office for their willingness to engage. I hope that we can move the idea forward in the months ahead and demonstrate once again the cross-party commitment to tackling climate change that is shared by the vast majority of hon. Members. I look forward to the Minister’s response.

Mr Alistair Carmichael: New clauses 5 and 6 stand in my name, but they are covered by other new clauses, so I do not intend to press either of them to a vote; the other new clauses lead in broadly the same direction.

First, let me deal with carbon capture and storage. When I intervened on the hon. Member for Southampton, Test (Dr Whitehead), the term I used in relation to the Government’s decision to pull the funding from the project was “irrational”. I hope I was not unkinkd to the Government in saying that, but if it was not irrational it must have been ideological. In any event, it certainly did not make any sense. A competition was running and the point at which they withdrew the funding was significant. Had they allowed the competition to run a little longer, it might have reached the conclusion that there would be no more money to be spent—who knows? We will never know. But it is irrational, because of the impact it will have on getting our own CCS sector up and running in this country. As he said, the work on this is being done elsewhere and
inevitably we will end up playing catch up and importing expertise that could have been generated here. Who will ever suggest that a shareholder put money into CCS in this country? This is the ultimate failure of evidence-based policy. Notwithstanding the provisions on the amendment paper tonight, I now wonder whether it is worth calling for any more rethink, because even if we get new Government commitment, who on earth is going to believe it, given events thus far?

The hon. Member for Aberdeen South (Callum McCaig) made the point that there is a synergy between CCS and the issues relating to decommissioning in the North sea. For some years, the technology used in CCS has been routinely and effectively used in the North sea in enhanced oil recovery; gas has been used to extract more oil from other parts of the existing substantial infrastructure network. It gladdens my heart that the Oil and Gas Authority goes from strength to strength, as I have followed the project closely from its inception, from the work of the Wood commission and through the creation of the shadow authority. To get the maximum benefit, it will be necessary for the OGA to get on, use the powers that we have already given it and those we give it in this Bill, and come forward with the strategy that will make these things happen.

Of course, for there to be a strategy there will first have to be survival, and the very real danger at the moment is that the age of the assets in the North sea, especially those in the north North sea, will mean that the critical mass may tip over and there is then a rush to decommissioning. Not only could any such rush be bad for the economy of the north-east of Scotland, and the Northern Isles in particular, but it would be tragic if it meant that the infrastructure was removed and the opportunities to develop CCS at some future date were therefore then lost.

Callum McCaig: I made the point about a large part of the tax liability for decommissioning falling on the Treasury. If there is the rush to decommissioning that the right hon. Gentleman describes, the Chancellor will find it more difficult to meet his fiscal target, as he will have to hand out the cash. Does the right hon. Gentleman therefore agree that there needs to be proper support from Government to delay that?

Mr Carmichael: There absolutely has to be that support. We have seen the tax intake from the North sea fall off a cliff. I cannot recall the exact figures, but I seem to recall that about £20 billion is set aside to deal with this rush to decommissioning, if it occurs. That is a future liability at the moment, but if the liability were to appear on the left of the sheet, the Treasury would be dealing with a double-whammy; it would not only be losing the income, but it would suddenly be liable for expenditure at an earlier stage. The real significant event in that regard will take place not tonight but on Wednesday, when the Chancellor comes forward with his Budget. The Minister and the Secretary of State will doubtless have heard the measured and well-thought-out requests from Oil & Gas UK, and I trust that even at this stage they will be using all their influence in government to ensure that as many of these requests as possible are delivered when the Chancellor stands up.

The right hon. Member for Doncaster North (Edward Miliband) spoke to his new clause 11, and he has been absolutely right in how he has brought it forward. It is measured and it future-proofs the commitments. Given the substantial commitment the Secretary of State showed in relation to the Paris negotiations, it would be a suitable way for this House to give that commitment some legislative heft.

Caroline Lucas (Brighton, Pavilion) (Green): I wish to speak mainly to new clause 12, which stands in my name and deals with the need for a strategy for a just transition from fossil fuels and towards 100% renewable energy. I also wish to highlight a few of the other proposals in this group that I support.

First, I wish to speak in favour of new clause 11, tabled by the former Secretary of State, the right hon. Member for Doncaster North (Edward Miliband), and to thank him for the constructive work he has been doing on promoting zero emissions. The new clause would put one crucial part of the Paris climate agreement into UK law. The somewhat convoluted text of that historic agreement makes it clear that globally we must reach net zero emissions in the second half of this century. Many argued that this long-term goal should have been stronger, including by making explicit reference to phasing out fossil fuels. None the less, it seems immensely reasonable for the UK Government to set a date for zero emissions, on advice from the Committee on Climate Change. It seems like a win-win, both economically and environmentally, to have that date set, so that we can have a clear direction of travel and clarity for investors. I am reassured to hear that the right hon. Gentleman has had constructive conversations with the Government and I look forward to hearing their response.

I also support new clause 10, which deals with carbon accounting and the ETS, as it would mean the UK taking responsibility for making our own carbon emissions cuts and is another immensely reasonable proposal. The need for such a change is underlined by the recent incredible claims that a new dash for gas would be compatible with our climate obligations. The UK’s renewable energy potential is vast. The costs of solar and wind power are falling, and the need to leave the vast majority of fossil fuel reserves in the ground gets more mainstream by the week. There is no longer a case for using the EU ETS as an excuse for not meeting our own carbon budgets. None the less, if we were to do this, and engage workers and communities currently reliant on high-carbon sectors.

Jonathan Edwards: Does the hon. Lady think the German strategy, Energiewende, offers a way forward for the UK? It is about that transition from fossil fuels to renewables, with specific targets.

Caroline Lucas: I thank the hon. Gentleman for his intervention and I agree with what he says, as that strategy does point to a helpful direction of travel.
As we would expect, trade unions are at the forefront of campaigning for a just transition, in the UK, the EU and globally. During the Paris climate talks, the unions made an incredibly powerful case for stronger ambition and faster action to cut emissions, and for making this transition away from fossil fuels. Central to that is the huge opportunity for job creation in new low-carbon industries. I spoke a moment ago about win-win situations, but I should have said win-win-win, as we have the jobs, the economy and the environment and energy advantages of having a clear direction of travel for this transition.

7 pm

The European Trade Union Confederation, which represents 90 trade unions from 39 countries, was very vocal on this issue. As it explained, a just transition means achieving ambitious climate action in a way that benefits the whole of society and does not simply pile the costs on the least privileged. It defines key elements of a just transition, some of which are incorporated in my amendment. For example, participation is included, as consistent and strong worker participation is essential so that change can be managed in a socially acceptable way. Secondly, on jobs, Sharan Burrow, the head of the International Trade Confederation, argues that there are no jobs on a dead planet. This is about not whether we embark on a transition, but a proactive approach to ensure that that transition happens in a way that protects, maintains and creates decent jobs and wages.

Thirdly, the ETUC looks at what this means in practice, which is essentially a Government-led active education, training and skills policy and a social safety net through active labour market policies, strong social protection and support measures. There is no lack of clarity on what a just transition might look like. At the minute, the political commitment and an inclusive plan of action are sadly lacking. During the Paris climate talks, Unison’s national officer for energy said: “Thanks to the efforts of trade unions...the EU is committed to supporting the principle of Just Transition, but this commitment needs to be delivered in a meaningful way otherwise it is just words on paper.”

The same is urgently needed in the UK, although here we also need a first step, which is the commitment to the principle of just transition as well. I hope that, as what I have described here is fairly straightforward, the Government will at least support that part of my amendment.

New clause 12 also requires the Secretary of State to be clearer about the proportion of existing UK fossil fuel reserves that should remain unexploited. The Energy Minister answered a parliamentary question a few months ago in a very helpful way, repeating the fact that the International Energy Agency has suggested that around a third of global fossil fuel reserves are burnable under a 2º scenario. That means that two thirds are unburnable, and that is for a 2º scenario and not a 1.5º one. It is also a 2012 statistic. I would be really grateful if the Department gave us an up-to-date figure, both globally and for the UK, so that we have a bit more clarity on the matter.

Major new research from University College London found that, globally, 82% of fossil fuel reserves must be left underground. Mark Carney, the Governor of the Bank of England, warned recently that the vast majority of fossil fuels are essentially unburnable.

The Government, as we know, have signed up to the Paris agreement, which goes even further, especially with the 1.5º goal. As delegates in Paris heard, that is essentially the balance between life and death for many citizens in poorer countries that are the most vulnerable to the impacts of climate change. Therefore, on unburnable fossil fuels, we need an up-to-date, clear number to aim for and concrete policies to get us there.

New clause 12 also requires the Government to redirect fossil fuel subsidies to low carbon alternatives. Ministers rather stubbornly stick to their own special definition of what a subsidy is—it seems to have a particular meaning only in energy circles, but that meaning allows them to claim that they do not have any subsidies. By any other definition—for example, that of the World Trade Organisation or the OECD—this is clearly nonsense. A study by the Overseas Development Institute revealed that the Government give the fossil fuels industry nearly £6 billion a year in subsidies, mainly through tax breaks. That is almost twice the financial support they provide to renewable energy providers, which urgently needs to change. The barriers to 100% renewable energy are not about technology or even about money, but about political will and vested interests. Those who argue against 100% renewable energy seem to think that perhaps they are the only people who are clever enough to know that the wind does not always blow or that the sun does not always shine, but they are not, and they need to get up to speed with 21st century innovation and technology. For example, why is the UK doing so little on things such as energy storage, energy efficiency and demand-side response? Those are practical, affordable and modern ways of meeting peak demand, rather than the backward thinking that simply says build more power stations.

During the Paris climate talks, a group consisting of 43 companies committing to get all power from renewable sources issued what it called “An entrepreneurs call to climate action”. That was a joint statement from 119 chief executive officers with international operations calling for 100% renewables by 2050, keeping 1.5º in reach, and an urgent end to fossil fuel subsidies. Those are the voices with which the Government need to listen. They should also be listening to leading academics. For example, last year, Stanford University laid out a road map for 139 countries to power their economies with solar, wind and hydro energy by 2050. It said that the world can reach 80% wind, water and sunlight by 2030 and 100% by 2050, with no negative impact on economic growth.

Here in the UK, a report last September from consultancy Demand Energy Equality detailed how the UK can get 80% of energy from renewables by 2030. Even if that were not the case, the sensible course of action is not to turn our backs on a goal of 100% renewables, but to invest in the research and development to ensure that we can get there. This is about fairness and justice as well as about jobs and creating a modern, resilient and successful British economy.

During the Paris climate talks, the Climate Vulnerable Forum issued the strongest call to date for full decarbonisation of the world economy, 100% renewable energy by 2050 and zero emissions by mid-century to keep the world on track for under 1.5º of warming. That group, which represents some 200 million people and which has contributed less than 2% of global emissions would suffer around 50% of climate impacts. This Energy Bill should be heeding that call for 100% renewables and putting in place policies to lead the way in getting there.
In conclusion, those are the reasons I have tabled new clause 12 on just transition. The Government urgently need to recognise the imperative of leaving the vast majority of fossil fuel reserves in the ground and to stop squandering taxpayers’ money in a suicidal search for new sources of oil and gas that we simply cannot afford to burn. In doing so, there is a huge opportunity to embrace the employment potential of renewables and energy efficiency, and to collaborate with workers, trade unions, industry and others to build a just transition to a secure sustainable economy for workers of today and the future.

Alex Cunningham (Stockton North) (Lab): I rise specifically in support of new clause 7 relating to carbon capture and storage, both as chair of the APPGs on CCS and energy intensive industries and as a Teesside MP who sees it as a major generator of jobs and potential savour of many of the country’s manufacturing plants.

The absence of CCS policy in the UK is a major concern, it being a critical technology for reducing emissions from steel, cement and other industrial processes, as well as power stations. In the past 72 hours, another steel company at Stillington in my constituency has decided that it will close its doors in May with the loss of 40 jobs, so it is critical that we start making the right decisions now.

The Chancellor’s decision to axe the funding to develop the two power station projects on Humberside and at Peterhead was a major blow not just to those two projects but to the entire industry and also very specifically to Teesside, where the country’s first industrial CCS project is still being planned by the Teesside Collective.

When the Energy Minister attended a packed meeting of the CCS all-party group just over a month ago, she claimed that the economies did not add up, despite the fact that the final business cases were yet to be submitted. She said that an updated policy would be developed by the autumn, but then went on to suggest that we learn from other countries as they develop their CCS industries. Well, that is not good enough. Britain has tremendous capability in this area, and could be leading where the Minister says that we should follow. I am also worried that the Chancellor does not even understand what CCS is—a worry made all the worse when I asked him a question at Treasury questions a few weeks ago. I asked him what funding would be available for CCS projects once the Department of Energy and Climate Change comes up with its new policy in the autumn. He answered:

“We have set out our capital budget and our energy policy, which will see a doubling of the investment in renewable energy over the next five years.”—[Official Report, 19 January 2016; Vol. 604, c. 1269.]

There was no capital for CCS projects there. The Chancellor talked not of CCS but of renewable energy. I would like to think that he was just dodging my question, but I am not too sure that he understood it or the need for him to send a signal to industry that he was personally committed to making CCS a reality in our country.

New clause 7 provides the Government with a new opportunity to demonstrate their commitment to CCS and to develop a real strategy with a real intention to make the UK a leader in the field.

Tom Blenkinsop: CCS is vital, because it gives a means by which steel—and other existing energy intensive industries—manufactures the very foundation product that then goes into wind turbines and other mechanisms that we need for renewables. This is absolutely and fundamentally dependent on carbon-intensive technologies, such as virgin steel capacity and oxygen burning intensive processes. If we want a renewable strategy, whether 42% or higher, we need to have steelworks that burn in the traditional sense.

Alex Cunningham: My hon. Friend and near neighbour makes the point clear.

Being a leader is critical to our energy-intensive and other industries if we are to overcome the competition threat from across the world. It is no use hanging back when other nations look like stealing a march on us. I have mentioned the Teesside Collective project to develop an industrial CCS project on Teesside, home to some of the country’s most energy-intensive industries. I invite the Minister and the Chancellor to the next meeting of the all-party parliamentary group on 23 March to learn about those ambitious plans. I know the Chancellor will be busy until the night before, but I guarantee that the APPG will be much more focused on the needs of industrial Britain than will his Budget.

The Government have made clear their intention to build a new series of gas-fired power stations and nowhere is better placed than Teesside to build one. Not only does a site exist there, but so does the infrastructure to put the electricity out directly into the national grid. Developers Sembcorp believe it could house a conventional combined cycle gas turbine plant or an integrated gasification combined cycle plant, both of which could incorporate carbon capture. Although Sembcorp could develop its own power station, a potential partner is looking to install a 300 MW gas-fired power plant on the plot.

I know that some may have reservations about the use of fossil fuels, but what an opportunity for the Government to put some meaning into the much abused term “northern powerhouse”—a large-scale power plant, an opportunity to develop it with CCS, but with the immeasurable bonus of doing it with the Teesside Collective and developing an exciting project that could mean boom time for Teesside, with the kind of inward investment that only people in the south believe can be a reality.

Anna Turley (Redcar) (Lab/Co-op): I appreciate my hon. Friend’s generosity. He is right. At a time when Teesside has seen so many job losses in the past few weeks, carbon capture and storage could provide a huge opportunity for people there. Does he agree that in order to enable a transition to a low-carbon economy, we need to ensure that such jobs go to local people, and that nationally agreed terms and conditions are not undercut by recruitment from overseas?

Alex Cunningham: Indeed. I know that local trade unions have been campaigning on this. There are examples on Teesside of companies undercutting what is, in effect, a living wage for the skilled people on Teesside.

I know that projects such as a power station are always fraught with planning complications, but I hope that when the time comes the doors of Ministers in both the Department of Energy and Climate Change and the
Department for Communities and Local Government will be open to ensure a quick decision on the planning application.

It is difficult to see how some of our industries, many of them critical to our economy, can remain located in the UK without CCS if our long-term national carbon reduction commitments are to be met. The Government appear to have no strategy for CCS development, let alone a means of funding it.

New clause 7 could compel Government to fill this huge hole in their energy policy platform. It does everything that any self-respecting Government would want to do, but, more than that, it could send that much wanted signal to the sector that Ministers are serious about carbon capture and storage, understand it and are prepared to deliver, and our country could benefit from potentially hundreds of thousands of jobs if they got it right.

7.15 pm  
Paul Blomfield (Sheffield Central) (Lab): I shall speak briefly in support of new clause 11, to which I am delighted to have added my name, and I pay tribute to my right hon. Friend the Member for Doncaster North (Edward Miliband) for the amendment, the consensual way in which he has built the discourse around it, and the work that he did as the country’s first Secretary of State for Energy and Climate Change.

Climate change is an issue on which all of us have been lobbied by many groups. Most strikingly for me, I was lobbied last year by a group of students from Notre Dame school, a secondary school on the edge of my constituency, who came to Westminster to make the point that their generation was conscious of the consequences of climate change and wanted action. I should add that the hon. Member for Wigan (Lisa Nandy) was lobbied by many groups. Most strikingly for me, I was lobbied last year by a group of students from Notre Dame school, a secondary school on the edge of my constituency, who came to Westminster to make the point that their generation was conscious of the consequences they would face if our generation failed to act. It is an incredibly powerful point, but our responsibility goes beyond the immediate generation.

A report published only last month in the journal *Nature Climate Change* pointed out that much of the discourse has been focused on the consequences of failing to act by the end of this century. Looking beyond that, the problems are even more serious. According to one of authors,

“We are making choices that will affect our grandchildren’s grandchildren and beyond.”

He continued:

“We need to think carefully about the long timescales of what we are unleashing.”

That was Professor Daniel Schrag from Harvard University.

The need to act, and to act more ambitiously, has never been clearer. The agreement of the Paris summit is a step forward, but as last month’s report highlighted, even if global warming is capped at Governments’ target of 2 °C, which is already seen as difficult, 20% of the world’s population will eventually have to migrate away from coast swamped by rising oceans. Cities including New York, London, Rio de Janeiro, Cairo, Calcutta, Jakarta and Shanghai would all be submerged. We have seen the struggle to grapple with the refugee crisis that has grown over the last couple of years, a crisis driven by war in one country and a number of other related conflicts. Imagine for a moment what we will face if 20% of the world’s population is forced to do what people have always done when their homes become uninhabitable—to move to somewhere better.

So we need greater ambition and a greater sense of urgency. That is provided by new clause 11. In the words of Professor Thomas Stocker from the University of Bern, one of the other authors of the report:

“The actions of the next 30 years are absolutely crucial for putting us on a path that avoids the worst outcomes

“and ensuring, at least in the next 200 years, the impacts are limited and give us time to adapt.”

The reservations that the hon. Member for Aberdeen South (Callum McCaig) expressed in his comments on the new clause are taken into account in the careful and thoughtful way that the clause has been drafted and the role that it provides for the Committee on Climate Change. What we need is the ambition embodied in the clause. As my right hon. Friend said, we did it with the Climate Change Act 2008, passed with all-party support, which sent a signal to the world. We can do that again; we cannot afford not to. The future is bleak if we do not cut our emissions further than Paris suggested.

The role that the new clause proposes for the Committee on Climate Change is important for the robustness of that ambition and its workability. I am pleased to hear the constructive engagement that there has been between my right hon. Friend and the Secretary of State. I hope that in her comments later we will hear that together we can move forward on the issue.

Andrea Leadsom: Government amendments 48 and 49 add the relevant provisions of the Oil Taxation Act 1975 and the Corporation Tax Act 2010 to the legislation listed at clause 2(6), which contains the Secretary of State’s relevant oil and gas functions. This ensures that the functions provided for by these Acts fall within the definition of “relevant functions” and can be transferred from the Secretary of State to the Oil and Gas Authority by regulations made under clause 2(2).

Schedule 1 to the Oil Taxation Act 1975 and chapter 9 of part 8 of the Corporation Tax Act 2010 contain the important oil and gas functions of determining oil fields and cluster areas, respectively. These functions form the basis of oil taxation. Petroleum revenue tax is applied by determined field, and allowances are given by cluster area to reduce the amount of profits to which the supplementary charge is applied. Both of these are functions currently undertaken by the Oil and Gas Authority in its capacity as an Executive agency, and are fundamental to our tax regime and to incentivising investment. These amendments are technical in nature and simply seek to put it beyond doubt that these key functions can be transferred to the OGA once it becomes a Government company, as we have always intended.

Let me briefly explain Government amendment 51, to the long title. The amendment is consequential on the removal from the Bill in Committee of the clause on carbon accounting under the Climate Change Act 2008, which was introduced in the other place. It ensures that the Bill is compliant with the parliamentary convention that Bills should move between the Houses in a proper state.

New clause 3 was tabled by the hon. Member for Aberdeen South (Callum McCaig), and new clause 7 was tabled by the hon. Member for Wigan (Lisa Nandy) and others. I should add that the hon. Member for
Stockton North (Alex Cunningham) has been a long-standing advocate of CCS, which he and I have discussed on a number of occasions, so I hope he will acknowledge that I have studied the subject.

**Alex Cunningham:** I am pleased to acknowledge the work the Minister has done, but the important thing is that we convince the Chancellor to fund CCS at some time in the future. How optimistic is she that we will be able to do that?

**Andrea Leadsom:** The new clauses seek to place a duty on the Secretary of State to produce and implement a CCS strategy by June 2017 and to report to Parliament on progress every three years. They also set out that the strategy must help to deliver the emissions reductions needed to meet the fifth and subsequent carbon budgets.

As I emphasised in Committee, the Government’s view remains that CCS has a potentially important role to play in the long-term decarbonisation of the UK’s industrial and power sectors, the long-term competitiveness of energy-intensive industries and the longevity of North sea industries. However, CCS costs are currently high, which is why we remain committed to working with industry to bring forward innovative ideas for reducing the costs of this potentially important technology.

**Philip Boswell:** I thank the Minister for her commitment to carbon capture and storage. However, in terms of our commitment on climate change, we have seen the increased construction and usage of coal-fired power stations around the world, and it has also been well noted in the House that the removal of the CCS competition was a missed opportunity. In Scotland, we still have the Grangemouth CCS project, involving a facility fitted with CCS technology that would cut 90% of emissions. Does the Minister agree that the CCS advisory group should look at that, as an opportunity to get us back on track?

**Andrea Leadsom:** What I can say is that the Government have invested more than £220 million in CCS since 2011. This financial year alone, we have invested £6.6 million, including £1.7 million in October 2015, to support three innovative CCS technologies—from Carbon Clean Solutions, C-Capture Ltd and FET Engineering—and £2.5 million to investigate potential new CO2 stores. We have also invested £60 million of our international climate fund to support CCS capacity building and action internationally. The hon. Member for Stockton North will be aware that DECC provided £1 million in 2014 for a feasibility study into industrial CCS on Teesside, as part of the city deal.

As I said, CCS prices are currently high, so we are committed to working with industry on bringing forward innovative ideas to reduce costs. A key part of that is our continuing investment in CCS through innovation support, international partnerships and industrial research projects.

I recognise that industry and others are keen for the Government to set out our approach to CCS as soon as possible. As I emphasised in Committee, we will do that by the end of 2016. In doing so, we will continue to engage closely with industry, the all-party group on carbon capture and storage, the CCS strategy group and Lord Oxburgh’s CCS advisory group, which is planning to deliver its findings and recommendations to the Government by the summer.

I hope I have reassured hon. Members that the new clauses are unnecessary. I therefore hope they will be content not to press them.

**Alex Cunningham:** Before the Minister moves on, will she hazard a comment on the proposed project on Teesside, which would see a 300 MW power station built on the Wilton site and wrapped up with CCS?

**Andrea Leadsom:** As I have said to the hon. Gentleman, I continue to engage with him and others, and Lord Oxburgh’s CCS advisory group will publish its findings. We will be looking at individual projects, but as the hon. Gentleman and other hon. Members will know, CCS costs are currently extremely high, so I absolutely cannot make any commitments on particular projects right now.

New clauses 6 and 10, tabled by the right hon. Member for Orkney and Shetland (Mr Carmichael), the hon. Member for Wigan and others, are intended to restrict the carbon accounting rules that are allowed under the Climate Change Act from 2028—from the fifth carbon budget period. Under the current rules, we count the UK’s actual emissions for some sectors; for other sectors, we reflect how the EU emissions trading system works.

The new clauses would prevent us from continuing with that approach beyond the fourth carbon budget. Instead, the intention is presumably that the UK’s actual emissions for all sectors would be counted, but without the ability to offset any of those through a system of carbon accounting. As I have said previously, we would still participate in the EU emissions trading system even with that change, and the effect of the new clauses would simply be that we would not reflect how the EU emissions trading system works in our carbon budgets.

Of course, there are arguments for and against different accounting methods, and the issue requires careful consideration of several different factors, including the impact on consumers, businesses and industry, and on our ability to meet our domestic, EU and international commitments in the cheapest way. My hon. Friend the Member for Warrington South (David Mowat) clearly set out some of the challenges for energy-intensive industries in that respect.

It is absolutely right that we keep under review our carbon accounting practices, but now is not the right time to make the proposed changes, because we are focused on setting the fifth carbon budget. We have to do that by 30 June, as required by the Climate Change Act, and that is less than four months away. Accepting new clause 6 or 10 at this point in the process would threaten serious delay in setting the fifth carbon budget. That cannot be right, and it cannot be what hon. Members intended. I just cannot accept putting us at risk of not complying with our legal commitment under the Climate Change Act. I therefore hope hon. Members will be prepared not to press the new clauses.

New clause 11, tabled by the right hon. Member for Doncaster North (Edward Miliband), would set a new climate change target for the UK. Specifically, it would require the Government to set a year by which net emissions will be zero or less, and to ensure that that target was met for that year and subsequent ones. The year would have to be set within 12 months of the Bill coming into force and following advice from the Committee on Climate Change.
I sincerely thank the right hon. Gentleman for raising this important issue and for his statements to the House on the matter over a long period. I know the House was delighted with the Paris agreement, which included a goal for global net zero emissions by the end of this century. My right hon. Friend the Secretary of State played a crucial role in securing support for that goal in Paris, and I thank the right hon. Gentleman for his support in securing such an ambitious deal. I am grateful for his past and continued commitment to the important subject of climate change.

The Government believe we will need to take the step of enshrining the Paris goal of net zero emissions in UK law—the question is not whether, but how we do it, and there is an important set of questions to be answered before we do. The Committee on Climate Change is looking at the implications of the commitments made in Paris and has said it will report in the autumn. We will want to consider carefully its recommendations, and I am happy to give the right hon. Gentleman the undertaking that we will also discuss with him and others across the House how best to approach this matter, once we have undertaken that consideration.

This is an example, once again, of the House demonstrating on a cross-party basis a determination to tackle climate change, as we showed in the Climate Change Act. The Government are determined to build on the momentum of Paris, and our positive response to the right hon. Gentleman today is a clear example of that. On that basis, I hope he will not press his new clause to a Division.

Next I will respond to new clause 12, tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas). This would require the Secretary of State to develop and publish a national strategy for the energy sector towards 100% renewable energy by 2050, under the framework of a so-called just transition. I want to start by recognising the areas where I hope the hon. Lady and I can agree. She is a passionate advocate for action to tackle climate change, to which this Government are firmly committed. Our domestic Climate Change Act is world leading, and my right hon. Friend the Secretary of State played a critical role last year in securing a strong global deal in Paris. We can also agree on the important role for renewables in helping to reduce emissions. In particular, I welcome the progress we have seen so far in driving down the cost of renewables technologies such as offshore wind and solar.

7.30 pm

While I hope that we can indeed agree on those points, we do have different views on the best way to go about reducing emissions. There are three reasons why I cannot accept the hon. Lady’s new clause. First, it goes against the principle of technology neutrality, which ensures that we can cut emissions at the lowest cost to consumers. Secondly, we already engage very widely on our approach to decarbonisation. Thirdly, the new clause overlaps significantly with the existing legislative requirement for us to publish policies and proposals for tackling climate change. We are committed to ensuring that the UK continues to do its part to tackle climate change, but we want to cut emissions as cheaply as possible and to drive down costs for families and for businesses.

Caroline Lucas: Will the hon. Lady elaborate a little more on her point about technology neutrality? All I am talking about is renewables, energy efficiency, storage and so forth. If she knows of some wonderful new technology that can get our emissions down more quickly and more cheaply, I would love to hear about it.

Andrea Leadsom: As the hon. Lady well knows, one transitional approach to decarbonisation is to move away from coal and towards gas as a bridge to a low-carbon future. She will also be very aware that new nuclear offers a low-carbon technology for the future, and this Government are committed to supporting that.

I appreciate the intent behind much of the hon. Lady’s new clause, but I hope that she can see why I cannot accept its specifics and that she will be content to withdraw it.

I turn now to new clause 8, tabled by the hon. Member for Wigan and others. This would require the Secretary of State to set a decarbonisation target range for the electricity generating sector. We debated very similar amendments in the previous Parliament, and during the passage of this Bill in the other place and in earlier Commons stages. The Government have made our position on this matter very clear. We are committed to ensuring that the UK continues to play its part to tackle climate change, in line with the Climate Change Act and our international and EU obligations. However, we want to do this as cost-effectively as possible in order to keep costs down for families and businesses while delivering on legally binding commitments. We cannot do that by locking ourselves into additional expensive and inflexible targets relating to the power sector. There are too many things we cannot predict about how the energy system will develop over the next 15 years and beyond. The costs of getting this wrong now would be picked up by families and businesses for decades to come.

I find it strange that Opposition parties often argue that we are not doing enough to tackle fuel poverty, and yet they are urging us to sign consumers up to a distorting and expensive power sector target. Investors want to know that we have clear, credible and affordable plans. The Government are now setting out the next stages in their long-term commitment to move to a low-carbon economy, providing a basis for electricity investment into the next decade. The huge investment we have seen so far is evidence that our approach is working. Between 2010 and 2014, our policies have secured an estimated £42 billion of investment in low-carbon electricity, including £40 billion in renewables, and we have more in the pipeline for the future. I therefore cannot accept this new clause, and I ask hon. Members to withdraw it.

I would now like to deal with new clause 9, tabled by the hon. Member for Wigan and others. This seeks to introduce additional capacity market eligibility criteria requiring any new-build capacity accessing 15-year capacity agreements to be made subject to the emissions performance standard, or EPS. As I have explained previously, the new clause does not achieve its intended aim, so I am surprised to see it reappear. The EPS sets an annual limit specifically on CO₂ emissions from new fossil fuel plant with an output above 50 MW. Any new fossil fuel generators above 50 MW seeking to participate in the capacity market will already be subject to this limit, so...
nothing would be gained by introducing this as a further eligibility requirement in the capacity market. Existing generators, which form the majority of capacity market participants, cannot access 15-year agreements, so the new clause would also have no impact on those generators.

As I have set out before, the emissions impact from smaller generators that sit below the 50 MW threshold is often assumed to be larger than it is in reality. Small “peaking” generators have a relatively small impact on overall CO₂ emissions due to the short hours that they run. These generators typically run for less than 100 hours a year, in the case of diesel engines, while larger fossil fuel plants will run for 2,000 hours or more. The new clause is therefore not effective, for the simple reason that the annual EPS CO₂ emissions limit would be very unlikely to have any impact on small generators participating in the capacity market.

Dr Whitehead: Is not the proposal that the Minister herself is putting forward for the future inclusion of small diesel sets in air quality standards subject to exactly the same problem, in that smaller diesel set generators are brought into a scheme that was originally proposed for larger generators, thereby including them in the system? That is exactly what the new clause proposes through smaller diesel sets coming into an emissions performance standard that otherwise would apply to larger plants.

Andrea Leadsom: As I have explained to the hon. Gentleman, his new clause would not actually have that effect.

However, I am not complacent about concerns associated with local pollutants from small generators. I am very aware of the concern about diesel, in particular. Later this year, the Department will consult on options that will include legislation that would set binding emissions limit values on relevant air pollutants from smaller engines, with a view to having legislation in force no later than January 2019, and possibly sooner. These limits would apply to generators or groups of generators with a rated thermal input equal to or greater than 1 MW and less than 50 MW, irrespective of their number of hours of operation during any given year. This shows that the Government are taking appropriate action to avoid any disproportionate impact on air quality from smaller engines where those could contribute to harmful levels of air pollutants and the exceeding of existing air quality limit values. These limits, along with other proposals we have recently announced, send a clear message about the viability of developing and running diesel generators in future. I hope that hon. Members have found my explanation reassuring and will be content to withdraw their new clause.

I turn now to new clause 5, tabled by the right hon. Member for Orkney and Shetland (Mr Carmichael). This seeks to reinsert the clause added by the Opposition in the other place, once again rewriting the Oil and Gas Authority’s principal objective of maximising economic recovery of UK petroleum. This topic has been debated on several occasions, it is mission critical that the OGA maintains a “laser-like focus” on maximising economic recovery above all else. Without such a focus, we risk conflicting the OGA—setting it up to fail in its crucial mission to protect our domestic energy mix and to support hundreds of thousands of jobs. That is not what is best for the UK continental shelf now or in future.

Callum McCaig: I thank the Minister for drawing attention to that. It is absolutely fundamental that the OGA has that laser-like focus. It is also fundamental for the industry that the Chancellor has that laser-like focus. I reiterate to the Minister the need for her to use her good offices to make sure the industry gets the support it needs on Wednesday.

Andrea Leadsom: I am grateful to the hon. Gentleman for that. He will be aware that the Chancellor and the Prime Minister have looked carefully at the matter, so I hope that he will be pleased. I assure him that his interests and the interests of the UK continental shelf are being carefully considered. I hope that the right hon. Member for Orkney and Shetland will be content not to press the new clause to a vote.
Finally—hon. Members will be pleased to hear that—I turn to amendment 47, which was tabled by the hon. Member for Wigan and others. The amendment would oblige the OGA to consider the most advantageous use of North sea infrastructure for the overall benefit of oil and gas extraction prior to the decommissioning of such sites. I am delighted to note the support across the House for the measures to establish the OGA and give it the powers needed to maximise economic recovery. The impact of the fall in oil prices on industry makes that even more critical.

Although we are taking urgent steps to stimulate investment in exploration, it is equally important to the overall viability of the North sea that we make the best use of infrastructure in order to mitigate the risks of premature decommissioning. That requires a holistic approach in which operators, licence holders and infrastructure owners collaborate to ensure the maximum economic recovery of petroleum from the UK continental shelf. That is specifically provided by the OGAs principal objective set out in section 9A of the Petroleum Act 1998.

The strategy to maximise economic recovery further addresses that issue. It includes duties to plan, commission and maintain infrastructure in a way that meets the optimum configuration for maximising the value of economically recoverable petroleum, taking into account the operational needs of others. The strategy and the measures in the Bill ensure that before commencing the decommissioning of any infrastructure in relevant UK waters, the owners of the infrastructure and the OGA must ensure that all viable options for its continued use have been suitably explored. The OGA is already working to support a stable and sustainable decommissioning framework focused on improving late-life management. The OGA will publish its decommissioning framework early in the summer. I hope that hon. Members will be content not to press the amendment to a vote.

Mr Speaker: I call Callum McCaig, if he wishes to speak.

Callum McCaig indicated dissent.

Question put, That the clause be read a Second time.

The House divided: Ayes 229, Noes 268.

Division No. 216

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Ali, Rushanara
Allen, Mr Graham
Arkless, Richard
Austin, Ian
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Coaker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Cox, Jo
Coyle, Neil
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummings, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
Davies, Geraint
Day, Martyn
De Piero, Gloria
Docherty-Hughes, Martin
Donaldson, rh Mr Jeffrey M.
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durham, Mark
Eagle, Ms Angela
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Fellows, Marion
Field, rh Frank
 Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
 Flynn, Paul
Fovargue, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Hanson, rh Mr David
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendy, Drew
Hermon, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollick, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Kerewyn, George
Kinnock, Stephen
Kyle, Peter
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeil, Mr Angus Brendan
MacTaggart, rh Fiona
Madders, Justin
Mamood, Shabana
Malhotra, Seema
Marris, Rh
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McHnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Mearns, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Morden, Jessica
Moris, Grahame M.
Mullin, Roger
Murray, Ian
Nandy, Lisa
Newlands, Gavin
Nicolson, John
O’Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby

Blomfield, Paul
Bradshaw, rh Mr Ben
Brennan, Kevin
Brock, Deidre
Brown, Lyn
Bryant, Chris
Buck, Ms Karen
Burton, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair

[Andrea Leadsom]
Chishti, Rehman
Chalk, Alex
Cartlidge, James
Cash, Sir William
Cautfield, Maria
Chalk, Alex
Chi, Shih-Te
Chisholm, Iain

Smith, Owen
Smith, Smyth, Karin
Stephens, Chris
Stevens, Jo
Stuart, rh Ms Gisela
Tami, Mark
Thewliss, Alison
Thom-Symonds, Nick
Thomson, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Twygg, Derek
Twygg, Stephen
Vaz, Valerie
Watson, Mr Tom
West, Catherine
Whiteford, Dr Elidith
Whitehead, Dr Alan
Whitford, Dr Philippa
Wilson, Corri
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:
Philip Boswell and
Owen Thompson

NOES
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Henriett
Barclay, Stephen
Barwell, Gavin
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Bone, Mr Peter
Bowick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Brighouse, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Burns, Conor
Burns, rh Sir Simon
Caims, Alun
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chi, Shih-Te

Gamier, rh Sir Edward
Gamier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Guinness, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
Javid, Sahj
Jayawardena, Mr Ranil
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Latham, Pauline
Leadsom, Andrea
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Mackinlay, Craig
Main, Mrs Anne
Mak, rh Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McPartland, Stephen
Menzies, Mark
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Murray, Mrs Sheryl
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Owen-Jones, Guy
Parish, Neil
Patel, rh Priti
Pawsey, Mark
Penning, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pincher, Christopher
Powl, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Purcell, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Robinson, Mary
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosalyn
Soames, rh Sir Nicholas
Solloway, Amanda
Souby, rh Anna
Spelman, rh Mrs Caroline

731 73214 MARCH 2016
Energy Bill [Lords]}

Energy Bill [Lords]
Question accordingly negatived.

New Clause 8

Decarbonisation target range

“(1) Section 1 of the Energy Act 2013 is amended as follows.

(2) Leave out subsection (2) and insert—

“(2) The Secretary of State must by order ("a decarbonisation order") set a decarbonisation target range, which shall be reviewed annually thereafter.”

(3) Leave out subsection (5) and insert—

“(5) The decarbonisation order shall be made within six months of the adoption of the fifth carbon budget set by virtue of the duty of the Secretary of State under section 4 (2) (b) of the climate Change Act 2008.”

---(Dr Whitehead)

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 227, Noes 272.

Division No. 217] [7.56 pm

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tasmina
Ali, Rushanara
Allen, Mr Graham
Arkless, Richard
Austin, Ian
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Bradshaw, rh Mr Ben
Brennan, Kevin
Brook, Deidre
Brown, Lyn

Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shâilsh
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Wiggin, Bill
Williamson, rh Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Zahawi, Nadhim

Tellers for the Noes:
George Hollingbery and Margot James

Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
Davies, Geraint
Day, Martyn
De Piero, Gloria
Docherty-Hughes, Martin
Donaldson, rh Mr Jeffrey M.
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrell, Paul
Fellows, Marion
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Hanson, rh Mr David
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendry, Drew
Heron, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollett, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan

Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kinnock, Stephen
Kyle, Peter
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
Lynch, Holly
MacNeill, Mr Angus Brendan
Maclaggart, rh Fiona
Madders, Justin
Mahmood, Shabana
Malhotra, Seema
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, John
McGlenn, Conor
McGovern, Alison
McInnes, Liz
McKinnell, Catherine
McLaughlin, Anne
McMahon, Jim
Mears, Ian
Miliband, rh Edward
Monaghan, Carol
Monaghan, Dr Paul
Morden, Jessica
Mullin, Roger
Murray, Ian
Nandy, Lisa
Newlands, Gavin
Nicolson, John
O'Hare, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Pearce, Teresa
Pennycook, Matthew
Perkins, Toby
Powell, Lucy
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robertson, rh Angus
Robinson, Gavin
Robinson, Mr Geoffrey
Tellers for the Ayes:
Grahame M. Morris and Jeff Smith

NOES

Afreeye, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Alkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bellinger, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Berry, James
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Burns, Conor
Burns, rh Sir Simon
Cairns, Alun
Carmichael, Neil
Cartidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverty, James
Clifford-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian

Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halton, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollinsake, Kevin
Hollebone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkyns, Andrea
Jerick, Robert
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, rh Mr Mark
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Latham, Pauline
Leadsom, Andrea
Lee, Dr Philip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Liddington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Mackinlay, Craig
Main, Mrs Anne
Mak, rh Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCabe, Jason
McClement, Karl
McPartland, Stephen
Menzies, Mark
Merriman, Huw

Metcalfe, Stephen
Miller, rh Mrs Maria
Millard, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Orr, Mr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Pawsey, Mark
Pannin, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philp, Chris
Pincher, Christopher
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robinson, Mary
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alex
Shelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Smith
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swank, Mr Desmond
Question accordingly negatived.

New Clause 10

EMISSIONS TRADING: UNITED KINGDOM CARBON ACCOUNT

“In section 27 (net UK carbon account) of the Climate Change Act 2008, after subsection (3) insert—

‘(3A) In respect of any period commencing after 31 December 2027, the regulations must not make provision for carbon units to be credited to or debited from the net United Kingdom carbon account on the basis of the number of carbon units surrendered by operators of installations in the United Kingdom pursuant to the European Union Emissions Trading Scheme.’—[Lisa Nandy.]

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 229, Noes 275.

Division No. 218] [8.8 pm

AYES

Abbott, Ms Diane  Cadbury, Ruth
Abrahams, Debbie  Cameron, Dr Lisa
Ahmed-Sheikh, Ms Tasmina  Campbell, Mr Alan
Ali, Rushanara  Campbell, Mr Ronnie
Allen, Mr Graham  Carmichael, Mr Alistair
Arkless, Richard  Champion, Sarah
Austin, Ian  Chapman, Douglas
Bardell, Hannah  Chapman, Jenny
Barron, kevin  Coaker, Vernon
Beckett, rh Margaret  Coffey, Ann
Ben, rh Hilary  Cooper, Julie
Betts, Mr Clive  Cooper, Rosie
Black, Mhairi  Cooper, rh Yvette
Blackford, Ian  Corbyn, rh Jeremy
Blackman-Woods, Dr Roberta  Cowan, Ronnie
Blenkinsop, Tom  Cox, Jo
Blomfield, Paul  Coyle, Neil
Boswell, Philip  Crasby, rh David
Bradhaw, rh Mr Ben  Creasy, Stella
Brennan, Kevin  Cruddas, Jon
Brock, Deidre  Cryer, John
Brown, Lyn  Cummins, Judith
Bryant, Chris  Cunningham, Alex
Buck, Ms Karen  Cunningham, Mr Jim
Burton, Richard  Dakin, Nic
Burnham, rh Andy  Danczuk, Simon
Butler, Dawn  Davies, Geraint
Byrne, rh Liam  Day, Martyn
De Piero, Gloria  Docherty-Hughes, Martin
Donaldson, rh Mr Jeffrey M.  Donaldson, Stuart Blair
Doughty, Stephen  Dowd, Jim
Dowd, Peter  Dromey, Jack
Dugher, Michael  Durkan, Mark
Eagle, Ms Angela  Edwards, Jonathan
Efford, Clive  Ellman, Mrs Louise
Esterson, Bill  Evans, Chris
Farrelly, Paul  Fellowes, Marion
Field, rh Frank  Fitzpatrick, Jim
Fletcher, Colleen  Flint, rh Caroline
Flyn, Paul  Fovargue, Yvonne
Foxcroft, Vicky  Gardiner, Barry
Gethins, Stephen  Gibson, Patricia
Glass, Pat  Glindon, Mary
Godsiff, Mr Roger  Goodman, Helen
Grady, Patrick  Grant, Peter
Gray, Neil  Greenwood, Lilian
Greenwood, Margaret  Griffith, Nia
Hansom, rh Mr David  Harris, Carolyn
Hayes, Helen  Hodgson, Mrs Sharon
Hayman, Sue  Hoey, Kate
Healey, rh John  Hollem, Kate
Hendry, Drew  Hopkins, Kelvin
Hermon, Lady  Hosie, Stewart
Hillier, Meg  Howarth, rh Mr George
Hodgson, Mrs Sharon  Hunt, Tristram
Hoey, Kate  Huq, Dr Rupa
Hussain, Imran  Jarvis, Dan
Johnson, rh Alan  Johnson, Diane
Jones, Graham  Jones, Helen
Jones, Mr Kevan  Jones, Susan Elan
Jones, Angela  Kane, Mike
Kauffman, rh Sir Gerald  Keeley, Barbara
Keendall, Liz  Kerevan, George
Kinnock, Stephen  Kyle, Peter
Lavery, Ian  Lesley, Chris
Lewell-Buck, Mrs Emma  Lewis, Clive
Lewis, Andrew  Long Bailey, Rebecca
Lucas, Caroline  Lucas, Ian C.
Lynch, Holly  MacNeil, Mr Angus Brendan
Mactaggart, rh Fiona  Madders, Justin
Mahmood, Shabana  Malhotra, Seema
Marris, Rhodri  Marsden, Mr Gordon
Maskell, Rachael  Matheson, Christian
Mc Nally, John  McCabe, Steve
McCoaig, Callum  McCarthy, Kerry
McDonagh, Siobhain  McDonald, Andy
McDonald, Steward Malcolm  McDonald, Stuart C.
McDonnell, John  McGinn, Conor
McGovern, Alison  McInnes, Liz
McKinnell, Catherine  McLaughlin, Anne
McMahon, Jim  Mears, Ian
Miliband, rh Edward  Monaghan, Carol
Monaghan, Dr Paul  Morden, Jessica
Mullin, Roger  Murray, Ian
Nandy, Lisa  Nandy, Linda
Newlands, Gavin  Nicolson, John
O'Hara, Brendan  O'Neill, Melanie
Owen, Anton  Osamor, Kate
Oswald, Kirsten  Owen, Albert
Paterson, Steven  Pearce, Teresa
Pennycook, Matthew  Perkins, Toby
Powell, Lucy  Qureshi, Yasmin
Rayner, Angela  Reed, Mr Jamie
Reed, Mr Steve  Rees, Christina
Reynolds, Jonathan  Rimmer, Marie
Ritchie, Ms Margaret  Robertson, rh Angus
Robinson, Gavin  Robinson, Mr Geoffrey
Rotheram, Steve  Saville Roberts, Liz
Shah, Naz  Sharma, Mr Virendra
Sheeran, Mr Barry  Sheppard, Tommy
Sherriff, Paula  Siddiq, Tulip
Skinner, Mr Dennis  Slaughter, Andy
Smith, rh Mr Andrew
NOES

Davies, Mims
Davies, rh Mr David
Djanogly, Mr Jonathan
Donelan, Michelle
Double, Steve
Downen, Oliver
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Foster, Kevin
Fox, rh Dr Liam
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Flysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Gillan, John
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hafon, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollinrake, Kevin
Hollonbake, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
Javid, rh Sahid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Gareth
Jones, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leadsom, Andrea
Lee, Dr Philip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Mackinlay, Craig
Main, Mrs Anne
Mak, rh Mr Alan
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McPartland, Stephen
Menzies, Mark
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Parish, Neil
Patel, rh Priti
Pawsey, Mark
Pannin, rh Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Philip, Chris
Pincher, Christopher
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pritchard, Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robinson, Mary
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simpson, rh Mr Keith
Skidmore, Chris
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosalyn
Snotations, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sukn, Rishi
Swainey, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tofful, Kelly
Tomlinson, Justin
Tomlinson, Michael
Clause 2

TRANSFER OF FUNCTIONS TO THE OGA

Amendments made: 48, page 2, line 39, at end insert—

“( ) Schedule 1 to the Oil Taxation Act 1975.”

This amendment adds functions under Schedule 1 to the Oil Taxation Act 1975 to the list of functions that can be transferred to the OGA under clause 2. It is likely to be used to transfer the function of determining oil fields under paragraph 1 of that Schedule.

Amendment 49, page 2, line 41, at end insert—

“( ) Chapter 9 of Part 8 of the Corporation Tax Act 2010,”

—(Andrea Leadsom.)

This amendment adds functions under Chapter 9 of Part 8 of the Corporation Tax Act 2010 to the list of functions that can be transferred to the OGA under clause 2. It is likely to be used to transfer the function of determining oil fields under section 356JD of that Act.

Title

Amendment made: 51, line 8 leave out from “power;” to “and” in line 10.—(Andrea Leadsom.)

This amendment is consequential on the removal of the provision about emission trading schemes from the Bill in Public Bill Committee.

Mr Speaker: Our consideration having been completed, I will now suspend the House for no more than five minutes in order to make a decision about certification. The Division bells will be rung two minutes before the House resumes. Following my certification, the Government will table the appropriate consent motion, copies of which will be made available in the Vote Office and distributed by the Doorkeepers.

8.21 pm

Sitting suspended.

8.25 pm

On resuming—

Mr Speaker: I can now inform the House that I have completed certification of the Bill, as required by the Standing Order. I have confirmed the view expressed in my provisional certificate issued on 9 March. Copies of my final certificate will be made available in the Vote Office and on the parliamentary website.

Under Standing Order No. 83M, a consent motion is therefore required for the Bill to proceed. Copies of the motion are available in the Vote Office and on the parliamentary website, and have been made available to Members in the Chamber. Does the Minister intend to move the consent motion?

Andrea Leadsom indicated assent.

Mr Speaker: Under Standing Order 83M(4), the House must forthwith resolve itself into the Legislative Grand Committee (England and Wales).

The House forthwith resolved itself into the Legislative Grand Committee (England and Wales) (Standing Order No. 83M).

[MRS ELEANOR LAING IN THE CHAIR]

8.27 pm

The First Deputy Chairman of Ways and Means (Mrs Eleanor Laing): There will now be a debate on the consent motion for England and Wales. I remind hon. Members that all Members may speak in the debate but, if there are Divisions, only Members representing constituencies in England and Wales may vote on the consent motion. I call the Minister to move the consent motion for England and Wales.

Andrea Leadsom: I beg to move,

That the Committee consents to the following certified clause of the Energy Bill [Lords].

Clause certified under Standing Order No. 83L(2) as relating exclusively to England and Wales and being within devolved legislative competence.

Clause 78 of the Bill as amended in Committee (Bill 128).

The consent motion stands in the name of my right hon. Friend the Secretary of State for Energy and Climate Change, as set out in the written ministerial statement tabled on 10 March. Nothing has changed since the Bill was introduced. I urge hon. and right hon. Members to support the consent motion.

Question put and agreed to.

The occupant of the Chair left the Chair to report the decisions of the Committee (Standing Order No.83M(6)).

The Deputy Speaker resumed the Chair; decisions reported.

Third Reading

Queen’s and Prince of Wales’s consent signified.

8.29 pm

The Secretary of State for Energy and Climate Change (Amber Rudd): I beg to move, That the Bill be now read the Third time.

This Government are focused on delivering measures that support our long-term plan for secure, clean and affordable energy supplies. This Bill puts in place key manifesto commitments to achieve those objectives—first, by meeting our commitment to support the development of oil and gas in the North sea. The Bill provides the Oil and Gas Authority with the direction and powers it needs to be an effective regulator and to maximise recovery of resources in the North sea to the benefit of Britain’s energy security. Secondly, the Bill meets our commitments to ending new public subsidies for onshore wind and giving local people the final say on wind farm
applications. In doing so, the Bill will protect bill payers by helping to control the costs to the public of support for renewable energy.

Let me take those in turn, addressing the action we have taken since the Bill’s Second Reading in January, before touching on other measures in the Bill. As I set out on Second Reading, amendments made in the other place sought to expand considerably the objectives of the Oil and Gas Authority. Our view is that this would dilute the focus of the OGA at a crucial time for the oil and gas industry. This House has reinstated the OGA’s original principal objective for maximising economic recovery. Both the industry and the unions are agreed on that. The OGA must have clarity on its primary objective. The Bill as it now stands provides that.

I set out our intention on Second Reading to re-introduce clauses on onshore wind that were removed in the other place. This was a clear Government commitment, and I am pleased to see those provisions put back. Let me be explicit: this Bill enacts a manifesto commitment. Clause 79 helps to implement that commitment to end new public subsidies for onshore wind. Onshore wind has deployed successfully to date, but without control there is a risk of over-deployment beyond the range we have set for 2020—consider that we committed at the time that we could add extra costs to consumer bills or reduce the amount of support available to less mature technologies such as offshore wind that need help to bring their costs down, just as public subsidies have brought down the costs of onshore wind. To protect investor confidence, we have inserted clause 80, which sets out in legislation the grace period for those projects meeting certain conditions as of 18 June last year. That allows such projects to continue to seek accreditation under the renewables obligation after the early closure date.

I have also introduced a clause relevant to Northern Ireland. It remains my position that consumers in Great Britain should not bear the cost of Northern Ireland providing additional support to onshore wind. We have been clear about that throughout the process. The intention of the backstop power is to ensure that, should Northern Ireland choose to provide additional support for onshore wind consumers in Northern Ireland, not Great Britain, will bear the cost.

The Government are committed to the Climate Change Act 2008 and our target to reduce emissions by 80% by 2050. We will meet our obligations and responsibilities by setting the fifth carbon budget by the end of June this year, covering the period 2028 to 2032. As the Committee on Climate Change has said, while we are on course to meet the second and third carbon budgets, the fourth carbon budget will be tough to achieve. We will set out our proposals for meeting our targets in our new emissions reduction plan. Our working assumption is that this will be published at the end of the year. Work on the fifth carbon budget is well under way across Government and has been progressing for over a year.

I understand the intentions of those who have sought to amend the Bill to change the way we count carbon for the purposes of the fifth carbon budget, and of course it is right that we keep our accounting practices under review, but I am afraid that accepting such an amendment to the Bill this far into the fifth carbon budget process would have risked serious delay, at a time when the UK should be showing clear, decisive leadership in the aftermath of the Paris climate change conference.

Before I conclude, I wish to express my thanks to those who have supported the proper scrutiny of the Bill. First, I give thanks to my team on the Front Bench: the Minister of State, who has expertly steered the Bill through the House, and Lord Bourne for his management of the Bill in the other place. I would like to thank my hon. Friends the Members for Skipton and Ripon (Julian Smith), for Blackpool North and Cleveleys (Paul Maynard) and for South East Cornwall (Mrs Murray) for their excellent contributions and support. We are very grateful.

Let me also express my gratitude to Opposition Members for their measured approach to the scrutiny of the Bill. It is fair to say that there have been moments of disagreement, but we have also agreed on many issues, including the need swiftly to complete the work started in the previous Parliament to implement fully the recommendations of the Wood review. I therefore thank the hon. Members for Wigan (Lisa Nandy), for Southampton, Test (Dr Whitehead), for Norwich South (Clive Lewis), for Aberdeen South (Callum McCaig), and for Coatbridge, Chryston and Bellshill (Philip Boswell) for their considered scrutiny. I am also extremely grateful to my hon. Friends for their participation in our proceedings and my discussions both in and outside the Chamber, which has been very helpful.

During the passage of the Bill, my colleagues and I have listened carefully, and, where appropriate, have made amendments or added details to provisions. However, when it comes to the fundamental purpose of the Bill, we have stood firm on our commitments, and we intend to continue to do so.

8.35 pm

Lisa Nandy (Wigan) (Lab): With the important exception of its provisions relating to the North sea industries, the Bill has absolutely nothing to say about the major energy challenges that we face. It constitutes a missed opportunity to mend our broken energy market, and to make good the promise that the Prime Minister delivered four years ago when he told the House that he would legislate to put every household in Britain on to the cheapest energy tariff. It is extraordinary that, during the Bill’s passage, we have learnt that that broken promise has cost Britain’s households an extra £1.7 billion every year, and that, once again, an Energy Bill led by this Government has let the energy companies off the hook.

Despite our best efforts, the Bill is also silent on the growing risk of power shortages. That is astonishing, given that official figures from National Grid show that next winter Britain could be forced to rely on back-up measures and imports from abroad just to keep the lights on. We sought to address that in Committee, especially in view of the doubt that has been cast over Hinkley Point C, the failure of which would blow a major hole in the Government’s energy policy. Where is the plan B? It is not in this Bill.

Against a background of failure—the failure to get new power stations built—it is a great shame that Ministers rejected our attempts to amend the Bill in order to correct that failure and provide incentives for the building of a number of new gas plants by changing the design of the failing and expensive capacity market scheme. Our proposals would also have had the benefit of ending the absurd practice of increasing household energy bills to provide generous handouts for dirty
Lisa Nandy: The right hon. Gentleman is wrong. As a matter of fact, he is wrong about a number of other things, but I will stick to the point that he has just raised. It was a Labour Government who initiated the new nuclear process for Hinkley Point C, but, six years after the right hon. Member for Witney (Mr Cameron) became Prime Minister we have seen no further progress. In fact, the only new gas station that has appeared under the present Government was initiated and commissioned by the last Labour Government.

Remarkably, the Bill will actually make our energy security position worse. It seeks to shut down, a year early, a major energy investment scheme that has been helping to ensure that wind farms are built. Wind farms already provide a substantial amount of electricity—enough power for more than 8 million homes every year—but, because of their ideological crusade against green energy, the Government do not want to increase their number even if that means that they are sending our power supply into the red. /Interruption./ Ministers can protest, but the reality is in front of us. It is there for us all to see—not just Labour Members, but Ministers’ constituents, who will pay the price for it. The Government will pursue their proposal even if it means retrospectively blocking projects whose development is well advanced and even if it means ruling out one of the cheapest energy options that are available to us, thus breaking their manifesto promise to cut emissions as cheaply as possible.

The aim of every one of our amendments has been to attract new investment in new energy projects, to create jobs and to improve our energy security, but the Government have rejected all of them. Energy UK, the trade body that represents businesses across the sector, recently called for more clarity from the Government about what was expected from companies on reducing carbon pollution. It stated:

“It is essential the industry gets a clear signal of the focus, direction and speed of travel to 2030 and beyond.”

It is hardly surprising that Energy UK wants more clarity, because while Ministers talk about their action on climate change, they are simultaneously dismantling the clean energy schemes that could help to address the problem. We proposed to amend the Bill, in response to calls from business leaders, by requiring the Secretary of State to offer clarity on the direction and speed of emissions reduction to 2030, but the Government rejected our proposals. Together with other parties from across the House, we tried to close a loophole that will enable Ministers to square this circle through carbon accounting tricks, but that move was also rejected. This all means more uncertainty for investors, rather than less.

I welcome the fact that the Government have accepted the principle, put forward by my right hon. Friend the Member for Doncaster North (Edward Miliband), that we must ultimately build a carbon-neutral economy. I welcome the spirit in which they accepted that principle and the basis on which they accepted it, which was that we need to develop a strategy that will secure the investment in the new power stations that we so urgently need.

John Redwood: Will the hon. Lady remind us why, when Labour was in office for all those years, it made no decisions to put in new capacity?

Lisa Nandy: The principle, put forward by my right hon. Friend the Prime Minister made at the historic Paris summit in December.

Let us take carbon capture and storage as an example. The Government’s own advisers say that without this cutting-edge technology the cost of achieving emissions reduction in Britain could double. Some experts say that, without it, making good on the Paris agreement might even be impossible. As my hon. Friend the Member for Stockton North (Alex Cunningham) pointed out, however, the Chancellor has shamefully pulled the rug from under businesses that were on the cusp of pioneering CCS projects in Yorkshire and Scotland. Investment and jobs have gone, and the possibility of a new maritime industry in our North sea has been put on hold. We proposed that a comprehensive new CCS strategy should be adopted within a year to undo the damage caused by that decision but, despite strong cross-party support, our reasonable proposal was rejected.

When the Bill arrived here from the other House, it was in a much better state than we now find it in. That makes it difficult for us to support it this evening, but the low oil price means that our North sea industries need and deserve our support. We have all benefited from the revenues produced by North sea oil in better times, and we owe it to those industries to support them now that times are hard. The Bill contains important measures that act on the recommendations of the Wood review which can support workers in this crucial sector of our economy.

Yesterday, with my support, colleagues in Scottish Labour rightly called for the Government to go further and to invest directly in strategically important offshore assets in the North sea. I hope that the Energy Secretary will support that call. The fact is that substantial reserves remain unexploited and it is essential that we work on a cross-party basis to support investment in those untapped opportunities. For that reason alone, we will not oppose the Bill tonight.

However, I say to the Energy Secretary that the poverty of ambition encapsulated in the Bill is increasingly clear, and that it is increasingly untenable to dismantle plan A without putting a plan B in its place, to duck the challenges of the coming century and to set Britain’s face against the opportunities that that century presents. I should like to thank my hon. Friends the Members for Southhampoton, Test (Dr Wightman), for Northampton, North (Clive Lewis) and for Brent North (Barry Gardiner). Together, we will look to Ministers to do much better than this in future.
8.44 pm

**John Redwood:** I welcome the Bill because it attempts to deal with some of the damage that has accumulated in recent years as a result of the policies of the Labour Government, who neglected the need for more energy and security of supply, and some of the European Union's interventions.

I welcome the cross-party attempts to breathe some life into the North sea industry, which has been crucial over many years. As many have pointed out, it is going through a troubled time and anything that can be done by the Oil and Gas Authority or directly by the Government is to be welcomed. For example, now is a good time to remove the petroleum revenue tax, which is a rather silly, unpleasant tax introduced by the Labour party for internal political reasons near the beginning of activities in the North sea. It yields no revenue at the moment, so it would be a good time to get rid of it to show that we want normal profit and revenue taxes, not super-taxes, on North sea activities when the good times return. I hope that the Chancellor will bear in mind the needs of the industry in his forthcoming Budget, because things could be done on tax to promote more investment against the background of a weak oil price, which is no great incentive for making new things happen.

I hope that the Bill will contribute towards taking security of supply seriously. The Government regularly tell us that they want our country to be secure—an aim that I hope is shared across the Chamber. An important way for a country to become more secure is through controlling its own energy resources. The United Kingdom is a relatively privileged country geographically, because it has substantial reserves of oil, gas and coal. We have recently discovered the likelihood of new gas reserves onshore, which should be available to exploit sensibly. We also have plenty of water around that allows us to have hydro-type renewables, which are genuinely renewable and continuously available, unlike the unreliable wind, about which we had a good debate earlier. As the Government go about implementing the Bill, I trust that they will have security of supply at the forefront of their mind.

**George Kerevan (East Lothian) (SNP):** Where does the security of supply lie in the Prime Minister flying to Paris to ask the French President to fund a nuclear power station that will supply 7% of our electricity, when France clearly will not do so?

**John Redwood:** That must be worked out between the contracting parties. I have not been urging them to do that, but I wish them well in whatever negotiations are under way. I accept that if they can find a way of producing relatively sensibly priced power on a continuous basis from a nuclear power station, that has all sorts of advantages for the security of supply. I assume that they will ensure that all the technology and the ability to control, repair and maintain the station will rest in the United Kingdom, because we can have true security only if we control the technology and have the industrial resources to be able to build and mend the facility being created. We must also bear that in mind for weapons procurement. If we want a secure country, we need an industry that can support it and is capable in adversity of seeing us through. We cannot rely on imports for everything, and we are already relying too much on imports in the crucial area of energy, so I hope the Bill will help us to stop thinking that we can automatically rely on French electricity and Russian gas indirectly through the European system.

**George Kerevan:** On that point, after France, the Chancellor of the Exchequer seems bent on handing over the entire British nuclear industry to China.

**John Redwood:** I trust not. I have not seen all the documents, but I am sure that we will see more of the detail in due course as and when more decisions are taken. If my right hon. Friend the Chancellor is negotiating such a deal, I urge him to ensure that we have control over and an understanding of the technology. I see from the nods from my Front-Bench team that that is exactly what they have in mind. A country does not have secure power if it is dependent on those abroad to maintain a power station and does not understand how to mend it, improve it or make it function at a crucial moment. Of course we need to probe to make sure that the Government are doing the right thing, but we get that security only if we control the technology.

Let me return to the point about security vis-à-vis imports and our own capability. We are becoming too dependent on imported power, and we have to remember that if our imports are to come from the European continent, that area is short of energy in general, and it has a policy to make energy scarce and very expensive. The west of the continent does not get on well with Mr Putin, yet indirectly it relies on his gas, and that is not a strong strategic position to be in. I want our country not to be in any way beholden indirectly to Putin’s gas or to the general network on the continent, which is clearly weakened by the necessity to have Russian supplies in the eastern part of the system. The UK, as an island nation, with access to such riches both onshore and offshore, and with the ability to generate more genuine renewables that are continuously available, should be able to have a secure supply and sufficient capacity in reserve when need arises.

We wish to be a greater industrial power than we are. We are the fifth largest economy in the world but we are very dependent on a very big service sector and our industrial sector has, under Governments of all persuasions in the past 30 years, shrunk as a proportion of it. We very dependent on a very big service sector and our industrial sector has, under Governments of all persuasions in the past 30 years, shrunk as a proportion of it. We are the fifth largest economy in the world but we are very dependent on a very big service sector and our industrial sector has, under Governments of all persuasions in the past 30 years, shrunk as a proportion of it. We still have some great companies and some great technology but we need more of them and we need to broaden the industrial base. In order to have that capability in Britain, so that we can make our own power stations, generators and engines, we need to make sure that we have sufficient and cheap energy to fuel those factories, forges, facilities and blast furnaces.

We meet tonight against the backdrop of our steel industry gravely at risk. One of the main contributory factors to the risk to our steel industry is scarce and dear energy; there are also chronic problems with steel prices and Chinese competition now, but this began with an energy problem. We cannot hope to be one of the big world forces in energy-intensive industries if we do not have more plentiful energy at cheaper prices.

I wish the Bill and the Secretary of State well. The Government must have as their fundamental aim security of supply, because without secure energy a country is very limited in its foreign policy options and has to tailor its diplomacy accordingly. I see us becoming too...
dependent. We wish to correct our balance of payments, and getting into energy surplus would not only be a very good contribution to that aim, but would strengthen our diplomatic and political security. As we wish to reindustrialise, we need more and cheaper energy. We are not going to get that on a diet of wind farms and speculative renewable technologies that are not yet available, and are very expensive and difficult to scale up. We can get that affordable energy if we extract the oil, gas and coal, and process it in an environmentally friendly way to the extent that can be achieved, if we have more gas turbine power stations and more reliable baseload power stations. We are going to leave ourselves vulnerable and insecure if we depend on a combination of European imports and too many wind farms. I therefore say: may the OGA do well, may it find ways of bringing on stream the new reserves we are just discovering and may it find ways of extending the lives of the existing fields and of the pools of talent and expertise we have, particularly in Scotland, where we need them still.

8.53 pm

Callum McCaig: I have learned a lot from this process, and I thank my hon. Friend the Member for Coatbridge, Chryston and Bellshill (Philip Boswell) for helping me to work things out as we have gone along. This has been an interesting process, but I am happy that I will not have to go through it for the first time again.

Throughout the process, as is natural in a political environment, we have focused on that which divides us, and there have been significant and, in some cases, profound divisions on aspects of this Bill. I do not wish to go back over that at this stage, because the discussions we have had repeatedly about onshore wind are a matter of record. I am aware that the Bill will go back to the Lords, please make them and take the possible benefits into account.

We have had some good suggestions and individual contributions from Members from all parts of the House. The Government have said that they are prepared to listen to a number of those suggestions. In fact, generally speaking, there has been a spirit of open-mindedness. The view was expressed that now is not the time for grace periods. We need to complete this task as a matter of course.

I wish to focus on one part of the debate that has received little attention, but which, to my mind, is the most important, and that is the creation of the Oil and Gas Authority. Broadly speaking, there has been unanimous support for that across the House, which is impressive in and of itself, but what is perhaps more impressive is the fact that in Aberdeen and in the north-east of Scotland—and probably the oil and gas industry the length and breadth of the United Kingdom—the Oil and Gas Authority is seen as the correct body with the correct tools at its disposal. That will be even more so once this Bill has completed its passage, as the authority will be properly equipped.

There is also tremendous support for Andy Samuel and his team in the work that they are doing, and I wish to pay tribute to him and all his staff for their endeavours. The OGA was envisaged in very different times. The role that Andy Samuel and his team have taken on was not what they expected, and they have taken it impressively with sheer determination. They have taken the industry with them on a journey that none of them was expecting. The work that they have done, which was not really in their remit, has fostered the collaborative spirit that the industry needs if it is to ride out this time, and that is to be commended. In large part, this industry will survive if those in it work constructively together and stop some of the needless competition that adds unnecessarily to cost merely for the sake of differentiating themselves from their competitors.

The industry was rife with daft practices, by which I mean unnecessary duplication. By bringing people together and facilitating the exchange of ideas in a constructive way, the OGA has a major part to play. It is interesting that it has such support in the House, but it also has the support of the trade unions and the large and small players in the industry, and that is something that needs to continue. I wish the OGA well in its efforts.

We must recognise that the OGA was formed as part of the Wood review, which has also had cross-party support, but both come from different times. The Wood review was commissioned and completed at a time when oil was trading at above $100 a barrel. We cannot expect the creation and the formalisation of the OGAs powers to be enough to solve the difficulties of the oil and gas industry at this moment in time.

I welcome the comments from the right hon. Member for Wokingham (John Redwood) about the need for fiscal concessions. [Interruption.] I see that the hon. Member for Waveney (Peter Aldous), chair of the all-party group on offshore oil and gas, is seeking to intervene on that point, and I would expect nothing less from him than to push for that too. This is critical. The Oil and Gas Authority will do what it can. Industry is doing what it can. A 40% reduction in costs has been achieved, which is impressive. More needs to be done, but the one thing that has not moved on since last May are the changes to taxation. The suggestion was welcome then, but we must recognise that that was a different time. Oil was selling at about $60 a barrel then as opposed to $40 a barrel now. These are changing times. The oil price has been lower and lower for longer and longer than anyone expected, and to expect the taxation regime from the time of super-profits to work for this basin at this time would be naive at best.

In the Budget on Wednesday the Chancellor will have the opportunity to provide the oil and gas industry with the shot in the arm that it requires. That opportunity cannot be missed.

9 pm

Peter Aldous (Waveney) (Con): As we have heard, this Bill is predominantly about setting up the Oil and Gas Authority. We need to complete this task as a matter of
urgency. The North sea oil and gas industry is facing significant challenges. There have been 75,000 job losses in the past 15 months and there is a risk that whole communities along the North sea coast could be very badly affected.

The United Kingdom continental shelf is now a mature basin, but the remaining reserves are significant and they are vital to the UK in many different respects. These resources are best managed through a new tripartite approach, with the Oil and Gas Authority, industry and the Treasury working together—the Oil and Gas Authority promoting the maximisation of economic recovery, industry working to deliver efficiencies, building on the good work that it has carried out since 2014, securing a 40% fall in operating costs, and the Treasury. This is a last minute plea to provide the low tax regime that will attract footloose global investment.

The UKCS has so much to offer in terms of promoting energy security in an uncertain world, facilitating the transition to a low-carbon economy and continuing to be the cornerstone of British industry. Perhaps we could have done this better over the past 50 years. To do so now it is essential that the OGA continuously promotes collaboration. That must be ingrained in its DNA. What is needed is not just collaboration between the OGA, industry and the Treasury; it is collaboration between operators, as evidenced by the partnership of Faroe, Petrofac and Eni working together; collaboration between operators and their service providers, building long-term partnerships and learning lessons from other sectors, such as aviation and the car industry, and collaboration with other sectors, in particular offshore wind. I urge the Chancellor to consider introducing measures on Wednesday that encourage such collaboration.

The North sea oil and gas industry has been the leading actor in the country’s post-war economy. In the past we have perhaps taken it for granted and perhaps at times not managed it prudently. If we had our time again, perhaps we would do it differently. It now needs us to act and work for it to ensure that it can move forward. We must not let it wither on the vine. We must grasp the opportunity tonight and the Chancellor must do so on Wednesday to give the industry every opportunity to survive and then thrive. We owe it to those working in the industry and the communities in which they live.

The final chapter of oil and gas exploration on the UKCS must not be a harsh, bleak winter. It must be an Indian summer. Let us pass this Bill tonight and get on forward. We must not let it wither on the vine. We must do so now it is essential that the OGA continuously could have done this better over the past 50 years. To be the cornerstone of British industry. Perhaps we might do it again, perhaps we would do it differently. It now needs us to act and work for it to ensure that it can move forward. We must not let it wither on the vine. We must grasp the opportunity tonight and the Chancellor must do so on Wednesday to give the industry every opportunity to survive and then thrive. We owe it to those working in the industry and the communities in which they live.

The House divided: Ayes 272, Noes 228.

Division No. 219

AYES

Afrinie, Adam  
Aldous, Peter  
Alian, Lucy  
Amess, Sir David  
Andrew, Stuart  
Ansell, Caroline  
Argar, Edward  
Atkins, Victoria  
Bacon, Mr Richard  
Baker, Mr Steve  
Baldwin, Harriett  
Barclay, Stephen  
Baron, Mr John  
Barwell, Gavin  
Bellingham, Sir Henry  
Benyon, Richard  
Beresford, Sir Paul  
Berry, Jake  
Berry, James  
Bingham, Andrew  
Blackman, Bob  
Blunt, Crispin  
Bone, Mr Peter  
Borwick, Victoria  
Bottomley, Sir Peter  
Bradley, Karen  
Brady, Mr Graham  
Brazier, Mr Julian  
Bridgen, Andrew  
Brine, Steve  
Brokenshire, rh James  
Bruce, Fiona  
Burns, Conor  
Burns, rh Sir Simon  
Cairns, Alun  
Carmichael, Neil  
Cartlidge, James  
Cash, Sir William  
Caulfield, Maria  
Chalk, Alex  
Chishti, Rehman  
Clark, rh Greg  
Clarke, rh Mr Kenneth  
Cleverly, James  
Clifton-Brown, Geoffrey  
Coffey, Dr Thérèse  
Collins, Damian  
Costa, Alberto  
Cox, Mr Geoffrey  
Crabb, rh Stephen  
Davies, Byron  
Davies, Glyn  
Davies, Mims  
Davies, rh Mr David  
Djanogly, Mr Jonathan  
Donelan, Michelle  
Double, Steve  
Dowden, Oliver  
Doye-Price, Jackie  
Drax, Richard  
Drummond, Mrs Flick  
Duddridge, James  
Duncan, rh Sir Alan  
Duncan Smith, rh Mr Iain  
Dunne, Mr Philip  
Ellis, Michael  
Ellison, Jane  
Ellwood, Mr Tobias  
Elphicke, Charlie  
Eustice, George  
Evans, Graham  
Fabricant, Michael  
Fallon, rh Michael  
Fernandes, Suella  
Field, rh Mark  
Foster, Kevin  
Fox, rh Dr Liam  
Frazer, Lucy  
Freeman, George  
Freer, Mike  
Fuller, Richard  
Fyeh, Marcus  
Gale, Sir Roger  
Garnier, rh Sir Edward  
Garnier, Mark  
Gauke, Mr David  
Ghani, Nusrat  
Gibb, Mr Nick  
Gillan, rh Mrs Cheryl  
Glen, John  
Goodwill, Mr Robert  
Graham, Richard  
Grant, Mrs Helen  
Grayley, rh Chris  
Green, Chris  
Green, rh Damian  
Grieve, rh Mr Dominic  
Griffiths, Andrew  
Gummer, Ben  
Gyimah, Mr Sam  
Halfon, rh Robert  
Hall, Luke  
Hammond, Stephen  
Hands, rh Greg  
Harper, rh Mr Mark  
Harrington, Richard  
Harris, Rebecca  
Hart, Simon  
Haselhurst, rh Sir Alan  
Hayes, rh Mr John  
Heald, Sir Oliver  
Heappey, James  
Heaton-Harris, Chris  
Heaton-Jones, Peter  
Henderson, Gordon  
Herbert, rh Nick  
Hinds, Damian  
Hoare, Simon  
Hollinrake, Kevin  
Hollond, Mr Philip  
Holloway, Mr Adam  
Hopkins, Kris  
Huddleston, Nigel  
Hunt, rh Mr Jeremy  
Jackson, Mr Stewart  
Javid, rh Sajid  
Jayawarden, Mr Ranil  
Jenkins, Mr Bernard  
Jenkyns, Andrea  
Jennick, Robert  
Johnson, Boris  
Johnson, Gareth  
Johnson, Joseph  
Jones, Andrew
Business without Debate

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Business without Debate

Quin, Jeremy
Pursglove, Tom
Pritchard, Mark

Tellers for the Ayes:
George Hollingbery and Margot James

Abbot, Ms Diane
Ahmed, Debbie
Ahmed-Sheikh, Ms Tasmina
Ali, Rushanara
Arkless, Richard
Austin, Ian
Bailey, Mr Adrian
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Brennan, Kevin
Brock, Deidre
Brown, Lyn
Bryant, Chris
Buck, Ms Karen
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Coaker, Vernon
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Cox, Jo
Coyle, Neil
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummings, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danzuk, Simon
Davies, Geraint
Day, Martyn
De Piero, Gloria
Docherty-Hughes, Martin
Donaldson, rh Mr Jeffrey M.
Donaldson, Stuart Blair
Doughty, Stephen
Dow, Jim
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Edwards, Jonathan
Elford, Clive
Ellman, Mrs Louise
Eaton, Bill
Evans, Chris
Farnell, Paul
Fellows, Marion

Field, rh Frank
Fitzpatrick, Tim
Fletcher, Colleen
Flint, rh Caroline
Fovargue, Yvonne
Foxcroft, Vicky
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsiff, Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Hanson, rh Mr David
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendry, Drew
Hermont, Lady
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hollern, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kauffman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Kerevan, George
Kerr, Calum
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
MacNell, Mr Angus Brendan
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Shabana
Malhotra, Seema
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Calum
9.17 pm

Helen Hayes (Dulwich and West Norwood) (Lab): I rise to present a petition on behalf of my constituents Isabelle and Robin Garnett and their son Matthew Garnett. I draw the House's attention to the fact that Isabelle Garnett is sitting in the Public Gallery this evening.

The petition states:

The petition of Isabelle and Robin Garnett,
Declares that the petitioner’s son, Matthew Garnett, has been detained under the Mental Health Act in an emergency transitional Psychiatric Intensive Care Unit for six months; further that he is not receiving appropriate care or treatment; further that he appears to be regressing which is causing enormous distress to his family; further that he has recently sustained a broken wrist; further that a specialist facility (Malcolm Arnold House, St Andrew’s in Northampton) accepted his referral in August 2015; further that Matthew urgently needs to be admitted to this facility so that he can be properly assessed and treated; and notes that an online petition of the same nature has received 262,636 signatories.

The petitioners therefore request that the House of Commons urges the Government to look urgently at this case and ensure that a bed can be made available for Matthew Garnett at Malcolm Arnold House as soon as possible, and to take action to address the wider issue of inpatient services for children and adolescents with mental health difficulties.

And the petitioners remain, etc.

[Petition text]

PETITIONS COMMITTEE

Ordered,
That Kate Osamor be discharged from the Petitions Committee and Catherine McKinnell be added.—(Bill Wiggin, on behalf of the Committee of Selection.)

PETITION

Appropriate Mental Health Treatment for Matthew Garnett

Question accordingly agreed to.
Commonwealth Day

Motion made, and Question proposed. That this House do now adjourn.—(Guy Opperman.)

9.18 pm

Mr Liddell-Grainger (Bridgewater and West Somerset): It is a considerable honour and a real pleasure to address the House tonight because today is Commonwealth day. I am afraid that it is drawing to a close, but it is a good time to hold this highly topical debate. I have just been told something I did not realise, which is that the Minister of State, Foreign and Commonwealth Office, my right hon. Friend the Member for East Devon (Mr Swire), is the longest-serving Commonwealth Minister, having served for four years. He has done extremely well, and it is lovely to have a Minister serve so long in one place. That has to be something of a record, so there is more than one celebration.

Our Commonwealth unites 2 billion people in 53 nations around the world. Today, we have celebrated the fact that even though we all come from different backgrounds, we are joined purposefully together for a single purpose. The Commonwealth charter declares that everyone is equal and deserves to be treated fairly, regardless of race, age, gender or belief and never mind whether we are poor or rich. Those are very fine principles, and I tell the House that it is well worth dwelling on them.

It is too easy to snipe at the concept of the Commonwealth. The fact that it is carrying on successfully after so many years is a constant puzzle to certain people. What is it for? What does it do? Why do we still need it? As my right hon. Friend the Minister for Saffron Walden (Sir Alan Haselhurst), who held the chair of the executive committee of the Commonwealth Parliamentary Association before me, would also say, that line of questioning can be annoying at all sorts of levels. Let me offer one gold-plated reason for cherishing the Commonwealth—the huge financial opportunities it can bring.

Jim Shannon (Strangford) (DUP): I thank the hon. Gentleman for bringing this subject to the House. Every Member who is in the Chamber is here because we support the Commonwealth. The world’s fastest-growing economies and markets are in the Commonwealth. Does he agree that, now more than ever, we can reignite our bountiful relationship with our natural allies and friends throughout the whole Commonwealth?

Mr Liddell-Grainger: The hon. Gentleman is absolutely right. The startling effect of the Commonwealth, through from the old empire to the Commonwealth as it is now, and what we have achieved in harmonisation, governance and friendship has been remarkable. I was going on to make exactly his point by saying that India is now one of the world’s leading economies, which is a very good example.

It is no accident that countries that follow the Westminster model of democracy tend to have ambitions to grow and prosper. If we look at the best academic index of economic progress among African nations, we can see that Commonwealth members always emerge in front. That is why the City of London has for a very long time had a soft spot for the Commonwealth. Our business and financial institutions have long had links throughout this family of nations. They need our expertise, and we can reap the benefits of the trade and prosperity that it brings to all our nations.

Ian Paisley (North Antrim) (DUP): I thank the hon. Gentleman for raising the issue of the City of London. He will know that this week it celebrated Her Majesty’s 90th birthday by inviting Commonwealth heads to the City, which, as with numerous events that have been organised, helps to promote the great links that the City has had since 1926. Does he agree that one country is missing from all this and that, to help in that friendship and fraternity, the Republic of Ireland should come back into the Commonwealth as the 54th country?

Mr Liddell-Grainger: I would just say in response that Her Majesty’s trip to the Republic of Ireland was one of the great diplomatic successes of the past few years. I believe that Her Majesty has been leader of the Commonwealth for about 48 years—[Interruption. J—63 years. I thank all hon. Members who said that from a sedentary position; it just shows that my public school upbringing did me no good. It is an enormously long time, and her Majesty has never put a foot wrong with the Commonwealth, which she has championed. She has absolutely been a brick, a rock and the person around whom all this has been built. Through times that have been very bad and times that have been very good, she has never wavered in her absolute understanding of the Commonwealth. I know that my right hon. Friend the Minister, who was in the Abbey to support Her Majesty during the service today, will say exactly the same. We wish her happy birthday, and long may she reign.

Patrick Grady (Glasgow North) (SNP): As the hon. Gentleman is taking bids for membership of the Commonwealth, this is an opportunity to put on the record the fact that the White Paper on independence, which was published by the Scottish Government in advance of the 2014 referendum, stated that Scotland would be proud to be an independent member of the Commonwealth, with the Queen as the Head of State.

More appropriately for this debate, may I echo the sentiments that the hon. Gentleman has expressed about the value of the Commonwealth and the role that we can all play in that family of nations? I am expressing the Scottish National party’s sentiments in that regard. I particularly take note of our relationship with Malawi as a Commonwealth member. It is very appropriate to mark the day with this debate.

Mr Liddell-Grainger: We have now heard from Northern Ireland and Scotland. Ours is a group of nations just as the Commonwealth is a group of nations. That is the beauty of it. It is a family of people who are bound together by an historical anomaly that has now become a Commonwealth of trade, prosperity and understanding. The hon. Gentleman’s point on Scotland’s long history with Malawi is an example of that. Any nation can make friends with any other nation. We welcome it and will help it, and we will do everything we can to be part of it. It is important because we stride the entire compass of the world as a Commonwealth together. It makes it a smaller place.
Richard Graham (Gloucester) (Con): My hon. Friend is right to be generous on Commonwealth day. Debates on Commonwealth day were instigated some five years ago at the time when I became founder chairman of the all-party parliamentary group for the Commonwealth. He is right to highlight both the value of the Commonwealth across the world and the importance of the Head of the Commonwealth and the remarkable service she has given. Will he pay tribute to the outgoing secretary-general of the Commonwealth, Kamalesh Sharma, who has been a tireless advocate for the Commonwealth, and congratulate his successor, Patricia Scotland? It is an important role, and we should be proud that a Member of the House of Lords is taking up the position for the first time.

Mr Liddell-Grainger: Baroness Scotland will be delighted to hear that and will take a keen interest in the debate. My hon. Friend is right. It is remiss of me not to mention that he set up the all-party parliamentary group, which is a wonderful organisation. For the past five years, the Commonwealth Parliamentary Association has been very ably chaired by my right hon. Friend the Member for Saffron Walden, who will probably intervene later. He did a remarkable job before I became chair, year in and year out, with the same agenda, and we should celebrate that remarkable achievement.

This week, the City of London is playing host to the Commonwealth high commissioners as a mark of Commonwealth day and a celebration of Her Majesty’s forthcoming 90th birthday. The City is a founding partner of the Commonwealth Enterprise and Investment Council. Anyone who turns up at the Commonwealth Heads of Government conference will find the City of London there too. Frankly, if the City of London gives the Commonwealth its backing, I suspect the rest of us should do so.

The Commonwealth Parliamentary Association believes strongly that stable government and high parliamentary standards lead to confidence, investment, job creation and ultimately a better life for all the people. I can find no better advocate for the continuation of the Commonwealth than the very person who has sat at its head since her coronation. If I may, I will quote Her Majesty. She said that the Commonwealth “has the power to enrich us all” and “in an uncertain world, it gives us a good reason to keep talking.” Amen to that.

Here at Westminster, we jolly well ought to appreciate the value of talking and sharing ideas. We have developed and nurtured parliamentary government over centuries. As the British empire slipped away and the Commonwealth was born, many independent nations appeared and chose to adopt the Westminster system. It is not surprising that Westminster, with all its little failings, has a great deal going for it. We have learned to respect other people’s points of view. We have developed, over a very long time, effective systems for scrutinising laws and holding—dare I say it?—Governments and Ministers to account. Whatever our faults, we always try to make democracy work.

The Commonwealth Parliamentary Association was established 105 years ago to link Parliaments throughout the Commonwealth and to share all the positive lessons of good governance. That is a splendid ambition, and rightly so, but it is a very tall order.

Dr Roberta Blackman-Woods (City of Durham) (Lab) rose—

Mr Liddell-Grainger: I give way with great pleasure to the hon. Lady.

Dr Blackman-Woods: I am very grateful to my hon. Friend for giving way—I can call him my hon. Friend—and congratulate him on securing this important debate on Commonwealth day. Does he agree that the theme of the Commonwealth this year—inclusivity—is an important one? We obviously want to learn and share best practice across the Commonwealth. Does he also agree that this is an important year for Commonwealth Women Parliamentarians as we elect a new chair? Hopefully, they will take the organisation forward in securing better representation of women in Parliaments and Assemblies throughout the Commonwealth.

Mr Liddell-Grainger: I am going to have to embarrass the hon. Lady terribly. Without her input in championing women throughout the Commonwealth, I do not think we would be where we are today. The hon. Lady, through various incarnations within the CPA, has done a remarkable job. Just this morning I shared a platform for young parliamentarians with the hon. Lady—who I will say is suffering from a slight sniffle. They are the future. She was asked, very poignantly, about women’s issues and the way that women interface not just with our Parliament but many Parliaments. The hon. Lady gave a very robust and absolutely correct view of the challenges for younger people in empowering women, something we all face in this House and across the world. I cannot say more than that the hon. Lady. Lady has been a great colleague and a great friend to the CPA. She will continue to be so and I hope she gets better very soon from that ghastly cold.

We are talking about bringing together about 17,000 parliamentarians from 185 very different law-making bodies, some with traditions and practices all their own, and others relatively new and untested. In the past 10 years, for instance, more than 50 new Parliaments and law-making bodies have joined or re-joined the CPA. Fiji is now back in the fold after democratic elections a few years ago and Rwanda is the most recent new member. If I were to reel off the A to Z of membership it would start with Alderney, an island in the English channel just 10 miles off the French coast, and stretch all the way across the globe to Zambia in southern Africa. In fact, I will be visiting Zambia in the next few days on another mission, but I will also speak to Commonwealth partners when I am there.

Valerie Vaz (Walsall South) (Lab): The hon. Gentleman is making an excellent speech. As someone who originates from Goa in India and was born in the British Protectorate of Aden, I am well aware of the importance of a club. Groucho Marx said that he would not want to belong to a club that would have him as a member, but we are part of a very important club. Does the hon. Gentleman agree that we are the interface with the European Union, which places us in a very great position? And will he join me in thanking the staff of the CPA, who organise all these visits and help the rest of the world come to see what it is like to live under a rule of law in this country?

Mr Liddell-Grainger: I thank the hon. Lady. Her background is proof that anybody from anywhere can be part of this marvellous family—Indonesia, Pakistan,
Bangladesh or anywhere else. It is a wonderful family. She is absolutely right: the staff are remarkable. They do an incredible job. Today, they have literally gone from conferences to seminars to a drinks party and much else—it has been remarkable. There are not many weeks—I am sure we could count them—when there is not somebody coming to town to talk, be they a high commissioner, an ambassador or a group of parliamentarians. They always know our door is open, and we always love to have a conversation with our friends and our family.

The CPA’s UK branch elected me chairman last year. I took on the responsibility with enthusiasm, but with some trepidation. It is one thing to glance at the CPA from the outside; it is quite another being inside and getting involved in the inner workings. Thanks to the knowledge and efficiency of a superb CPA team, I have—I hope—begun to get to grips with it. They deserve credit and so do the whole CPA committee, without whom the CPA would not operate. The work that goes on by Members from both this place and the other place is crucial to its fair running. I am very grateful to everybody. In fact, CPA UK has just been recognised by the Investors in People scheme for outstanding levels of people management. Well done. We happen to be the most active branch under the CPA umbrella. And what a big umbrella it is! The sheer number of Commonwealth nations demands a giant executive committee to manage it.

**Jim Shannon:** It is fair and important to have it recorded in *Hansard* that the Christian principles of the United Kingdom of Great Britain and Northern Ireland and the Commonwealth have taken Christianity to the many parts of the world where it exists today and is growing. We need to recognise the Christian principles that drove the Commonwealth forward.

**Mr Liddell-Grainger:** Yes, that is an extremely good point. We have had a wonderful service in Westminster Abbey today. Unfortunately, I was chairing a conference, but my right hon. Friend the Minister was there. Her Majesty attended, too, as did His Royal Highness the Duke of Edinburgh. It is a wonderful get-together. The hon. Gentleman is absolutely right that it was based on a lot of British principles. In many ways, it was the missionaries who trail-blazed during the empire days and then under the Commonwealth. We can look back at some amazing people who went to places that nobody else would and took those Christian principles with them. We still see that today. We have to admit that there are tensions in certain parts of the world—we have to be honest about that—but we still talk. The Archbishop of Canterbury and many other churchmen work together to better people’s lives, so that when we have a disagreement we can say, “Let’s keep talking”, as Her Majesty succinctly put it. The Gentleman’s point, therefore, is pertinent and absolutely correct.

The day-to-day responsibility for ensuring that the CPA is steered on a steady course falls to the office of secretary-general. Since the start of this year, we have had a new man in this important post—someone with wide experience of governance and diplomacy; someone who already knows the CPA inside out and has been involved in the legal niceties of the organisation; somebody with the enormous drive and vision to carry this international organisation forward. His name is Akbar Khan and his mission is to make the CPA fit for the 21st century. I strongly believe that we should wholeheartedly applaud this aspiration, and I hope that the House will join me in doing so.

It is a sobering fact that in my constituency many young people know little about the Commonwealth, let alone the CPA. I am sorry to say that there is a wide canyon of ignorance among young people today. I am told that a survey was recently conducted in Jamaica to discover whether young people knew who is in charge of the Commonwealth. Some 25% said it was Barack Obama. Perhaps it is a blessing they did not say Donald Trump. When the pollsters asked what the Commonwealth actually did, most young Jamaicans said its only task was running the Commonwealth games. We have a lot to do. Somehow the CPA has to spread the word far more effectively and seek to win the practical support of the young. Under-30s now represent a majority of all Commonwealth citizens, so we have to find ways of making our work visible and relevant to them.

I am pleased to say that things are beginning to move. The CPA has launched a popular roadshow designed to engage with schools and universities right across the Commonwealth. We are trying to prove that we are not just about motherhood and apple pie and highlighting parts of our work that could capture the imagination of young people. We are showing how we can help to tackle corruption by using the rule of law. There is a lot more to it than roadshows, of course, which is why the CPA is getting on top of the digital world, tweeting its message, gaining “likes” on Facebook and hosting its own YouTube channel.

We are also doing a great deal to promote gender equality—I pay tribute again to my friend the hon. Member for City of Durham (Dr Blackman-Woods). It is work that desperately needs doing because women are still badly under-represented in Parliaments across the Commonwealth. The CPA has an effective and influential chairwoman, Shirin Chaudhury, Speaker of the Parliament of Bangladesh, who has been an incredible champion for women, the CPA and everybody else. I hope she is smiling at the moment, because she has a lot to smile about. She is a remarkable person. In addition, the CPA keenly promotes female involvement through the Commonwealth women’s parliamentary group. It is also very positive news that a woman has been appointed as the new secretary-general of the Commonwealth itself.

Slowly but surely, the shape of the CPA is changing for the better. A glance at my CPA diary for this week alone is enough to prove that we are not sitting back and letting the world go by—and nor will we ever. The UK branch is hosting a delegation from the new Canadian Parliament and is also running a unique international conference on sustainability.

**Dr Blackman-Woods:** I just want to pay tribute to the hon. Gentleman for all the work he has done in supporting Commonwealth Women Parliamentarians and its international chairperson. That is really important because she is bringing about enormous changes in the CPA, as is the new secretary-general, Akbar Khan, who I also think we should welcome to his post. We expect great things from them both.
I pay tribute to the right hon. Member for Saffron Walden. Both he and the hon. Member for Bridgwater and West Somerset have led and are leading the CPA to some very good things. We look forward to seeing enormous progress being made across a whole range of areas to do with enhancing our systems of government and accountability, as well as tackling corruption throughout the Commonwealth.

Mr Liddell-Grainger: I could not work out the waving, so I apologise again, but it is very nice to be waved at. I thank the hon. Lady once again, but I think we all know that this is a huge team effort. I know that our secretary-general and many others take a keen interest in what we do as a body. It is important that we support each other. The work that has been done, even since he has been here, has been truly remarkable. I pay tribute to Andrew Tuggey and the entire team in the CPA. Without them, we would not be able to do what we do today. Andrew stands in for me. I made a mess of something earlier and he had to step in and save me—and I am very grateful for being saved by him on a regular basis.

The hon. Member for City of Durham is right that there is a lot of work to do so far as women and many other issues are concerned. We are realistic about the challenges; we know what they are; we know what we have to do to change things; we will continue always to strive for that because that is our ethos—gender balance and gender understanding. I pay tribute to the hon. Lady for the work she has done in this area, and I am very grateful to her.

Richard Graham: The critical issue, as my hon. Friend rightly highlighted earlier, is the way in which the younger generation of people in the Commonwealth around the world can be excited, motivated and inspired by an ideal that inspired an earlier generation. Will my hon. Friend provide some examples of things he believes we can all do in the Commonwealth to help that process along?

Mr Liddell-Grainger: I hesitate to go on all night, but that is a lovely, pertinent question. What is the Commonwealth? It is about understanding, tolerance, governance, law, order, non-corruption and standing up for your fellow man or woman—it does not matter what someone’s creed, colour, background or religion is; they do not make any difference. We are a family of nations that are bound together by one common cause, which is working together to make sure we achieve the ideals that were set out all those years ago. It is also about bringing the very best of human nature to bear at all stages. That is what it is all about. I meet the most remarkable and incredible people, and I know we all do. We have had our ups and downs, but at the end of the day all parliamentarians are interesting, and none more than those of the Commonwealth—and that is to be celebrated.

Patrick Grady: Mention was made of the Commonwealth games, the most recent of which were held in my great city of Glasgow. As well as being a celebration of sporting endeavour and peaceful competition between nations, the games bring people from all over the world, and particularly from all over the Commonwealth to share their cultures in one place. The Commonwealth games are very much a manifestation of the practical implications and benefits of the Commonwealth and should be recognised as such. Scotland is a member of the CPA, if not yet a fully fledged member of the Commonwealth.

Mr Liddell-Grainger: The very first Commonwealth games I ever went to as a boy many years ago were in Edinburgh. The Glasgow Commonwealth games were exemplary. They were handled beautifully. It was the family enjoying itself in many ways. The sport was incredible and!remarkable—there were no Sepp Blatters or anything like that in sight. A very good organisation runs it. It is always a credit. Glasgow did an incredible job, and nobody can ever take it away from the city. I am most grateful for all it did. It showed the Commonwealth at its very best, as a group of nations that are very good at what they do. What other organisation could arrange a games free from all the other things we see so many sports tainted with?

Richard Graham: My hon. Friend is quite right to highlight the success of the Commonwealth games in Glasgow and, indeed, in many other cities of different countries. How about a Commonwealth music festival? We know that sports and music are the two things that most powerfully involve the younger generation.

Pauline Latham (Mid Derbyshire) (Con): And football.

Mr Liddell-Grainger: I think the entire world plays football, but I think music from across the Commonwealth would be absolutely incredible. So many times we have been to conferences where we have been entertained beautifully by local bands—sometimes tribes, even—that are quite incredible. The richness of music crosses all boundaries. It does not matter whether we can understand the words; it is the beat and the rhythm, and all the rest of it, so it is a wonderful idea. I hesitate to say to Andrew Tuggey, “Perhaps tomorrow we should arrange a music conference for the whole of the Commonwealth”—he would probably have a heart attack—but it is a lovely idea. I think the rules of football were set in this country—I may be wrong about that, but I think they were—and, again, it is a great leveller.

Last week we were involved in celebrating International Women’s Day, and Mr Speaker very kindly let us have his apartments for a drinks party to end it. We are so grateful for that: it was so well attended and so fascinating. Again, it was a lovely day, and next week there is so much in the pipeline. We are helping out in one of Latin America’s poorest countries, Guyana. The aim is to assist the new multi-racial coalition Government to build effective democratic systems. We are also working alongside the Home Office to develop a legal framework to combat modern slavery. The idea is to enable parliamentary clerks from Commonwealth countries to come on secondment to Westminster and learn how to adapt slavery legislation for use back home. We are also trying to get some innovative new projects off the ground, such as an international parliamentary seminar on electoral reform and a cyber-security workshop for Commonwealth Ministers. There is even a project to open our doors outside the Commonwealth and allow representatives from target countries such as Iraq and Afghanistan to attend our seminars.

Dr Blackman-Woods: I am so grateful to the hon. Gentleman for giving way; he is being most generous. The list he is reading out is quite extraordinary and
shows the huge diversity of issues that the Commonwealth Parliamentary Association is trying to tackle and to get serious discussion and sharing of good practice on. I would like to use this opportunity to thank Andrew Tuggey and all his staff, because they have been extremely busy putting all these important programmes together, hopefully with good outcomes in improving our governance.

Mr Liddell-Grainger: I can echo that. In some cases the staff had very few days to put the bids together. They have done a remarkable job. We have superb staff and they are so willing. If anybody has a chance and wants to go into the CPA room, it is worth looking at just how many people are there and the work they do. It is truly remarkable. That is the future: taking workshops and encouraging people to do things, and if we do it, others will follow. We want to make sure that people understand that we are proactive in the 21st century and leading the charge of proactive democracy throughout the world. That is something we can only aspire to, so I thank the hon. Lady for her intervention. She is absolutely right.

We are going to help to boost and change the Commonwealth and the new outcrops of democracy outside it. As ever, we rely on patience and an awful lot of dialogue, but that is what the Commonwealth is really all about. As Her Majesty puts it, “through dialogue we protect ourselves against the dangers that can so easily arise from a failure to talk or to see the other person’s point of view.”

9.48 pm

Sir Alan Haselhurst (Saffron Walden) (Con): I am grateful for the opportunity to contribute to the debate on the Commonwealth. I am delighted that my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger) has been able to secure a slot on the Floor of the House and has been blessed with the good fortune of an extended debate, beyond the half-hour that it might otherwise have been, which has given other hon. Friends and colleagues an opportunity to take part.

I think it is a pity that there is not an annual debate on a Commonwealth theme in Government time, to demonstrate symbolically that we are taking the Commonwealth seriously. It would be an opportunity for all Members of the House to make a contribution on some particular aspect of Commonwealth matters that are of concern to them. However, I was grateful in my time to the Backbench Business Committee for giving us such opportunities, and my hon. Friend has also managed to ensure that the flame continues to burn.

One of the messages I tried to put across was that in every part of the Commonwealth we should have a debate about the Commonwealth, from whatever angle, in each Parliament. That is the way to give prominence to the fact that we are all members of that association, and that we believe in it.

Today I received a message from Commonwealth Youth New Zealand. I do not know whether I was alone in that, but the message was addressed to me. It said:

"Today in Wellington, 60 young people from around New Zealand will take part in the Common Leaders Day programme. This will bring together a range of inspiring young leaders in community, government, national and international fields and shows senior high school students that everyday people can become outstanding leaders. This is also an opportunity to promote understanding on global issues, international co-operation and, most importantly, the values embodied in the Commonwealth Charter that we all seek to uphold." I should like to think that 60 young people in every part of the Commonwealth were being encouraged to come together with that purpose in mind. We should be talking about the values of the Commonwealth, and continuing to put the message across.

As my hon. Friend said, one of the fundamental roles of the CPA is to encourage parliamentary strengthening. Our Parliament was a place to which people believed they could come for the airing of grievances. When we look around the world now, we see that a great many young people in the Commonwealth countries—and 60% of the Commonwealth’s population are under the age of 30—have grievances, which often stem from dire poverty. How can those young people be expected to continue to believe in the democratic system unless there is advancement—unless they have confidence in the Governments whom they elected and the work that they do? My point is not just that our Parliament is a fount of wisdom. All Parliaments in the Commonwealth should come together regularly, learn from each other, and identify common interests and practices that help to strengthen government. That will help to give young people confidence, in the future, that the Commonwealth itself has a meaning, and that they have hope within their own countries.

Jim Shannon: The right hon. Gentleman kindly mentioned New Zealand. Obviously, many of us in the home countries, particularly Northern Ireland, have a special relationship with New Zealand, to which our ancestors emigrated. Indeed, there is a special relationship between the United Kingdom and New Zealand. Does the right hon. Gentleman agree with me that we should have more such relationships in the Commonwealth?

Sir Alan Haselhurst: None of the other countries in the Commonwealth thought to send me a message, which is why I quoted from the one from New Zealand. However, I think that we should be more conscious—day by day, week by week, month by month—of our membership of the Commonwealth, and be more willing to stretch out the hand of friendship and encourage the development of more links between us. That happens in all sorts of different ways outside the parliamentary sphere—about 90 organisations are brought together to discuss a range of matters because of the Commonwealth link—but we need to do more at the political and parliamentary level, and the key to that is involving more young people. At least a Commonwealth Youth Parliament is now established annually. However, whether we call it an assembly, a council or a Parliament, I should like to see young people being persuaded to come together to do something very much like what those 60 young New Zealanders were doing today.

I agree with much of what has been said in the debate, but I should add that, in the next few weeks, we will at last achieve connectivity with one of the smallest branches of the CPA, that of St Helena. The then Member of Parliament for Birmingham, Northfield and I recommended that an airstrip should be built.
after we visited the island in 1972. It is very encouraging that, clearly, so powerful was our oratory that that is to happen at last, after 46 years. It will mean that we can bind St Helena closer to us and welcome its people much more actively, in the hope that they will gain benefit and that we too will gain benefit from an understanding of their way of life on that remote island.

I again congratulate my hon. Friend the Member for Bridgwater and West Somerset on initiating the debate. Let us keep on beating the drum for the Commonwealth, and bear in mind that there is much more to do. We look to our colleagues, as well as our staff, to continue to contribute in the magnificent way that they do now.

9.54 pm

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): I congratulate my hon. Friend the Member for Bridgwater and West Somerset (Mr Liddell-Grainger) on securing this evening’s debate and on his relatively new role as chairman of the UK branch of the Commonwealth Parliamentary Association, following in the distinguished footsteps of my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst), from whom we have just heard. I also thank other Members across the House for their contributions to the debate.

I should like to begin by paying a warm tribute on this Commonwealth day to Her Majesty the Queen, who has helped to shape the Commonwealth not for 30, 40 or 55 years—in this auction—but for almost 65 years. As head of the Commonwealth, Her Majesty has given tireless support and played a leading role in creating a family of nations that spans every continent, all major religions and almost a third of the world’s population. It was particularly gratifying and appropriate at this afternoon’s service at Westminster Abbey to witness Her Majesty, in her 90th year, being loyally supported as usual by His Royal Highness the Duke of Edinburgh, as well as by their Royal Highnesses the Duke and Duchess of Cambridge, His Royal Highness Prince Harry and His Royal Highness the Duke of York.

Like the hon. Member for Walsall South (Valerie Vaz), I should like to pay tribute to the work of the Commonwealth Parliamentary Association and of Andrew Tuggey—who, for all we know, might even be following this debate tonight—and his colleagues who have done so much to promote and strengthen the institution of Parliament and the commitment to the rule of law. I shall say more about them later.

I should also like to join in the tributes and thanks for the work of Kamlesh Sharma as he steps down as secretary-general after eight years. I joined my right hon. Friend the Prime Minister at No. 10 last week to thank Mr Sharma personally for his efforts. He has helped to guide the Commonwealth through a period of significant challenges and he can be rightly proud of the important developments that have taken place under his leadership, such as the introduction of the Commonwealth charter. At the Commonwealth Heads of Government Meeting in Malta last November, we welcomed the appointment of his successor, the noble Baroness Scotland, who I am pleased to see in her place. I wish her every success as she takes up this position on 1 April. We believe that she will ensure that the Commonwealth has a strong voice and makes a greater impact, and that its members will show greater unity and purpose in upholding the Commonwealth’s values. In answer to the point made by the hon. Member for City of Durham (Dr Blackman-Woods), she is to be headed by a woman and that the international chairman of the CPA is a woman. That is a pretty good start.

This Government recognise the great potential of the Commonwealth. In 2010, the then Foreign Secretary, my right hon. Friend Lord Hague of Richmond, said that he wanted to put the C back into the Foreign and Commonwealth Office, and I believe that we have done that. This Government remain determined to ensure that the Commonwealth is re-energised and we support all its members in delivering greater prosperity and security to their citizens. For that reason, in May last year, we made a manifesto commitment to strengthen the Commonwealth’s focus on promoting democratic values and development. In November, the Prime Minister led a strong UK delegation to the CHOGM in Malta.

Our ambition for the Commonwealth is clear. Through the programme of initiatives we announced in Malta, we aim to strengthen efforts to counter extremism and radicalisation and to help small island developing states to develop their economies and boost resilience to climate change. These initiatives will strengthen the contribution of the Commonwealth and its member states in tackling global challenges. By positioning itself squarely in the international arena, the Commonwealth yet again demonstrates its relevance in helping to address these important issues that confront us all.

Ian Paisley: The Minister has put his finger on some important issues relating to climate change and addressing global terrorism, and he raised such matters with the President of the Maldives on a recent visit to the country. While there may be some difficulties with the Maldives, which interprets some things differently, talking about such issues, as mentioned by the hon. Member for Bridgwater and West Somerset (Mr Liddell-Grainger), is positive and helps to better understand each other.

10 pm

Motion made, and Question proposed, That this House

Ian Paisley: In answer to the hon. Gentleman’s point about the Maldives, the secretary-general is sending his own representatives. We want the Maldives to stay a committed member of the Commonwealth and to adhere to Commonwealth values, meaning transparency, accountability, democracy—all the things that we accept as the norm. We want the people of the Maldives to be served by a Government that adhere to those principles, so I welcome the work of the Commonwealth secretariat and the Commonwealth ministerial action group.

We will continue to take initiatives forward through to CHOGM, which will be hosted here in the UK in the spring of 2018. We will work with our Commonwealth partners, wider Commonwealth organisations and with the Commonwealth secretariat under Patricia Scotland’s leadership. Hosting the next meeting presents us with the opportunity to build on the progress made in Malta.
to make the Commonwealth more relevant and more effective and to increase its stock and standing in the world.

The Commonwealth’s shared values of tolerance, respect and understanding are central to this year’s theme, “An Inclusive Commonwealth”, as we look to strengthen the partnership of nations, people and societies right across the Commonwealth. Earlier today, I had the pleasure of experiencing some of the diversity and energy of the Commonwealth in the performances at the multi-faith service at Westminster Abbey. This annual event is an opportunity, like this debate, to celebrate all that is good about the Commonwealth. The presence of Her Majesty and a significant number of dignitaries from across the Commonwealth, including the Prime Minister of Malta, who is the chair-in-office, and Kofi Annan, who spoke so eloquently, showed the warmth and high regard in which the organisation is held. The diversity of those who spoke at the event reflects the Commonwealth’s dynamic population of over 2 billion people.

As chairman of the executive committee of the UK branch of the Commonwealth Parliamentary Association, my hon. Friend the Member for Bridgwater and West Somerset plays a significant role, as did his predecessor, in supporting work to foster co-operation and understanding between Parliaments, to promote good governance and to advance parliamentary democracy. We welcome the work of the association and its secretariat based here in London. Established in 1911, it has made a significant contribution in helping Commonwealth members to uphold democratic values, and its annual international parliamentary conferences offer an opportunity to discuss issues of mutual interest. This week’s visit of parliamentarians from Canada, which I recently visited, is another positive example of the strong relationships across the association. I very much enjoyed meeting members of the Canadian Commonwealth Parliamentary Association during my recent visit to Ottawa, and I welcome their commitment to share values and understanding.

My hon. Friend raised the Commonwealth Parliamentary Association’s conference on sustainability, energy and development. Events such as that are vital if we are to take forward the Commonwealth Heads of Government meeting mandate of implementing the UN sustainable development goals. We welcome the recent appointment of Akbar Khan as secretary-general of the Commonwealth Parliamentary Association. He has an important role to play in taking forward the organisation’s agenda. In particular, I welcome his vision of a strong parliamentary arm of the Commonwealth, working within and across the Commonwealth family. By delivering programmes to Commonwealth parliamentarians that underpin respect for Commonwealth political values, the association aims to strengthen democratic governance of our legislatures and Parliaments.

The hon. Member for Glasgow North (Patrick Grady) referred to the success of the Commonwealth games in Glasgow. I was privileged to be there myself: I saw the excellence and the pride. The Commonwealth games are more than sports; they bring us together. Earlier today, I had the pleasure of hearing the Prime Minister, the Rt Hon David Cameron MP, refer to the success of the Commonwealth games in Glasgow. I was privileged to be there myself. I saw the excellence and the pride.

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still. It will be up to all of us within the Commonwealth family to ensure that action is taken on the most pressing global issues.

I therefore thank my hon. Friend the Member for Bridgwater and West Somerset and other right hon. and hon. Members for this opportunity to debate this important issue today. We are getting towards the end of Commonwealth day, but this does not end there, as there are more Commonwealth celebrations tomorrow. The Foreign and Commonwealth Office is beefing up the Commonwealth team to make sure that, when we are hosts in the spring of 2018, it will be a memorable event. I look forward to any suggestions from those interested in the Commonwealth as to how we can make the agenda relevant and how we can make the whole Commonwealth conference exciting.

Ian Paisley rose—

Mr Swire: The hon. Gentleman already has a suggestion.

Ian Paisley: The hon. Gentleman to my entry in the Register of Members’ Financial Interests in terms of my membership of the CPA and of some of the visits that I have taken part in. In looking forward to 2018, will the Minister ensure that the devolved Assemblies are involved in this and are used to help spread the message of the Commonwealth? When the Northern Ireland Assembly was established in 1998, one of the most unifying things that it did was to create the Commonwealth Room. I know that he chuckled earlier when I made the point about Ireland coming into the Commonwealth, but the fact that the Assembly did that sends a message of hope.

Mr Swire: Let me make it clear that it is not up to me or the British Government who becomes a member of the Commonwealth. There is a perfectly straightforward application process. A country has to fulfil certain criteria. It is not up to the United Kingdom who comes in; it is up to the secretariat and other members, and that is as it should be. Incidentally, there are a significant number of countries that aspire to join the Commonwealth. Talking of clubs, the hon. Member for Walsall South quoted Groucho Marx who said he would not want to join a club that wanted him as a member. The truth of the matter is that one can judge a club by those who want to become members, and there are some significant countries that want to join the Commonwealth. That in itself is a validation of the Commonwealth as being a relevant institution.

In terms of the devolved Administrations having a greater sight of what we are going to discuss at CHOGM, the United Kingdom is the member of the Commonwealth, but I have some sympathy with what the hon. Gentleman says. We do not want the schoolchildren of Ballymena and of West Belfast thinking that Barack Obama is in charge of the Commonwealth.

Question put and agreed to.

10.11 pm

House adjourned.
Mr David Nuttall (Bury North) (Con): I have yet to speak to a businessman from a small or medium-sized enterprise who has said that what they want is more regulation, either from this place or the European Union. Does not my right hon. Friend agree that the thing that would most help small and medium-sized enterprises become more competitive both in this country and around the world is for this country to leave the European Union?

Sajid Javid: I think that my hon. Friend is right to raise the issue of red tape regulation, as it can strangle businesses. That is why we are proud that, in the previous Government, we made a £10 billion cut in red tape for businesses and we are committed to make a further £10 billion cut, which I know that he welcomes.

Rachael Maskell (York Central) (Lab/Co-op): Small and medium-sized enterprises in York are struggling to be competitive. With the cuts to local authorities, business rates are soaring by 11%, and that is on top of the additional costs that SMEs are paying. I will, if I may, ask a question on behalf of Frank Wood, chair of York Retail Forum, who says, “Do you want the high street without any shops?”

Sajid Javid: I think that what Frank would want is a high street full of customers. That means making sure that our economy remains strong. Our economy grew faster than any other G7 country last year, and that was because of our long-term plan, of which we will hear more tomorrow from the Chancellor.

Geoffrey Clifton-Brown (The Cotswolds) (Con): Is it not vital that my right hon. Friend’s target of 100,000 new businesses exporting by 2020 is met by lighting that spark in small and medium-sized businesses to export for the first time and, above all, to keep exporting?

Sajid Javid: My hon. Friend is absolutely right. Not enough British businesses export. More than double the number of businesses export in Germany compared with that in the UK, so we can do more and that is at the heart of the Government’s strategy.

Hannah Bardell (Livingston) (SNP): I am sure that the Minister will agree that a big part of helping small and medium-sized businesses become more competitive is ensuring that there is access to a skilled workforce. In National Apprenticeship Week, the Young Women’s Trust has shown that some employment sectors are hardly welcoming any young women. Fewer than 2% of construction apprentices and 4% of engineering apprentices are female. Will the Minister tell me what his Department is doing to encourage more young women into apprenticeships?

Sajid Javid: The hon. Lady raises an important issue. We want all people, and that means more and more women, to benefit from our apprenticeship programmes in England, Scotland and elsewhere. In the past few years, we have tripled the number of women in England who take up apprenticeships in engineering, and that is something that Scotland can look at as well to see how we achieved that. I also think that trying to get more women to think about these subjects should start at a much earlier age. We should not point the finger just at
colleges and others; we should start at a much earlier age to try to encourage women to look at lots of different careers.

Hannah Bardell: The Minister will be aware, I am sure, of the great work that the Scottish Government and our Education Minister, Cabinet Secretary Angela Constance, have been doing, but I would suggest that he also needs to work very specifically on the issue of pay for women apprentices. Their male counterparts can be paid as much as 21% more an hour, so what steps are the Minister and his Government taking to ensure that good apprenticeships offer fair and equitable pay for all?

Sajid Javid: I am sure the hon. Lady will welcome the fact that under this Government the gender pay gap has fallen to its lowest since records began. Of course there is still much more to do, and at the heart of that is the fact that we will always require a strong economy, so I hope she will support tomorrow’s Budget.

Exports

2. Callum McCaig (Aberdeen South) (SNP): What steps he is taking to help businesses increase their exports.

The Secretary of State for Business, Innovations and Skills and President of the Board of Trade (Sajid Javid): We are mobilising the whole of Government to improve the UK’s export performance. A refocused UKTI will be at the centre of a co-ordinated approach and relevant Departments will share their expertise to get British businesses exporting.

Callum McCaig: I thank the Secretary of State for that answer, but the reality is that the UK export story is one of declining market share in the global market. Does the Secretary of State agree with the assessment of the British Chambers of Commerce, and will he accept its calls for urgent and practical support for UK businesses to export?

Sajid Javid: What I do accept is that more needs to be done to get British businesses exporting. That includes the work of UKTI, but it also means that all Government Departments have a role to play. For example, UKTI works with the Great British Food Unit, an operation started by DEFRA. So I think a lot of Government can do more with the Commonwealth. The links are strong and there has been a focus for many years on some countries, such as India. We have seen a big increase in exports and tourism, but there is always more we can do, so it is right to raise the issue.
Mr Speaker: A most extraordinary noise has just radiated around the Chamber. Is it a singing tie? That is very irregular. [Interruption.] No, it was not the Minister.

Sajid Javid: If I heard the hon. Gentleman correctly, he suggested that the SNP should get the credit for the rise in exports in Scotland. Scottish businesses have worked very hard to achieve that and I do not think anyone would credit the SNP with that. Where Government policy is important is in making sure that we have a stable, strong economy, and that is down to the economic plan that comes from Westminster.

Mr Speaker: I call Alison McGovern.

Alison McGovern (Wirral South) (Lab): I warn the Secretary of State not to be too gleeful about the long-term economic plan—

Mr Speaker: This is question 3.

Small Business: Lending Trends

Alison McGovern: What assessment he has made of trends in the level of lending to small businesses by (a) banks and (b) alternative finance institutions in the last five years.

3. Alison McGovern: The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): I was about to get a warning. Maybe I will get it in a moment. The stock of bank lending to small businesses fell after the financial crisis but is now recovering, with four consecutive quarters of positive lending. Peer-to-peer business lending is becoming increasingly important as an alternative to bank finance. It has grown from £20 million in 2011 to nearly £1.5 billion in 2015.

Alison McGovern: I am sorry, Mr. Speaker. Given the Secretary of State’s proximity to the Chancellor, perhaps he does not need a warning. Perhaps he has already given a warning about the Budget, as he probably knows that in the north-west we have seen just half the business investment in SMEs of that in London. Clearly, something has gone wrong with the long-term economic plan if we are not seeing rebalancing, so what conversation have the Secretary of State and his Ministers had with the Treasury about its attack on other financial institutions—for example, building societies?

Sajid Javid: The hon. Lady is right to raise the importance of credit throughout every region of the UK for everyone who thinks a vibrant growing economy is important. We talk regularly with the Treasury about these issues—for example, about the work we do through the British Business Bank, which has provided more than £2.4 billion of financing over the past four years, helping some 40,000 businesses, many of them in the north-west.

Andrew Bridgen (North West Leicestershire) (Con): When people take the decision to start their own business, it is on the back of a great idea or they have skills which are useful, but for most people turning a great idea or skills into a business requires expert advice. What steps is the Secretary of State taking to ensure that that advice is available to potential entrepreneurs?

Sajid Javid: First, I know my hon. Friend speaks with experience. He is a very successful businessman and no doubt he has talked to many businesses about this. One of the ways we try to help is through the growth hubs. We have made sure that every local enterprise partnership in England has a growth hub and we have increased the financing that goes into that, so locally tailored advice is available to local companies.

Broadband

4. Stephen Metcalfe (South Basildon and East Thurrock) (Con): What discussions he has had with the Secretary of State for Culture, Media and Sport on improving access to broadband for businesses.

Mr Speaker: I call Minister Ed Vaizey.

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): Thank you, Mr Speaker, for that lovely introduction. As you have been so kind and welcoming to me, I would like to tell you that 4 million homes now have superfast broadband. I have regular discussions with the Secretary of State for Culture, Media and Sport to maintain and secure the UK’s place as a world leader in broadband.

Mr Speaker: I am glad that the Minister thinks it is lovely simply to have his name announced.

Stephen Metcalfe: Although I welcome the progress the Government are making on rolling out broadband, it is clear that many businesses are not happy with the service that they are receiving from BT. What discussions is my hon. Friend having with BT to ensure that it is delivering for businesses across the country and specifically in Basildon and Thurrock?

Mr Vaizey: I do not want to labour the point, Mr Speaker, but I do not think you understand fully the effect your words have on me—you have absolutely made my day. However, in answer to the question, let me say that the Secretary of State recently announced that we will have a review of business broadband, because we do understand how important broadband is for businesses. Ofcom has also recently published its digital communications review, which will impose minimum quality requirements on Openreach that are much tougher than currently exist.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Government claim to champion the critical contribution that small businesses make to our economy, but Ofcom’s latest figures, which the Minister did not mention, show that half of small businesses in business parks cannot get 10 megabits of broadband, a quarter...
cannot get 5 megabits and one in 10 cannot even get 2 megabits. My local chamber of commerce tells me of businesses where staff have to go home if they want to send an email. Responding to me in a debate last week, the Minister said that the Government’s broadband roll-out had been “an unadulterated success”. If that is success, what would failure look like?

Mr Vaizey: Failure—[Interruption.] As usual, my hon. Friends have anticipated my answer: there, on the Labour Benches, is the picture of failure. We have had to write off £50 million from the failed Labour scheme to deliver broadband in South Yorkshire. If a Labour Government had been elected, they would be two years behind us in the roll-out of superfast broadband; they had a target of 2017 to get to 90%—we have already reached it.

Balance of Trade: Services

5. Richard Graham (Gloucester) (Con): What estimate he has made of the UK’s balance of trade in services. [904089]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): The balance of trade in services has increased from a surplus of £54.3 billion in 2010 to a surplus of £88.7 billion in 2015.

Richard Graham: The Secretary of State’s answer highlights the fact that, while exports in goods are vital, especially to manufacturing cities such as Gloucester, our surplus in services might be more vulnerable if we leave Europe. What assessment has he made of sectors such as insurance and investment managers, whose businesses are passported across Europe, and other service sectors, such as advertisers, accountants, animators, designers and film producers?

Sajid Javid: My hon. Friend speaks with experience: he is a distinguished former pension fund manager—a very important service that the UK industry provides. He is right that the EU’s financial services passport means that financial services firms authorised in the UK can provide their services across the EU, without the need for further authorisations. That is, of course, a significant benefit that they receive. Services represent almost 80% of our economy, and access to the world’s largest single market helps them to create thousands of British jobs.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Secretary of State must know that however good the growth in services exported from this country is—and we all applaud it—it must go hand in hand with an increase in manufacturing. Is he not worried that Syngenta—one of our leading agritech companies—will be taken over by ChemChina, backed by the Chinese Government? What will that do for our competitiveness and our supply chains? Why will he not meet a cross-party group of MPs that has begged to meet him?

Sajid Javid: Of course the hon. Gentleman is right about the importance of manufacturing in our economy, which is why it has increased in terms of output, employment and value since 2010. The company he mentions, Syngenta, has herself said that there should be no change in its footprint in terms of employment—in fact, we expect that to increase. Also, when it comes to foreign investment in British industry, I see that as a vote of confidence. Since companies such as Jaguar Land Rover have received foreign investment, employment has gone up threefold, and that is great for British manufacturing.

Mr Philip Hollobone (Kettering) (Con): Our strong performance in services is still not enough to offset the difficulties we are having with our trade with the European Union, with which we now have an annual trade deficit of £62 billion. Given that non-EU trade exports have increased by 30% since 2010, is not it clear that the best future for this country is to be outside the European Union, so that we can negotiate free trade agreements with China, India, Brazil, the Commonwealth and the rest of the world?

Sajid Javid: I agree with my hon. Friend that it is clear that trade agreements can lead to more trade with those countries and reduce any other barriers. Through the EU we have access to over 50 trade agreements at the moment, whereas other countries such as the US or China have 14-odd trade agreements. I agree that we need to focus a lot more on trade, but the trade agreements to which we have access today are very valuable in terms of global trade, not just with the EU.

George Kerevan (East Lothian) (SNP): Is the Secretary of State aware that productivity in our flagship service industry—financial services—has fallen behind similar productivity in the United States, in France, and even in Italy? Can he explain that? Is it something to do with the regulations that his Government have imposed on financial services?

Sajid Javid: I am not sure whether it is to do with regulations, because all the other markets that the hon. Gentleman mentions have also had to look at regulations after the financial crisis. However, he rightly highlights a general productivity problem across British industry in all sectors, where we are some 25 points behind with our G7 competitors. That is why we have a productivity plan, working with industry to turn that around.

Consumer Protection

6. Rehman Chishti (Gillingham and Rainham) (Con): What steps he is taking to protect consumers from faulty and unsafe products. [904091]

The Minister for Skills (Nick Boles): Last year we passed the Consumer Rights Act 2015, which established a defined period of 30 days in which consumers can reject faulty goods after purchase, ending the possibility of consumers becoming trapped in a cycle of recurring faults.

Rehman Chishti: My constituent Mr Clive Davison has raised a concern about the delay in having his faulty Hotpoint tumble dryer fixed. There is real concern about this, given the risk of fire with these products. What are the Government doing to ensure that consumers such as my constituent receive speedy assistance?
Nick Boles: I understand that this risk was assessed as low; nevertheless, it is very important that the company deal with it. My hon. Friend’s local trading standards service has informed us that it is satisfied that the company is taking this matter seriously. I am sure that the company will want to pay particular attention to this constituent since his case has been raised in the House of Commons.

Mark Durkan (Foyle) (SDLP): The Minister referred to the Consumer Rights Act. When the Bill that became that Act was going through the House, I tabled a number of amendments to address the issue of unsafe and faulty electrical goods, and the then Minister gave a series of assurances and arguments that now appear to be hollow when we see the campaigning work by Electrical Safety First and by the Daily Mirror. We were told that the issue would be kept under review—is it under review?

Nick Boles: Absolutely. I will make sure that I have a conversation with the hon. Gentleman to understand what continuing concerns he has and to make sure that we address them.

Yvonne Fovargue (Makerfield) (Lab): Today is World Consumer Rights Day. The Consumer Rights Act was trumpeted as bringing a new era of simplified, clearer consumer laws. However, most trading standards services have cut their staff by at least 40% since 2010. How can consumers enforce these new rights, and how can rogue traders be brought to justice, in the light of these cuts?

Nick Boles: I am afraid that it is rather typical of the Opposition to assume that unless there is public money, and public money that is always growing, it is impossible to enforce rights. Trading standards services are merely one of the enforcement mechanisms for consumer rights. Consumers can enforce their own rights, as established by the Consumer Rights Act, and trading standards services are working more efficiently across the country.

Prompt Payment

7. Debbie Abrahams (Oldham East and Saddleworth) (Lab): What steps his Department is taking to help small businesses receive prompt payment from their customers.

The Minister for Small Business, Industry and Enterprise (Anna Soubry): Of course, we know that for small businesses late payment is a serious problem and continues to be so. That is why we are creating the small business commissioner, whose fundamental guiding principle will be to tackle this problem, because we want to change the culture. It is good to see that some of the larger companies have already changed their late payment policies quite significantly in favour of smaller businesses, in some instances reducing the period to 14 days, especially for micro-businesses. From October, larger companies will be under a duty to report their payment policies.

Debbie Abrahams: We welcome the creation of a small business commissioner as part of the Enterprise Bill, but given that last year’s National Audit Office report showed that four Departments were failing to meet the Government’s payment deadlines, why were public sector contracts not included?

Anna Soubry: I have particularly asked that we have a full look at how we ensure that in all Government contracts, at all levels, late payment is not a problem and that sub-contractors, in particular, do not breach our very clear rules about late payment and the terms and conditions that it is only right and fair to have in all contracts, particularly Government ones. It is not enough to say it; they should be doing it as well.

Brexit: Exports

8. Ian C. Lucas (Wrexham) (Lab): If he will make an assessment of the potential effect of the UK leaving the EU on exports from its (a) aerospace and (b) automotive sectors.

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is absolutely the case that our country will be stronger, safer and better off remaining in the European Union. United Kingdom automotive industry exports to the EU were worth £15 billion in 2014, while aerospace exports to the EU amounted to £5.8 billion. Our membership allows us to continue to attract international investment to the United Kingdom, as well as to work with all the countries in the EU through the various agreements that we have with other countries throughout the world.

Ian C. Lucas: Toyota UK and Airbus UK are two anchor companies heading huge supply chains in north-east Wales that employ tens of thousands of people. Does the Minister agree that it would be absolute madness to throw those anchors away by risking leaving the European Union, and placing jobs in Wales and the rest of the UK at risk?

Anna Soubry: It is a pleasure to agree with the hon. Gentleman, who might now become my hon. Friend on this matter. We are undoubtedly, as I have said, better remaining a member of the European Union, not just for the sake of the larger companies but because, as he rightly identifies, the effects extend all the way through the supply chains, which often encompass the smaller companies. I encourage him to urge the leader of the Labour party to make sure that it puts its full weight behind the “stronger in” campaign. He would be better off doing that than engaging with CND rallies.

Gavin Robinson (Belfast East) (DUP): The right hon. Lady knows that planes have the great ability to cross borders without pesky border controls. I have found her to be a champion for Bombardier and the C Series in my constituency, so will she confirm that she will continue the discussions with UK Trade & Investment and secure sales for the C Series aircraft, irrespective of what happens on 23 June?

Anna Soubry: Of course. It was a great pleasure to come to the hon. Gentleman’s constituency and specifically to see Bombardier’s excellent C Series plane and the construction of its wings. I am delighted to say that I am doing everything I can—indeed, we all are—to make sure that UKTI is properly used by all industries, especially the one that he represents, to increase sales, including those of the C Series plane. It is an excellent plane.
Kevin Brennan (Cardiff West) (Lab): Since 1995, Europe’s share of commercial aviation manufacturing has risen from 16% to 57% of the world market because of the co-operation between France, Germany, Spain and the United Kingdom. Would the Minister not be better off following a word with some of her own colleagues than worrying about the Labour party, which is united in its support for remaining in the European Union? Does she not that statistic provide a practical and potent example, which she can use with her Back Benchers and supporters, of why it is absolutely in the UK’s long-term interest to remain in the European Union?

Anna Soubry: As I have already said, we are indeed stronger, safer and better off in the European Union. I am delighted that the leader of my party, the Prime Minister, is leading the campaign for us to remain in the European Union. If I may say so, I was told only yesterday that the majority of Conservative MPs support the Prime Minister in Stronger In. However, I will make the point yet again that, unfortunately, the leader of the Labour party is failing in his duty to play a full part. He goes on CND rallies instead of supporting Trident, for example, and instead of getting out there and supporting Stronger In.

Regional Growth: Midlands

9. Craig Tracey (North Warwickshire) (Con): What steps he has taken to promote regional growth in the Midlands. [904095]

10. Karl McCartney (Lincoln) (Con): What recent steps he has taken to promote regional growth in the Midlands. [904097]

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): I continue to promote the long-term economic plan for the Midlands engine, which aims to add an extra £34 billion and 300,000 jobs to the Midlands economy by 2030. Just last week, I opened a new factory and also an innovation centre in the midlands.

Craig Tracey: In National Apprenticeship Week, we can all welcome the creation of over 2.6 million apprenticeships since May 2010, including 500,000 in the midlands and 5,140 in my constituency of North Warwickshire. Will the Secretary of State join me in welcoming a report published today by Universities UK? It shows the potential for new degree apprenticeships in the midlands and across the whole country, and to encourage more universities to deliver these important degree apprenticeships, which are delivering clear business benefits. Will my right hon. Friend advise me whether I should be hoping for any further investments, like those that he and I have previously discussed with our right hon. Friend the Chancellor of the Exchequer, in the Budget tomorrow?

Sajid Javid: My hon. Friend is an incredibly powerful advocate for the people of Lincoln. His energy is legendary: he is like the Duracell bunny. Let me congratulate him on the success he has already achieved on behalf of his constituents in securing local investment. Like him, we are all waiting to see what the Budget holds.

Mr Speaker: I think that was intended as a tribute. It will doubtless be communicated by the hon. Gentleman to the good burghers of Lincoln the length and breadth of his constituency.

Laser Pens

11. Oliver Dowden (Hertsmere) (Con): What progress his Department is making on regulating the sale of laser pens.

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It was a great pleasure to meet my hon. Friend yesterday to discuss his campaign, which I completely and fully support. We had already begun to look at this very important problem to see whether we need to change the legislation. As a result of the meeting, as my hon. Friend knows, I have undertaken to contact trading standards officers, and the primary authority in particular. We need to look at what is in effect the illegal sale of these pens to children. Laser pens have a role but should be bought by those who intend to use them for perfectly proper purposes. The idea of selling them to children seems perverse. We are doing other things, including looking at how we can change some of the EU directives and regulations.

Oliver Dowden: As the Minister knows, I told her about the case of a seven-year-old boy in my constituency who was almost blinded last year by a laser pen he had purchased at a Christmas fair. The problem is that laser pens are very dangerous but are being marketed to children as toys. Will the Minister further update the House on what the Government are doing to stop this form of marketing?

Anna Soubry: I cannot see how that can possibly be legal—actually, I am of the view that it must be illegal—which is why we are contacting trading standards officers and also, of course, the police. I know that my hon. Friend has already contacted his local trading standards officers, who in turn have contacted the police, and an investigation is taking place. As a result, I am confident that the message will be put out so that we can stop the import of laser pens, which is another reason I want to work with the European Union. I cannot see how on earth it can be right that it is legal to sell these pens as toys, because they are clearly not...
Apprenticeships

12. Stephen Timms (East Ham) (Lab): What recent assessment his Department has made of trends in apprenticeship completion rates.

Mr Gordon Marsden (Blackpool South) (Lab): May I associate myself with the Secretary of State’s advocacy of national apprenticeship week, which of course the Labour Government started? It is worrying to learn that the number of people who completed apprenticeships in London last year, compared with the number who started them, is only 50%. Across England, similar statistics show that only 52% of people completed their apprenticeships, which is a drop of 6% on the previous year. The latest number of apprenticeships started in leisure, travel and tourism is down by 40% on 2010, and as the Financial Times told us, and as we heard today, only 4% of female apprentices take up engineering. Does the Minister agree that women—50% of the population—and the service sector must be crucial elements for his 3 million apprenticeship target? How will he have the muscle to achieve that, given the 23% cut in apprentice service staffing in the past nine months alone, and with more cuts to come?

Nick Boles: I think the Opposition will find that they are on a hiding to nothing if they try consistently to pick holes in and talk down the apprenticeship programme, which is dramatically successful and dramatically popular. Of course some people will not complete their apprenticeship, because an apprenticeship is not just a training programme; it is a job, and sometimes employers will decide that someone is not suited to continuing in that job. We want standards to go up and we want more apprenticeships but of high-quality apprenticeships, should in some sense actually be encouraged. The steps we are taking—to insist, first, that an apprenticeship must last a minimum of 12 months, and secondly, that the training content of the apprenticeship is relatively rigorous—are flushing out poor-quality training provision, which is having a temporary effect on completion rates. As he knows, we propose to put employers in charge of the money. They will commission the training provision, and they will have a very strong interest in ensuring that as many apprentices as possible complete the programme.

Michael Tomlinson (Mid Dorset and North Poole) (Con): With 19,800 higher apprenticeship starts in the past year—an increase of more than 115%, which includes nearly 3,600 in my constituency—may I congratulate the Government on what they have done so far, and urge the Minister to go further and faster?

Nick Boles: I agree with my hon. Friend. Gentleman, who is a very consistent champion not just of apprenticeships but of high-quality apprenticeships, should in some sense actually be encouraged. The steps we are taking—to insist, first, that an apprenticeship must last a minimum of 12 months, and secondly, that the training content of the apprenticeship is relatively rigorous—are flushing out poor-quality training provision, which is having a temporary effect on completion rates. As he knows, we propose to put employers in charge of the money. They will commission the training provision, and they will have a very strong interest in ensuring that as many apprentices as possible complete the programme.

Stephen Timms: There has been a drop. The Minister knows my concern that achieving his quantitative apprenticeship target might be done at the expense of quality, and there is a falling completion figure, as he said. There seems to be a particular problem in London in this respect. Does he have any further proposals for improving the position on apprenticeship completions?

Nick Boles: I think that the right hon. Gentleman, who is a very consistent champion not just of apprenticeships but of high-quality apprenticeships, should in some sense actually be encouraged. The steps we are taking—to insist, first, that an apprenticeship must last a minimum of 12 months, and secondly, that the training content of the apprenticeship is relatively rigorous—are flushing out poor-quality training provision, which is having a temporary effect on completion rates. As he knows, we propose to put employers in charge of the money. They will commission the training provision, and they will have a very strong interest in ensuring that as many apprentices as possible complete the programme.

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Broadband

15. Paula Sherriff (Dewsbury) (Lab): What assessment he has made of the adequacy of coverage and quality of broadband provision for SMEs.

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I will carry on from where I left off, and explain that broadband for business is going well, and we anticipate that about 80% of businesses will have access to it by the end of 2017. We have passed our 90% target for broadband for the UK as a whole.

Paula Sherriff: I thank the Minister for his response, but my constituent in Upper Denby is struggling to run a business with broadband speeds of no more than 1.8 megabits. He is not due to get superfast broadband until July 2017 at the earliest. Broadband in 2016 is a necessity, not a luxury. Will the Minister make a commitment to escalate the superfast broadband programme, so that businesses in my constituency can operate on a level playing field with their competitors?

Mr Vaizey: The hon. Lady makes an excellent point and I am pleased that her constituency will achieve levels of 96% broadband coverage. The point she makes, which I would like to emphasise to the Opposition spokeswoman, the hon. Member for Newcastle upon Tyne Central (Chi Onwurah), is why we have brought forward Labour’s target by two years. We have achieved by the end of 2015 what Labour planned to achieve by the end of 2017.

Cat Smith (Lancaster and Fleetwood) (Lab): Many of my rural and farming constituents are looking to diversify, and are setting up their own businesses and working from home. Frustrated with the wait for BT to deliver superfast broadband, many have been left in the position of digging their own trenches and working with Broadband 4 the Rural North is a fantastic community broadband programme. We encourage lots of competition for BT and I am pleased that B4RN is thriving and providing an excellent service to her constituents.

Mr Vaizey: My message to the hon. Lady, as opposed to her constituents, is that people have to make up their mind. One moment I am being berated because BT has a monopoly and now I am being berated because people are choosing a different provider. Broadband 4 the Rural North is a fantastic community broadband programme. We encourage lots of competition for BT and I am pleased that B4RN is thriving and providing an excellent service to her constituents.

Topical Questions

T1. [904075] Lucy Allan (Telford) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): It is a busy week for the Department. We are in the middle of British Science Week, which will see millions of people attend thousands of events across the country. Yesterday, I helped to launch National Apprenticeship Week and met some remarkable young people learning the skills needed to do the jobs of tomorrow. Tomorrow, of course, is Budget day. We will hear from the Chancellor about our long-term plan to make Britain the best place in the world to start and to grow a business.

Lucy Allan: The Secretary of State will remember the several visits he made to my constituency, so he will be delighted to know that on Thursday this week the Telford International Centre is hosting a national apprenticeships show, including local employers Capgemini, Stadco and Juniper Training. Telford has had a dramatic fall in youth unemployment. Will he join me in congratulating Telford businesses, colleges and the many other people who have helped youngsters to get the first step on their career ladder?

Sajid Javid: I am pleased to see my hon. Friend is wearing an apprenticeship badge today to mark this important week. I recall fondly a number of visits to Telford and meeting local businesses. I join her in warmly congratulating those local businesses, colleges and training providers on the work they have done to boost apprenticeships, which are up 120% over five years in her constituency. That means thousands of young people being helped to achieve their full potential.

Ms Angela Eagle (Wallasey) (Lab): It is National Apprenticeship Week, British Science Week, Global Consumer Day—and the Ides of March. Today, the CBI has released a survey showing that 80% of its members support the case that staying in the EU is best for jobs, growth and investment. They are right, are they not, Secretary of State?

Sajid Javid: The best outcome of the referendum for business, jobs and growth in Britain is that we remain. That provides us with the opportunities we need. The uncertainty of a leave vote would be the enemy of jobs and growth.

Ms Eagle: I thank the right hon. Gentleman for that response. It was not heard brilliantly on parts of his Back Benches. Is his lukewarm response for remaining not now irritating both sides of his divided party and damaging the Government’s case to remain in the EU? When the Prime Minister launched the Conservatives’ “in for Britain” campaign, the Business Secretary conveniently had a prior engagement, announcing that: “with a heavy heart and no enthusiasm, I will be voting for the UK to remain a member of the European Union.”

He asserted that he would remain a “Brussels basher”, but is he not really increasingly seen in his own party as a Brexit betrayer? With 100 days to go to the EU referendum, does the overwhelming case for remaining in the EU not deserve a Business Secretary who can campaign with his heart as well as his head?

Sajid Javid: It is a shame that that is the best the hon. Lady can come up with. One would think she would want to make a positive case. I think she should focus on speaking to her own boss and asking him about the contribution he wants to make to this debate.

T3. [904077] Andrea Jenkyns (Morley and Outwood) (Con): I was a comprehensive school girl who left school at 16, so social mobility is very important to me, and I am pleased to be involved in the new inquiry by the all-party parliamentary group on social mobility
into getting people from diverse backgrounds into top professions. Will my hon. Friend tell me what steps the Government are taking to ensure that more people, regardless of their background, can secure further education or employment?

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): I am delighted to have the opportunity to set out the Government’s support for our apprenticeship programme. We have committed to doubling spending on it and to see the number of apprenticeships rise to 3 million this year. They are a crucial platform for providing opportunity and social mobility in areas too often left behind in the past.

T2. [904076] Diana Johnson (Kingston upon Hull North) (Lab): Small care home providers in my constituency are telling me that their businesses will not be viable from April because they face the living wage increase but no chance of an increase in fees from Hull City Council. Given Hull’s low council tax base, even the 2% social care levy will not close the funding gap. What advice can Ministers give to these small but valuable businesses in my constituency?

The Minister for Skills (Nick Boles): I have had a number of meetings with various providers of social care. I do not entirely accept the hon. Lady’s assessment that the increase in council tax specifically to create extra funding for social care will not be able to address the higher costs resulting from the national living wage. I note that, in a week when we had a significant increase in the national minimum wage and a month before the national living wage comes in, the Opposition are attempting to say that these interventions will actually be damaging for the people they represent, rather than substantially boosting their incomes.

T5. [904081] Gavin Newlands (Paisley and Renfrewshire North) (SNP): In February, the Cabinet Office announced its intention to insert a new clause into grant agreements for charities. Many universities, including my local University of the West of Scotland, are worried that that will prevent them from being able to advise Government, Parliament and political parties. Will the Minister confirm whether universities will be exempt from any new clause, and if so, what form the exemption might take?

The Minister for Universities and Science (Joseph Johnson): We are discussing with Cabinet colleagues exactly how we might treat universities with respect to that proposal.

Andrew Griffiths (Burton) (Con): The Secretary of State will know that the beer and pub industry in the west midlands employs 86,000 people in 5,000 pubs, has 124 breweries and contributes £1.3 billion in tax. Given Hull’s low council tax base, even the 2% social care levy will not close the funding gap. What advice can Ministers give to these small but valuable businesses in my constituency?

Sajid Javid: I can reassure my hon. Friend that the Government are absolutely committed to a long-term economic plan for the midlands engine, and he will know that I was involved in the launch of the midlands engine prospectus. We are looking for a £34 billion increase in the local economy and 300,000 jobs by 2030, which will benefit his constituents as well as mine.

T4. [904078] Greg Mulholland (Leeds North West) (LD): I welcome the Minister’s reiteration last Wednesday of her and the Department’s view that they will abide by the will of the House of Commons regarding the pubs code, which currently includes an outrageous measure whereby tenants have to surrender the length of their lease for the market rent only option. To ensure that she abides by the will of the House, will she see that that measure is taken out at the final stage of drafting?

The Minister for Small Business, Industry and Enterprise (Anna Soubry): As I have said before, I will undertake to be true to all we promised we would do when this matter was considered last year during the passage of the Small Business, Enterprise and Employment Bill, and that is what we will do. I hope that the hon. Gentleman might now adopt the words of the British Institute of Innkeeping, which has welcomed the appointment of Mr Paul Newby as the Pubs Code Adjudicator, saying he has fantastic integrity and that he will be both feared and respected by pub companies. It sounds to me like a job well done.

David Rutley (Macclesfield) (Con): Given the large number of young people interested in becoming self-employed or setting up their own business, will my right hon. Friend tell the House what steps are being taken to help the next generation of entrepreneurs achieve their ambitions?

Anna Soubry: I am grateful to my hon. Friend. For that question, because as he will know we have had a real look at how the self-employed work and the sorts of changes that might be made to improve their conditions and to ensure greater fairness with those who are not self-employed. As somebody who was self-employed for many years, I am fully aware of this issue. We are looking at the excellent report that has been produced and seeing how we can encourage more people to start up their own business and, if they are self-employed, ensure they get a better deal.
Jim McMahon: As Government spend on small and medium-sized businesses topped £2.1 billion last year, I wrote to the Government to ask how much was spent in the north-west and particularly in Oldham. With an average UK spend of £188 per head of population, why does the north-west get just £29 per head of population and Oldham, at the heart of the northern powerhouse, just £15?

Owen Thompson: A recent report from PricewaterhouseCoopers highlighted innovation as a key driver of growth across the global economy. It also found that UK companies were less innovative and more focused on innovation as a driver for growth than the global average. With UK gross domestic product growth revised down by OECD and the IMF, is it not time that the Minister paid greater attention to supporting innovation in our economy?

Anna Soubry: I am happy to discuss the figures with the hon. Gentleman, but as we know, we have a Chancellor and indeed a Government who are absolutely committed to the northern powerhouse, with hand and with heart—and that is what we continue to do.

Tom Pursglove: As Ministers know, the steel industry is a very important employer in Corby, and with the final pre-Budget discussions taking place, would Ministers impress on the Chancellor that a business rates holiday for the industry would be very welcome news?

Anna Soubry: We will always continue to fight for our steel industry. My right hon. Friend the Secretary of State and I understand the need to look at business rates and particularly plant and machinery, and we continue to put these important arguments forward. Whether or not we will be successful, we can only know tomorrow.

George Freeman: That gives me a chance to congratulate my hon. Friend on his leadership as deputy Mayor of the MedCity initiative in London. The life sciences sector is growing fast. Last year, we hit a 17-year financing high, with more than £1.7 billion raised for early-stage companies. The challenge now is to make sure that those emerging businesses grow into substantial global companies, which is where my focus lies.

Joseph Johnson: Since 2010, the UK has risen from 14th to second place in the global innovation index, behind only Switzerland. We continue to support innovation in this country through Innovate UK and our expanding Catapult network.

Kit Malthouse: The most promising sector in the British economy at the moment is life sciences, yet historically start-ups in this sector have had difficulty attracting venture capital. Will the Minister update us on progress he is making on getting this vital resource into this vital sector?

George Freeman: My hon. Friend is a doughty campaigner for small businesses, and I am delighted that in the last Parliament we reduced the cost of regulation on small businesses by £10 billion. Furthermore, we are committed to turbo-charge our deregulation initiative: it is not just one in, one out; it is one in, three out.
Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): The Government have pledged to halve the disability employment gap. What is the Minister doing to ensure that disabled people have access to apprenticeship opportunities and can fulfil their potential?

Nick Boles: It gives me great pleasure to be able to agree entirely with the hon. Lady. This is incredibly important. The current rate of participation in apprenticeships is not too bad—I think it is about 8.8%—but we can always do more. We need to ensure that the requirements for the qualifications, particularly in English and maths, that some people have to acquire as part of their apprenticeships do not discriminate against those who are disabled.

Neil Carmichael (Stroud) (Con): Does the Secretary of State agree that, given that Conservatives in is keen to promote the economic case for our remaining in the European Union, it is excellent news that the CBI has said that 80% of its members support the EU?

Anna Soubry: Absolutely. It is incredibly important that an organisation of the CBI’s standing is backing the Stronger In campaign. Indeed, we hear an increasing number of voices from business standing up for British companies, and not just saying how bad it will look if we leave—pointing out that what Brexit offers is very little and very confusing—but making the positive case for our staying in a reformed European Union, which is in our better interests.

David Simpson (Upper Bann) (DUP): Further to an earlier question, the Minister will know that we have many young entrepreneurs with innovative ideas in our universities throughout the United Kingdom. What more can the Government do to encourage them to stay in this country and produce their goods?

Joseph Johnson: We continue to support innovation all over the country. Scotland is doing particularly well at present, with an 11% share of Innovate UK’s budget. Its population and GDP shares are both 8%, so it is punching above its weight, and I hope it will continue to do so.

Michael Ellis (Northampton North) (Con): What is my hon. Friend doing to deal with the appalling anti-Semitism at the Oxford University Labour club? We are now also hearing about an anti-Semitic play being performed at York University. Those are both appalling examples of disgraceful, blatant and rabid anti-Semitism.

Joseph Johnson: I have, of course discussed the matter with the Vice-Chancellor of Oxford University, and also with the chief executive of the Higher Education Funding Council for England. Anti-Semitism has no place in our universities, or anywhere else in our society. Last November, we asked Universities UK to lead a review of harassment and hate crime in higher education; the Union of Jewish Students is represented on that body. We expect university leaders to deal with anti-Semitism without hesitation, taking disciplinary action and involving the police whenever that is necessary.

Conor McGinn (St Helens North) (Lab): In this glorious week of the Cheltenham festival and St Patrick’s Day, will the Secretary of State join me in paying tribute to the Irish business community in Britain, and to all who work to promote trade between our two countries? Will he also acknowledge, and pay tribute to, the fact that the relationship has been cultivated within the European Union—and long may that continue?

George Freeman: On behalf of the Secretary of State, it is a great pleasure for me, as the son of a national hunt jockey who had a winner at Cheltenham, to join the hon. Gentleman in congratulating the Irish racing industry on what it does for the global economy and indeed for the UK economy.

Mr Speaker: Last but not least, Mr Alan Mak.

Mr Alan Mak (Havant) (Con): Havant is a national centre for aerospace and engineering excellence. Will the Minister join me in congratulating everyone involved in the ExoMars space programme?

Joseph Johnson: I certainly will. The UK space industry is indeed booming, with average growth rates of 8% over the past eight years. The ExoMars rover has been built in Stevenage, and I look forward to seeing the results from the Mars methane sniffer once it has completed its seven-month journey to Mars. I would like to tell the House that this morning I received an update from the UK Space Agency to say that a signal has now been received at mission control, so we can safely say that the launch has been a success.
Syria: Russian Redeployment and the Peace Process

12.35 pm

Hilary Benn (Leeds Central) (Lab) (Urgent Question) : To ask the Secretary of State for Foreign and Commonwealth Affairs if he will make a statement on the announcement by Russia that it is redeploying the main part of its force from Syria, and on the implications of this for the peace process.

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): We have, of course, seen the media reports of a Russian withdrawal of forces, including a report this morning that the first group of Russian planes has left the Hmeimim air base to return to Russia. However, I should tell the House that, as far as I have been able to determine, none of the members of the International Syria Support Group had any advance notice of this Russian announcement, and we have yet to see any detailed plans behind Russia's announcement yesterday.

We do not yet have any independent evidence to verify Russia's claims that military withdrawals have already begun. We are monitoring developments closely, and it will be important to judge Russia by its actions. It is worth remembering that Russia announced a withdrawal of forces in Ukraine which later turned out merely to be a routine rotation of forces. If this announcement represents a genuine decision by Russia to continue to de-escalate the military conflict, to ensure compliance with the cessation of hostilities and to encourage the Syrian regime to participate in peace negotiations in good faith, it will be welcome.

Now is the time for all parties to focus on the political negotiations, which resumed in Geneva yesterday. Only a political transition away from Assad's rule to a Government representative of all Syrians will deliver the peace Syrians so desperately need and so ardently agree that a full withdrawal would improve opposition and other Governments proposing to take? Does he agree with the Foreign Secretary that it needs to be carried through, in particular if it is going to support the ceasefire and de-escalate tensions. The Foreign Secretary has told the House that he has received no direct information about the likely timescale and extent of the withdrawal, but will he comment on the statement attributed to a Russian Defence Minister, who said that Russian forces will continue to attack so-called terrorists, a term which Russia has used in the past to cover airstrikes on the Syrian opposition? Will the Foreign Secretary tell us what discussions, if any, he has had with Foreign Minister Lavrov about this?

Hilary Benn: I am grateful to the Foreign Secretary for that reply. The conflict in Syria has now raged for five years. Half the population have fled their homes. Neighbouring countries have borne the brunt of the refugee crisis. According to the Syrian Observatory for Human Rights, over 360,000 people have lost their lives, mostly at the hands of President Assad, and Russian airstrikes have killed 1,700 civilians in the past six months alone.

Yesterday's announcement of the withdrawal of Russian forces will be cautiously welcomed by all of us, but I agree with the Foreign Secretary that it needs to be carried through, in particular if it is going to support the ceasefire and de-escalate tensions. The Foreign Secretary has told the House that he has received no direct information about the likely timescale and extent of the withdrawal, but will he comment on the statement attributed to a Russian Defence Minister, who said that Russian forces will continue to attack so-called terrorists, a term which Russia has used in the past to cover airstrikes on the Syrian opposition? Will the Foreign Secretary tell us what discussions, if any, he has had with Foreign Minister Lavrov about this?

How might the withdrawal of Russian aircraft change the type of missions that the RAF and others in the anti-Daesh coalition are undertaking in Syria? Given the Foreign Secretary's latest assessment of the ceasefire, the extent to which it is holding and the violations to which he referred, what action are the British Government and other Governments proposing to take? Does he agree that a full withdrawal would improve opposition forces' confidence in the ceasefire and help to ensure their full participation in the peace process?

Given the continuing concerns expressed by the International Committee of the Red Cross and others, what will be the impact of both the ceasefire and any withdrawal on the international community's ability safely to provide the humanitarian aid to which the Foreign Secretary referred, in particular to the towns and areas that have been besieged? With the UN commission of inquiry on Syria due to report this week to the United Nations Human Rights Council on potential war crimes committed by all sides, what prospect does
he see for any suspected war crimes being referred to the International Criminal Court by the UN Security Council, given that Syria is not a signatory to the Rome statute?

Finally, what recent discussions has the Foreign Secretary had with other members of the ISSG and Staffan de Mistura about the prospects for the latest round of peace talks taking place in Geneva? Does he agree that both Russia and Syria need to ensure that all the issues are on the table if the Syrian people are to see peace and stability finally return to their war-torn country?

**Mr Hammond:** I am grateful to the right hon. Gentleman. As he rightly says, it is now five years since this terrible civil war began, and he correctly set out the scale of attrition that the Syrian people have faced over that time. He referred to the remarks attributed to Defence Minister Shoygu that Russia would continue to attack terrorists. As the right hon. Gentleman said, that is exactly the formula used by the Russians in the past when attacking the moderate opposition. They have always asserted that they conduct airstrikes against terrorists only, so it is not terribly reassuring that, a few hours after the announcement of the withdrawal of their military forces, their Defence Minister is saying that they will continue to attack terrorists.

The right hon. Gentleman asked about discussions with Foreign Minister Lavrov. I have had no such discussions since the announcement was made, although I have spoken to American colleagues to assess what information they have. The UK mission in Syria will not change as a result of withdrawal of Russian forces; UK airstrikes are exclusively targeted against Daesh, primarily in the east of the country, and will continue to be so targeted.

The right hon. Gentleman asked about the latest assessment of the ceasefire. We held a meeting in Paris on Sunday, in which we reviewed the situation on the ground. The reality is that, after a lull in the level of airstrikes immediately after the beginning of the cessation of hostilities, they have grown steadily. On 10 March, we assessed that Russian airstrikes were at the same level as they were before the cessation of hostilities, but there is evidence that the Russians had redirected the focus of their airstrikes so that they were more convincingly targeted against Daesh and al-Nusra targets than had previously been the case. If Russia carries out a full withdrawal of its forces—and I do not think even the Russian announcement is suggesting that would take place—that will certainly change the balance of power and military advantage on the ground in a very significant way.

It is not the Russians who have been impeding access for humanitarian aid, but the Syrian regime, and so the question is about how much leverage the Russians have over the regime and how much of that leverage they are prepared to exercise. One could speculate about whether this announcement is, in fact, an exercise by Russia in reminding the regime of its position as a client, operating at Russia’s will.

On the ICC, there are two major impediments. The first, as the right hon. Gentleman rightly says, is that Syria is not a signatory to the ICC convention. The second is that Russia holds a veto in the Security Council. Therefore, although we all seek to bring those responsible for the terrible crimes that have been committed in Syria to justice, I would advise him not to hold his breath just for the moment.

**Crispin Blunt (Reigate) (Con):** The Foreign Secretary refers to Russia sending a message to Assad. Does he agree that this is potentially helpful as far as the peace process is concerned by ensuring that Assad does not overplay his hand in the peace talks? Does the Foreign Secretary also agree that the actual threat to the peace process comes from across the border in Turkey, which is no longer led by a constructive and rational partner in the process? The actions of President Erdogan should be giving all of us the gravest concern as he presides over a disintegrating democracy and a war on part of his own people.

**Mr Hammond:** It is possible that the Russian announcement is intended as a message to the Assad regime to say, “Don’t overplay your hand. Get to the negotiating table and engage.” It is also possible that it is intended as a message to the moderate opposition to do what is expected of them, because it has not been that easy to persuade them to attend the Geneva talks when Russian bombs have still been raining down on their positions. That is all positive, but unfortunately none of us knows what the intent of Mr Putin is when he carries out any action, which is why he is a very difficult partner in any situation such as this.

On the question of Turkey, I will just say this to my hon. Friend: Turkey remains an important NATO ally and a vital security partner for the UK. When we look at events in Turkey, we can refer, as he did, to recent legislative changes and actions of the Administration, but we should also acknowledge the terrible challenge that the Turkish people are facing from terrorism, with multiple deaths from the attack in Ankara on Sunday, hundreds of security force members killed over the past nine months, and many civilians—more than 100—also killed. We must understand the challenge that Turkey faces, and I assert, as we do in relation to every country, the right of the Turkish people and the Turkish Government to defend themselves when they face that kind of terrorist attack.

**Alex Salmond (Gordon) (SNP):** It is almost five years to the day since the uprising against Assad. Hundreds of thousands of people have been killed, 11 million people displaced, and 80% of Syria’s children damaged by the civil conflict. When the House debated these issues two weeks ago, there was a huge amount of
scepticism across the Chamber about the ceasefire. There have been significant breaches, but it has resulted in a huge diminution of violence. It is the only ceasefire we have. Following on from the question from the Chairman of the Select Committee, the hon. Member for Reigate (Crispin Blunt), is not the most credible explanation for the Russian announcement that it will pressurise the Assad regime into taking a more flexible attitude in the peace talks? If that is the case, instead of having the caveats first and then the welcome, would it not be better if the Foreign Secretary had the welcome and then the caveats—since it is not only the only ceasefire we have; it is the only peace process we have?

**Mr Hammond:** I think that we all start out with hope and we end up with experience. In dealing with Russia, putting the caveat first is probably always sensible. That is a credible interpretation of what Mr Putin has done, but, unfortunately, unlike with almost every other party with which we work in these situations, we have no insight at all into Russia’s strategy, Russia’s thinking and Russia’s tactics, so we are left guessing. Here we are, 24 hours later, none of us, including the Americans, with whom Russia apparently craves a bilateral partnership over Syria, has any real insight into what the purpose of this move is.

**Sir Alan Duncan** (Rutland and Melton) (Con): May I invite my right hon. Friend to admit that we have probably been unwise to have become hooked on the rather simplistic notion that the removal of Bashar al-Assad is a prerequisite for any solution at all in Syria? Is it not the case that, even with this change in Russian tactics, any progress towards peace is bound to retain many messy elements within it? Where does the Foreign Secretary think that his supposed Government for all the Syrian people—be it transitional or long-term—will come from?

**Mr Hammond:** I cannot agree with my right hon. Friend. We assess that the removal of Bashar al-Assad is an absolutely essential prerequisite for peace. That is not just a moral judgment that someone who has presided over the displacement of 12 million of their own people, barrel-bombed them, poison-gassed them, and killed 360,000 of them should be removed from any power; it is also a pragmatic judgment that we want a reconciliation between the different factions within Syria. The truth is that those fighting against the regime are not going to lay down their arms unless and until they are given an assurance that Bashar al-Assad will not be part of the future in Syria. Of course, my right hon. Friend is right that it will be messy, and that there will be many stumbling blocks along the way, but it is possible to envisage a transition that will see the infrastructure of the state remain in place, but with Bashar al-Assad replaced with another figure, possibly from within the Alawite minority community, as head of a transitional Administration.

**Mr Ben Bradshaw** (Exeter) (Lab): The Foreign Secretary is quite right to treat this Russian announcement, along with all Russian announcements, with extreme caution. However, if this move does turn out to be positive, will that not vindicate both the robust approach that Britain and the European Union have taken towards President Putin, and the decision taken by this House to extend the highly successful RAF mission in Iraq to Syria?

**Mr Hammond:** Yes, I am quite convinced that President Putin recognises only strength; he does not do shades of grey. Everything is black and white. You are either standing up to him or you have caved in in front of him. The action that the European Union took in imposing sanctions against Russia over Ukraine surprised the Russians; they did not expect that the European Union would be able to establish unanimity to do that. It surprised them even more that we have managed to renew those sanctions twice, and we are coming up to the point where we will renew them again. It has also surprised the Russians that the coalition has held together in respect of the battle against Daesh. Therefore, doing what we know is right, sticking to our guns, working with the Russians where they are prepared to align with our objectives and being clear about our requirement of the Russians to comply with their obligations under international law is the right way in which to proceed. I do not think that seeking concessions to or favours from Mr Putin is a way forward; it simply does not work like that with him.

**Wendy Morton** (Aldridge-Brownhills) (Con): In these very early days of the ceasefire and the talks in Geneva, does my right hon. Friend agree that, in cautiously welcoming this reported withdrawal of Russian troops, we should not lose sight of the need for the ongoing humanitarian aid to be delivered to those who need it in Syria and the region, and for securing a peaceful long-term political solution to the problem?

**Mr Hammond:** My hon. Friend is absolutely right. There are two reasons why the humanitarian aid must go on being delivered and getting into parts that it has not yet reached. The first and obvious reason is that people on the ground desperately need it, but, secondly, it is to enable the opposition who are at Geneva to stay there and carry on talking. They find it very difficult to maintain their legitimacy and credibility with their supporters on the ground if no humanitarian aid is getting through and regime bombs and Russian bombs are still falling on them.

**Ms Gisela Stuart** (Birmingham, Edgbaston) (Lab): The Foreign Secretary said that he has not talked to Mr Lavrov. Is that because Mr Lavrov is refusing to take his call, or that he has not yet tried? If it is the latter, why not?

**Mr Hammond:** Again, experience is the answer. I have not tried to make the call, and I am in no doubt that I could predict quite confidently the outcome of such a call to Foreign Minister Lavrov. I have had many conversations with him over the course of our regular meetings at Syria-related events, none of which has been fruitful.

**Richard Benyon** (Newbury) (Con): It is depressing to calculate the sum total of human misery that has resulted from Russia’s intervention in this bloody civil war, which has gone from vetoing attempts by countries to get an early resolution to Assad and a transition Government in place through to, as one non-governmental
organisation put it to me, the bombing of a hospital four times by Russian planes. May I re-emphasise what my right hon. Friend says by asking him to treat with huge caution this move and to hold Russia responsible for any war crimes that it commits in the future?

Mr Hammond: My hon. Friend reminds us of an important fact. If somebody who has gone into another country, bombed civilian populations and destroyed hospitals and schools then decides, five months later, that they have done enough, let us not give them too much praise. It is a bit like that question, “Did he stop beating his wife?” The fact that the Russians are there in the first place is something that we must continually protest about, and we certainly should not give them any credit for simply withdrawing from those illegal activities.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Despite Russia’s announcement, many countries remain committed to military action in Syria. In the past five years, we have seen an escalation in the humanitarian crisis in Syria and the wider region, and the refugee crisis across Europe. Will the Secretary of State therefore tell the House what proportion of Government spending relating to the crisis has been spent on military action as compared with the provision of humanitarian aid and the building of a long-term peace solution for the people of Syria?

Mr Hammond: I cannot give the hon. Lady the precise figures, but we have contributed over £1.1 billion of humanitarian aid to Syria and the neighbouring countries to support displaced persons and refugees. Our military operation, which has been running in Syria since the vote in this House a mere three months ago, has so far cost a tiny fraction of that. I do not want to mislead the House by giving a figure, but I am certain it will only be in double figures of millions.

Tom Tugendhat (Tonbridge and Malling) (Con): Given Russia’s history over the past 30 years of changing horses at the last moment in order to seek a different outcome, would my right hon. Friend now be advising President Assad to double his bodyguard?

Mr Hammond: The relationship between President Assad and President Putin is a subject of great speculation among colleagues on the International Syria Support Group circuit, but I am clear that the situation is the same as it has always been. I have said this in the House before. President Putin could have ended all this years before. President Putin could have ended all this years ago by a single phone call to President Assad, offering him some fraternal advice about his future health and wellbeing.

Derek Twigg (Halton) (Lab): I agree with the Foreign Secretary that we should be cautious about these latest developments, but does he believe that Assad is now in a stronger position than he was six months ago?

Mr Hammond: In military terms, certainly. The Russian intervention has prevented the collapse of regime forces, has restored morale among regime forces, has allowed the regime to take ground, consolidate positions, move forces around in a strategically significant way, and has damaged and demoralised opposition groups. There is no doubt at all about that. If there is a genuine withdrawal of Russian air cover, the question is how long that improvement can be sustained, because we know that the Syrian regime forces are fundamentally hollowed out after five years of civil war, and without the Russians there to stiffen their spine it is not clear how long they will be able to maintain the initiative.

Mr Jonathan Djanogly (Huntingdon) (Con): Assuming that the Russian withdrawal does take place—I understand there is no certainty in that—will UK and US air forces take over Russian targets against Daesh with the intention of ensuring that there is no reduction in the intensity of action against Daesh as a result of Russian withdrawal?

Mr Hammond: I do not think I can comment at the Dispatch Box on what will drive US and UK targeting decisions, but I can say this. The Russian air force operates largely within a part of Syria that is heavily protected by the Syrian integrated air defence system. The Russians can fly there because they are operating in what is for them a permissive environment, not least because Russian technicians control the Syrian air defence system. It would not be the same for US, UK and other coalition partners. I do not think there can be an assumption that western members of the coalition will be able to take over all the targeting activity against Daesh that is currently being carried out by the Russians.

Tom Brake (Carshalton and Wallington) (LD): While I acknowledge that Assad is principally to blame for the starvation of his own citizens, and therefore the departure of the Russians is unlikely to have much effect on humanitarian aid, does the Foreign Secretary envisage there being any new humanitarian aid initiatives to ensure that aid reaches the parts of Syria that are currently being starved?

Mr Hammond: The humanitarian aid is there. It is ready to move; it is in trucks. The World Food Programme has the resource it needs. The food, the medical supplies and so on are ready to go in. The issue is simply access. Principally, that is to do with regime obstruction. In some places it has been overcome; in others it is still a problem. UN people are working day and night on the ground to try to resolve it, but it is a case of literally progressing through one checkpoint and then trying to negotiate the next.

Mark Pritchard (The Wrekin) (Con): Following on from the question by my hon. Friend the Member for Huntingdon (Mr Djanogly), the Kremlin says that the Russian presence in Syria is to counter terrorism, although there are no terrorist groups with fighter jets. Is it not the case that if Russia is serious about de-escalating the situation in Syria and moving towards a peaceful and political solution, it will also withdraw its surface-to-air missiles—the S-400 system?

Mr Hammond: Our understanding is that the S-400 system was probably deployed to protect Russian installations and was part of the protective bubble that the Russians put around their installations in Syria—their air bases and naval port. We will obviously have to wait to see the extent, if any, of the withdrawal that has been announced and whether it includes those weapons.
Jo Cox (Batley and Spen) (Lab): In seeking further clarity on this deeply cynical announcement, can the Secretary of State or his US allies clarify whether the Russian Government have set out any conditions linked to their withdrawal that would negatively impact on the political negotiations? Given the tens of thousands of incredibly vulnerable Syrians who exist up and down the country, is it not time to think again about a NATO-backed no-bombing zone, particularly along the border with Turkey, to protect civilians?

Mr Hammond: As far as we are aware from the Russian statement, there is no conditionality attached to it. Just as the Russian intervention was a unilateral action, announced by Russia, so the withdrawal is a unilateral action—no negotiations or conditionality.

The hon. Lady asks me about no-bombing zones. The problem with a no-bombing zone is the same, essentially, as the one I identified for my hon. Friend the Member for Huntingdon (Mr Djanogly). Syria has a very capable ground-to-air integrated defence system, which makes it difficult for anybody’s air force, in a non-permissive environment, to enforce a no-bombing zone. It is not impossible that, with the use of stand-off weapons, some kind of no-bombing zone around the borders of Syria would be enforceable, but it would involve complex issues. It has been raised; it has been discussed; but so far volunteers to police a no-bombing zone have not been rushing forward.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): The Foreign Secretary mentioned Iran. He knows that the two regional powers, Iran and Saudi Arabia, have vastly contradictory views of Syria, especially on the future of President Assad. Will he use his good offices to ensure that those two countries get around the table to negotiate, as we saw in Vienna, because until there is greater dialogue between those two regional powers, the tensions that we have witnessed over the past five years will continue?

Mr Hammond: My hon. Friend is right that Iran and Saudi Arabia have fundamentally different views about the future trajectory of Syria, but they are both part of the ISSG. They did both come to the table in Vienna and sit there for two days, or whatever it was, and talk to each other, and they are both still showing up to regular ISSG meetings. It does not mean they agree with each other once they get there, but it is progress that they are at least sitting around the same table.

Nick Thomas-Symonds (Torfaen) (Lab): The Foreign Secretary mentioned the humanitarian convoys on the ground in Syria. More of them are getting through, but it is nowhere near the continuous and unimpeded access that both international law and the United Nations need. What is his assessment of how this latest Russian announcement will provide further opportunities to put pressure on the Syrian regime to allow more humanitarian aid through?

Mr Hammond: As I said, even if the Russians do withdraw forces, I do not think that will have a direct impact on the ability to get humanitarian supplies into the country. Obviously, the thing that will most assist in that is a continuation of cessation of hostilities. What happens on the ground next depends on how any Russian withdrawal takes place, over what time period, and how the regime responds to that. The cynic may suggest that the Syrian regime has used the last two weeks to prepare for this moment; although we did not know it was coming, perhaps the Syrian regime did and perhaps it is prepared for it.

Helen Whately (Faversham and Mid Kent) (Con): The intervention by Russia in Syria was a surprise to the west, and this withdrawal, if it is genuine, is also a surprise. Russia’s interventions have been unhelpful but influential. Can my right hon. Friend advise me what steps we can take and are taking with our allies to stop Russia setting the agenda in Syria?

Mr Hammond: That is a good question and a very difficult one to answer. All the western partners in this enterprise play by the rules of the international system and are transparent about their intentions. We had a debate in this Parliament—a discussion that went on for a couple of years before we got to the point of deciding to engage in airstrikes in Syria. The entire world knew about the debate in the UK and where the fault lines were in that debate. Unfortunately, Russia is a state in which all power is concentrated in the hands of one man. There is not even a politburo any more, just a single man. Decisions are made apparently arbitrarily, without any advance signalling and, as we are now seeing, can be unmade just as quickly. That is not a recipe for enhancing stability and predictability on the international scene. It makes the world a more dangerous place, not a less dangerous place.

Mark Durkan (Foyle) (SDLP): The Foreign Secretary is right not to seek to spin Putin’s announcement, but to wait for sound evidence. If, however, it does serve to recondition some of Assad’s assumptions about the negotiations, and if it also means that elements in the opposition feel a bit more encouraged about the worth of their purpose in the negotiations, should we not take the opportunity to make the dialogue more inclusive, not least in respect of women? I note that the UN special envoy met the women’s advisory group at the weekend.

Mr Hammond: Yes, our intention is that the dialogue should be inclusive, representative of all faith groups and all ethnicities within Syria, and also representative of civil society including, of course, women. We should not forget that before this horror started, Syria was, bizarrely, one of the most “liberal” countries in the middle east in terms of tolerance of religious minorities, tolerance of secular behaviour, and the role of women and their participation in society, the professions and employment. We would certainly need to get back to that as Syria re-normalises in the future.

Alec Shelbrooke (Elmet and Rothwell) (Con): Does my right hon. Friend agree that one of the greatest problems we face is that we have no idea of the military resource that Russia put into Syria, and therefore have no way of understanding whether it has withdrawn or not? Does my right hon. Friend agree that the western allies must take this into consideration when moving forward in the next weeks and months?
Mr Hammond: I am not sure that I entirely agree with my hon. Friend. I think we have quite a reasonable assessment of the military resource that Russia has in Syria and we will be able to now monitor whether that resource is being genuinely withdrawn or simply rotated.

Mr Philip Hollobone (Kettering) (Con): Given that Daesh has not been the main focus of Russian airstrikes, to what extent does my right hon. Friend think the Russians would advocate a partition of Syria?

Mr Hammond: It is a subject of speculation whether the immediate objective of the Assad regime and of the Russians is to carve out some kind of Alawite mini-state in the north-west of Syria, but as I have said several times, because we have no dialogue on these things, and because Russia is completely untransparent about its motives and its plans, we can only speculate.

Mr Hammond: Our views are that my hon. Friend is right. Clearly, for a sustainable peace in Syria, the Shi’a militias and their Iranian sponsors and advisers will have to be stood down, just as the Russians will have to withdraw their forces. But we have no indication yet that we are going to see a matching announcement from Tehran, announcing the withdrawal of Iranian-backed forces from Syria.

Kevin Foster (Torbay) (Con): Given the experience in Crimea and the eastern Ukraine when forces that looked like Russian forces, were armed like Russian forces and behaved like Russian forces arrived but were disavowed, what confidence do we have that this will be a genuine withdrawal and that we will not see forces carrying a Russian flag disappear, only to be replaced on the ground by forces that look suspiciously like them?

Mr Hammond: I cannot rule that out, but what we are primarily talking about here is air forces, and that trick is a little more difficult to perform in the case of advanced strike aircraft. We cannot rule out the possibility of Russian-sponsored irregular forces playing some future role in the conflict.
Paul Flynn (Newport West) (Lab): On a point of order, Mr Speaker. On 8 March my hon. Friend the Member for Birmingham, Yardley (Jess Phillips) made a powerful speech in the Chamber which you described as “moving”. The most striking part of that speech was when she read out a list of the names of women who have died in the past year as a result of domestic violence. In 2009, after lists of those who had fallen in Iraq and Afghanistan had been read in this Chamber, a prohibition was introduced from the Chair so that Members would no longer be allowed to read out lists of the fallen. We are now in the strange position where it is permissible to read out the names of those who have died as a result of domestic violence, but it is prohibited to read out the names of those who have fallen in the service of this country. Will you reflect on this and perhaps introduce a rule that would allow Members to make the speeches that they desire to make, rather than those limited by conditions laid down from the Chair?

Mr Speaker: I thank the hon. Gentleman for his point of order and, indeed, for his characteristic courtesy in giving me advance notice of it. I appreciate that he feels that there is inconsistency between the latitude allowed by the Chair to the hon. Member for Birmingham, Yardley (Jess Phillips) in the debate to mark International Women’s Day on 8 March and earlier rulings from the Chair on his own attempts to read out the names of members of the armed forces who had died in operations overseas. These are matters of judgment for the Chair, and my immediate response to him—I am happy to reflect upon it further—is that they are best approached on a case-by-case basis. My concern is that there should be reasonableness and balance in these matters. I do not think the House would receive it well if list reading became a very regular phenomenon or, indeed, if I may say so, a repetitive campaign tool. However, I simply say to the hon. Gentleman that if it is open to Members to seek my thoughts in advance on these matters if they have such an intention in mind. I will, if I may, leave it there for today. I appreciate his sincerity, and I hope he appreciates mine.

Multinational Enterprises (Financial Transparency)

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

1.21 pm

Caroline Flint (Don Valley) (Lab): I beg to move, That leave be given to bring in a Bill to require certain multinational enterprises to include, within their annual financial reporting, specified information prepared in accordance with the Organisation for Economic Cooperation and Development’s requirements for Country-by-Country reporting; and for connected purposes.

I thank you, Mr Speaker, for the opportunity to present this modest Bill, which seeks to move with the grain of Government policy in tackling tax avoidance, but which takes that policy one step further—one small step for this House, but a huge step forward for those who believe in tax justice, fairness and transparency in the UK and globally.

My Bill will ensure that important information about large companies’ revenues and tax planning is published via Companies House—information that, by UK law, such companies have to provide to Her Majesty’s Revenue and Customs from 1 January this year. I am delighted that it has received cross-party support and is being backed by the Tax Justice Network, Fair Tax Mark, Oxfam, Christian Aid, the Catholic Agency for Overseas Development and ActionAid.

We all share concerns at the way in which multinational companies shift profits to low-tax dominions, sometimes even when the number of their employees there is zero. The headlines caused by the recent Google tax deal reflected public consternation. How could a company with thousands of UK employees, five offices and a new £1 billion headquarters to be built near King’s Cross, and whose UK business is second only to its US business, pay only £130 million in tax after six years’ investigation into a tax period of 10 years? We should bear it in mind that its global revenues for 2015 were $74 billion. I and my colleagues on the Public Accounts Committee questioned Google and HMRC, but we are still unclear whether the £130 million represented a good deal.

I do understand the need to protect tax privacy, especially when it comes to individuals, but we live in a world where multinationals use transfer pricing and shell companies to shift profits from one country to another, usually to a low or no-tax country. Is not it extraordinary that, in 2010, Bermuda had total reported corporate profits equivalent to 1,643% of its GDP? Could that be because Bermuda has a zero rate of corporation tax? Is not it extraordinary that Google sales staff in the UK sell an advert to a company in the UK, yet the transaction is confirmed online via Ireland, where the prevailing corporate tax rate is 12.5%, as opposed to 20% in the UK? The problem is not confined to Google or even to online businesses. What coffee chains, oil companies, drinks companies and pharmaceuticals all have in common is that they are multinationals.

The impact of the entirely lawful manipulation of different countries’ tax rules is that countries find their corporate tax base is undermined and profits are shifted, not through any real economic activity, but through
arbitrary internal charges between different units of the same company. As the OECD has rightly pointed out in its work on base erosion and profit shifting, that creates unfair competition, providing a competitive advantage over, say, a domestic UK rival paying 20% tax on its profits.

It is such strange arrangements that enabled Facebook to pay just £4.327 in corporation tax in 2014—the same year it paid £35 million in bonuses to UK-based staff. That is a very strange form of performance pay. AstraZeneca paid no UK corporation tax in 2014-15, yet “2014 was a remarkable year for AstraZeneca”, according to its chief executive officer—it did, after all, have full-year revenues of more than £26 billion. I could also mention Vodafone and British American Tobacco—the list of corporate giants with light UK tax bills goes on.

It is because of that that I fully support the Chancellor’s legislation to require financial reporting to HMRC from UK-based multinationals with revenues in excess of approximately £600 million, and from the UK units of such companies, where the parent company is based in a country that does not yet agree to country-by-country reporting. Such reporting, in accordance with OECD guidelines, would require multinationals to show, for each tax jurisdiction in which they do business, their revenue, their profit before income tax and the income tax paid and accrued, as well as their total employment, capital, retained earnings and tangible assets. They will also be required to identify each entity in the group that is doing business in a particular tax jurisdiction and to provide an indication of the business activities in a selection of broad areas that each entity is engaged in.

The Government’s proposals would make about 400 companies share information on some or all of their activity worldwide, but we can do more. By requiring the information to be published, not only will HMRC see the bigger picture, but so will we. Publication is one way to persuade these companies to come clean and to explain their tax planning, but also to restore their tarnished reputations. I believe it would deter them from using tax havens and shell companies.

Publication would also send a strong signal to developing countries, which are often short-changed by corporates that have huge undertakings there, but that pay little or no tax to support their developing economies. Charities say that developing countries lose more in potential revenue each year because of corporate tax dodging than the amount given annually in overseas aid by all the richer countries. That made me stop and think about how much more we could do through measures such as my Bill to enable developing countries to prosper and be more self-sufficient. Aid is vital for poorer nations, but it is just as important that we provide a hand up, not just a handout, and that will not happen unless we force these companies to come clean.

I wrote to the Chancellor last week seeking support for my Bill, and who knows, I may be on to a winner when the Budget is announced tomorrow. In my letter, I reminded him that this Bill is in keeping with his own sentiments, even that he told an international meeting of Finance Ministers in February:

“I think we should be moving to more public country-by-country reporting. This is something which the UK will seek to promote internationally”.

I agree with the Chancellor, but I say to him: why wait? The tide is turning against secrecy, with business-led organisations such as Fair Tax Mark encouraging firms to be open about their taxes and not to use tax havens. In tomorrow’s Budget, or in the Finance Bill that follows, the Government can adopt this measure and be at the front of the pack—leading and setting a new standard in multinational financial transparency.

We all want successful companies in the UK, as do our constituents, but we want them to pay fair tax. Too many multinational companies seem to be choosing the tax they want to pay, using complicated international arrangements, rather than paying the tax they should pay.

The winners from public reporting are the Government, HMRC, businesses and taxpayers already paying fair taxes, and developing countries that are losing out. Multinationals should see this not as a threat, but as an opportunity to restore the reputation of their brand. They can be winners too.

My Bill has received support from right hon. and hon. Members across the House. I am also delighted to have received support from 10 of my colleagues, reflecting all the political parties, on the Public Accounts Committee. Members from five separate parties—Labour, Conservative, Liberal Democrat, Scottish National party, and Social Democratic and Labour party—have agreed to sponsor the Bill, and I thank them for that.

It is time for multinational corporations to come clean and play fair with Governments and the public—and we can start with the UK. In the interests of social justice, fairness, and yes, good business, I commend the Bill to the House.

Question put and agreed to.

Ordered.

That Caroline Flint, Meg Hillier, Karin Smyth, Mrs Anne-Marie Trevelyan, John Pugh, Nigel Mills, Dame Margaret Hodge, Stephen Kinnock, Catherine McKinnell, Jeremy Lefroy, Dr Philippa Whitford and Mark Durkan present the Bill.

Caroline Flint accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 22 April and to be printed (Bill 152).

Mr Speaker: We come now to the Second Reading of the Investigatory Powers Bill.

Sir Edward Leigh (Gainsborough) (Con): On a point of order, Mr Speaker.

Mr Speaker: Oh, very well.

Sir Edward Leigh: Have you, Mr Speaker, received a communication from the Government about the interception of communications of Members of Parliament? Under this Bill, if the Government decide to intercept the communications of Members of Parliament, they have to consult the Prime Minister. Is it not wise that we should consider your being consulted as well, because your primary duty is to ensure the independence of this Parliament and of Members of Parliament, and their freedom to hold the Government to account? It is surely not right that one part of the Executive should decide to intercept communications with MPs and the head of that Executive should authorise it.
Mr Speaker: I am very grateful to the hon. Gentleman for his point of order. No one should be judge in his or her own cause. As he knows, I am here merely to serve. It is very good of the hon. Gentleman, who has always shown great faith in me, to volunteer me for an enhanced role, but modesty prohibits me, frankly, from saying that that role should be mine; others can be the judge of that. However, I note the substantive point that he has made. At least as importantly, I feel sure that the Home Secretary, not least because she is sitting not very far away from him, will have heard what he has to say. I have a sense that if she does not respond to his point, he will probably make it again, and quite probably again, and conceivably again after that.

Investigatory Powers Bill


Second Reading

1.31 pm

The Secretary of State for the Home Department (Mrs Theresa May): I beg to move, That the Bill be now read a Second time.

Before I begin, I am sure that right hon. and hon. Members will be aware of the death of a prison officer who was attacked 10 days ago in east Belfast. I am sure that the whole House will wish to send its deepest sympathies to his family, friends and colleagues at this time.

The Government are committed to updating and consolidating our country’s investigatory powers in a clear and comprehensive new law that will stand the test of time. Over the past two years, there has been detailed analysis of those investigatory powers through three independent reviews; consultation with law enforcement, the security and intelligence agencies, civil liberties groups, and industry; and now, following the publication of the draft Bill last autumn, scrutiny by a Joint Committee of both Houses of Parliament, the Intelligence and Security Committee, and by the Science and Technology Committee. I would like to place on record my gratitude to the Chairs of those Committees—Lord Murphy of Torfaen, my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), and my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood)—for the invaluable work that they, and their members, have undertaken over recent months. Their thorough scrutiny has helped to shape and improve the Bill, which today reflects the majority of their recommendations.

The revised Bill is clearer, with tighter technical definitions and strict codes of practice. It includes stronger privacy safeguards, bolstering protections for lawyers and journalists’ sources; it explicitly prevents our agencies from asking foreign intelligence agencies to intercept the communications of a person in the UK on their behalf unless they have a warrant approved by a Secretary of State and a judicial commissioner; it reduces the amount of time within which urgent warrants must be reviewed by a judicial commissioner, cutting it from five days to three; and it strengthens the powers of the new Investigatory Powers Commissioner. Alongside the introduction of the Bill, we published six draft codes of practice in order that they could be reviewed by the House.

Sir Edward Leigh (Gainsborough) (Con): Under this Bill, the current system of three oversight commissioners is to be reduced to one commissioner. Given that there have been miscarriages of justice in the past, not least with the Maguire seven and the Guildford four, can the
Secretary of State convince the House that it is in the interests of freedom and democracy that we reduce the number of commissioners from three to one?

Mrs May: Although one person will oversee the Investigatory Powers Commission as the Investigatory Powers Commissioner, they will have under them a number of judicial commissioners who will have extensive experience and will undertake certain tasks—first, on the new process of the double-lock authorisation for warrant that we are introducing. They will also undertake the inspection and review of the operation of the agencies in the same way that the three commissioners have done so far. Far from reducing oversight, this Bill will enhance the oversight that is available.

The pre-legislative scrutiny that the Bill has undergone builds on the previous work of the Intelligence and Security Committee in its “Privacy and Security” report; the independent inquiry into surveillance practices by a panel convened by the Royal United Services Institute; and the review of investigatory powers carried out by David Anderson QC, the independent reviewer of terrorism legislation. All three reviews made it clear that legislation relating to interception and communications data needed to be consolidated and made subject to clear and robust privacy safeguards. Taken together, the scrutiny that this Bill has received may well be without precedent. Three authoritative reports informed the Bill’s drafting, three influential Committees of Parliament then scrutinised that draft, and now the Bill proceeds to full and proper consideration by both Houses of Parliament.

The Bill will provide world-leading legislation setting out in detail the powers available to the police and the security and intelligence services to gather and access communications and communications data. It will provide unparalleled openness and transparency about our communications and communications data. It will provide new intrusive powers, create the strongest safeguards, unparalleled openness and transparency about our investigatory powers, create the strongest safeguards, and establish a rigorous oversight regime.

As the House is aware, the Data Retention and Investigatory Powers Act 2014, which the Bill is intended to replace, contains a sunset clause requiring us to pass legislation by the end of 2016. That is the timetable set by Parliament, and the grave threats we face make it imperative that we do so. Today terrorists and criminals are operating online with a reach and scale that never existed before. They are exploiting the technological benefits of the modern age for their own twisted ends, and they will continue to do so for as long as it gives them a perceived advantage. We must ensure that those charged with keeping us safe are able to keep pace. The Bill will provide the police and the security and intelligence agencies with the powers they need, set against important new privacy protections and safeguards. It will ensure that they can continue in their tremendous work, which so often goes unreported and unrecognised, to protect the people of this country from those who mean us harm.

I turn now to the contents of the Bill. In its scrutiny of the draft Bill, the Intelligence and Security Committee quite rightly concluded that “privacy protections should form the backbone” of legislation in this most sensitive area. That is indeed the case, and privacy is hardwired into the Bill. It strictly limits the public authorities that can use investigatory powers, imposes high thresholds for the use of the most intrusive powers, and sets out in more detail than ever before the safeguards that apply to material obtained under these powers. The Bill starts with a presumption of privacy, and it asserts the privacy of a communication. Part 1 provides for an offence of unlawful interception, so that phone tapping without a warrant will be punishable by a custodial sentence, a fine, or both. It creates a new offence of knowingly or recklessly obtaining communications data without lawful authorisation, so misuse of those powers by the police or other public authorities will lead to severe penalties. It abolishes other powers to obtain communications data. Subject to limited exceptions, such as court orders, public authorities will in future be able to obtain communications data only through the powers in the Bill, with all the accompanying safeguards.

Christian Matheson (City of Chester) (Lab): We know that internet service providers and telecoms companies are vulnerable to hacking, and that some newspapers are not averse to passing brown envelopes to their sources in order to obtain information. Is the Home Secretary satisfied that the provisions in the legislation will prevent such hacking and such unauthorised, and perhaps salacious, access to individuals’ personal information?

Mrs May: As I have just said, the Bill sets out new, enhanced safeguards and oversight arrangements for the investigatory powers that are available to the authorities. As the hon. Gentleman will be aware, inappropriate access to information that is held has been the subject of court cases recently. It is entirely right that if information is being accessed in a criminal fashion, that should be dealt with in the appropriate way. I have just set out that there are new offences in the Bill to deal with the question of people obtaining, knowingly or recklessly, communications data without lawful authorisation.

Mark Pritchard (The Wrekin) (Con): The Home Secretary knows that I am a supporter of the Bill, but does she share some of my concerns about international human rights law, emerging European privacy law and the collaboration with partners such as the United States on its domestic data and privacy laws vis-à-vis Apple and the FBI? If the Bill becomes an Act of Parliament, does she foresee any problems internationally or with collaborators?

Mrs May: My hon. Friend raises an important point. Many internet service providers, for example, offer services here but they are predominantly based in other countries. That is why the Government have been progressing, and continue to progress, discussions with the United States’ authorities about the whole question of the circumstances under which warrants issued lawfully in the United Kingdom can be exercised in the United States. We have always asserted territorial jurisdiction of those warrants under the Regulation of Investigatory Powers Act 2000. In fact, the previous Labour Government, who introduced RIPA, also established that territorial jurisdiction. It has never been tested, but we are putting that discussion with the United States into place.

Chris Philp (Croydon South) (Con): The Home Secretary recently met my constituent Barry Bednar, whose 14-year-old son Breck was groomed online and, tragically, murdered.
Mr Dominic Grieve (Beaconsfield) (Con): The Home Secretary may have seen the letter in The Guardian today from a large number of lawyers who suggested that the legislation was intended to give “generalised access to electronic communications contents”.

Does she agree that that is the very thing that the Bill does not do, and that the double-lock mechanism is there as an assurance that that will not happen?

Mrs May: My right hon. and learned Friend is absolutely right. The point about the Bill is that it makes it possible to intercept communications only under that dual authority—the double-lock that has been put into place—and it is not the case that the authorities are looking for generalised access to the contents of communications. I thank him for bringing that to the attention of the House.

Mr David Davis (Haltemprice and Howden) (Con): As the Home Secretary says, this is an extremely important power but also a very sensitive one. As I understand it, she exercises it about 2,500 times a year, or about 10 times in each working day. Given that they are so sensitive, how long does she take, typically, over one of those decisions?

Mrs May: It is impossible to put a time on it, because each decision differs. The amount of information that is available, the type of case that one is looking at and the extent to which it refers to a matter that is already being considered vary. The amount of time I give to each case is the amount of time necessary to make the right judgment.

Mr David Lammy (Tottenham) (Lab): I am grateful to the Secretary of State, and I recognise the sensitivity of these matters. She will know that there have been cases in which police misconduct is alleged and intercept has been used, and subsequently it has been very hard to use that evidence in front of a jury, particularly in a coroner’s court. Does she envisage any change in that? Is she minded to put that in the legislation?

Mrs May: The right hon. Gentleman has raised a very important point. He will be aware of one particular case in recent years in which the admissibility of evidence at inquest has been an issue. That is not a matter that we are putting in the Bill. It was explored when the closed material proceedings were brought into legislation through certain cases. We are looking actively at whether there are other means by which we can ensure that the appropriate information is available when such cases are being considered.

Mr Kenneth Clarke (Rushcliffe) (Con): As someone who has also signed thousands of those warrants, with the benefit of hindsight I welcome the judicial commissioner having a look as well. I congratulate my right hon. Friend on making that significant change. Does she recall that the Bill will give the judicial commissioner the power to act only in the same way as a judge might act in a case of judicial review, which means overruling her only if she is behaving in a completely unreasonable way? Does she think that that is necessary, and does she not accept that if a judicial commissioner disagrees with her, there might be some value in at least having a
discussion that covers broader principles of judgment and is not simply based on the fact that she is behaving in a way in which no reasonable man or woman would?

Mrs May: With a degree of prescience, my right hon. and learned Friend refers to the very next issue that I will address in my speech. I was going to point out that I know some right hon. and hon. Members have scrutinised the language in the Bill and have raised exactly that issue. I want to be absolutely clear: under the Bill, it will be for the judicial commissioner to decide the nature and extent of the scrutiny that he or she wishes to apply. Crucially, I can reassure right hon. and hon. Members that commissioners will have access to all the material put to the Secretary of State. The judicial commissioner will look not just at the process, but at the necessity and proportionality of the proposed warrant.

Stella Creasy (Walthamstow) (Lab/Co-op): Will the Home Secretary give way?

Mrs May: If I may, I want to make a little more progress.

Mr Kenneth Clarke: Will my right hon. Friend allow me to ask a supplementary question?

Mrs May: It is more than my life’s worth not to give way to a former Home Secretary.

Mr Clarke: Times have no doubt changed, but the information in individual cases is sometimes very simple and limited, because the case is thought to be so obvious. Will the judicial commissioner have the ability to ask for more information that has not gone before the Home Secretary if he or she wishes to know a bit more about the case and check what has been put before the Home Secretary?

Mrs May: I have to say to my right hon. and learned Friend that that will not be the case. The point is that it is important that the Secretary of State and the judicial commissioner make decisions on the basis of the same information being available to both of them. If the judicial commissioner decides that there is not enough information available, he or she would presumably refuse the warrant. It would be open to the Secretary of State to appeal to the Investigatory Powers Commissioner to look at the warrant again, or if the warrant is refused in such a circumstance, the Secretary of State might themselves say, “Take the warrant back, put in more information and resubmit it.”

Stella Creasy: Will the Home Secretary give way?

Joanna Cherry (Edinburgh South West) (SNP): Will the Home Secretary give way?

Mrs May: I give way to the Scottish National party spokesman.

Joanna Cherry: On a point of clarification relating to the intervention by the right hon. and learned Member for Beaconsfield (Mr Grieve) about the letter to The Guardian signed by over 200 senior lawyers, is the right hon. Lady aware that the letter takes issue with bulk interception warrants and bulk equipment interference warrants, which even the Intelligence and Security Committee says should be removed from the Bill?

Mrs May: I will come on to talk about the bulk warrants, but it was clear from the Committee reports that the powers in the Bill are necessary. The ISC raised a question about the bulk equipment interception warrants, but, following that, the Government have produced further information on all bulk cases. We published some case studies and examples of how the powers would be used alongside the redrafted Bill.

Stella Creasy: May I take the Home Secretary to the other end of the telescope, as it were, on this matter? One of the concerns people have about a general access point is not about the warrants, but about the notion that, especially online, we can separate contact and content data. The idea is to allow access to contact data, but that will inevitably be blurred with content data online. Does she accept that there is a challenge in separating contact and content data, which could give rise to some people’s concerns about general access to information? Looking at somebody’s internet correspondence is not the same as looking at a record of their phone calls.

Mrs May: I know that that issue was raised when the draft Data Communications Bill was considered and has been raised in relation to the internet connection records power in this Bill, but such a separation is absolutely possible. We have talked at length with companies about being able to separate, for internet connection records, the websites that a particular device has accessed from the content of whatever has been looked at. It is very important for me to make it clear that when we talk about ICRs, we are talking not about looking at people’s web-browsing history, but about looking simply at the initial point of contact.

In relation to the authorisation process, which we have discussed in relation to the questions asked by my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke), I welcome the Joint Committee’s clear endorsement of the double lock regime and, specifically, the language of the Bill on that point. Right hon. and hon. Members who think that the senior judiciary will simply rubber-stamp Government decisions have completely misunderstood the process.

In the case of urgent warrants, the provisions have been tightened in response to the pre-legislative scrutiny.

Simon Hoare (North Dorset) (Con): Will my right hon. Friend give way?

Mrs May: I will make a little more progress, but my hon. Friend may be able to catch my eye later.

In truly urgent circumstances, such as a fast-moving kidnap investigation, a warrant can still come into force as soon as the Secretary of State has authorised it, but that decision will need to be approved by a judicial commissioner within three working days. If the
[Mrs May]

commisioner disagrees with the Secretary of State’s decision, the commissioner can order that all material gathered under the urgent warrant must be destroyed.

Furthermore, the Bill provides considerable additional safeguards for the communications of parliamentarians and lawyers. In any case, where it is proposed to intercept a parliamentarian’s communications, the Prime Minister would also be consulted, in line with the Wilson doctrine. Equally, the deliberate interception of legally privileged communications can be authorised only in exceptional and compelling circumstances, such as where it is necessary to prevent the loss of life.

Sir Edward Leigh: Will the Home Secretary give way?

Mrs May: I had an idea that my hon. Friend would intervene.

Sir Edward Leigh: Of course Members of Parliament should not be above the law, and the Procedure Committee has ensured that a Member of Parliament who is arrested is treated exactly like a member of the public. We all recognise that, but in some of the most dodgy regimes—ours is not, of course, one of them—Governments do intercept the communications of Members of Parliament. Surely, just so that we can be absolutely reassured, we need the extra safeguard of having you, Mr Speaker, look at such an interception as well. Why not?

Mrs May: I heard my hon. Friend’s earlier exchange with you, Mr Speaker. Two important extra safeguards have been put in this legislation: the first, which is stated in the Bill, is that the Prime Minister will be consulted, but there is also the double lock authorisation. In future, a warrant to intercept anybody—including Members of Parliament, should that be the case—will be subject not just to the determination of a democratically elected individual, but to the independent decision of the judiciary, through the judicial commissioners. That important safeguard has been put into the Bill.

Simon Hoare: The Home Secretary is right to point to the patchy relationship between the judiciary and Governments of all colours. I think the Bill strikes the absolute right balance. It is absolutely imperative that somebody who is democratically accountable both to this House and to the country has almost the first say on whether such things are done. It is perfectly right for Governments to require a warrant to intercept communications data, but where communications take place using social media or communications apps, it does not make sense that those communications are currently out of reach. For example, in respect of online child sexual exploitation, the absence of such records often makes it impossible to identify abusers. As I have said, such an approach defies logic and ignores the realities of today’s digital age. The only new power in the Bill is the ability to require communications service providers to retain internet connection records, when served with a notice issued by the Secretary of State, and after consultation with the provider in question.

To reiterate, internet connection records do not provide access to a person’s full web browsing history. An internet connection record is a record of what internet services a device or person has connected to, not every web page they have visited. I am pleased that the Joint Committee agreed with the Government on the necessity of that power, and concluded that “on balance, there is a case for Internet Connection Records as an important tool for law enforcement.” Indeed, the Committee went further and said that law enforcement should be able to access those records for a wider range of investigative purposes, and the Bill reflects the Committee’s recommendations.

Mr David Hanson (Delyn) (Lab): The Home Secretary is right to say that about the Joint Committee, but it also wanted greater clarity about those internet connection records. It also wanted to ensure—I would welcome her assurance on this—that the capability existed for the retention of those records, and it asked whose cost that would be.

Mrs May: We have clarified definitions in the Bill, and that point was made not only by the Joint Scrutiny Committee but by the Science and Technology Committee.
In considering this issue we have spent—and continue to spend—a long time discussing the technicalities of this issue with companies that could be subject to such notices, because companies operate in different ways. I reiterate that the Government will reimburse in full the reasonable operational costs that companies will be subject to in relation to this matter.

Mr Hanson: That is important, and I support the Home Secretary’s objective in this case. She will know that the Bill contains a figure of around £180 million for that cost. Is she satisfied—the providers were not—that that figure will cover the costs of the implementation of such a scheme?

Mrs May: The right hon. Gentleman raised that issue with me when I gave evidence to the Joint Scrutiny Committee, and was concerned about the cost. We have discussed in detail with companies the technical arrangements for access to internet connection records, and we have assured ourselves of the feasibility of that. As is currently the case for such matters, the Government will be prepared to reimburse those costs.

Nicola Blackwood (Oxford West and Abingdon) (Con): The Home Secretary is generous in giving way. We welcome the improvements to the Bill, but I hope she received my letter today detailing the outstanding concerns of the Science and Technology Committee. In particular, we feel that technology capability notices remain a key area of uncertainty regarding encryption, and despite the commitments made at the Dispatch Box, we must have long-term certainty for the tech sector on reimbursement of costs. Those questions will be central to delivering a coherent piece of technical legislation that is fit for a fast-moving area of our economy, and it must be dealt with as quickly as possible as the Bill proceeds through the House.

Mrs May: I reiterate the point that I made previously and again just now: 100% of the compliance costs will be met by the Government. My hon. Friend asks me to provide a long-term commitment for that, and we are clear about that in the Bill. As she will be aware, it is not possible for one Government to bind the hands of any future Government in such areas, but we have been clear about that issue in the Bill and I have been clear in my remarks today.

Alongside the draft code of practice, I have published—at the Joint Committee’s request—a comparison of the differences between the proposals in the Bill and those set out by Denmark in recent years. I have also held further discussions with UK and US communications service providers on the proposals in the Bill, and we will continue to work closely with them as we implement this new power. As a guarantee of that, we have included a commitment that the Home Secretary will report to Parliament on how the Bill is operating within six years of Royal Assent. If Parliament agrees, it is our intention to undertake a review of the new legislation and to inform the Home Secretary’s report.

Part 5 of the Bill deals with equipment interference—for example, the acquisition of communications or information directly from devices such as computers or smartphones. By bringing existing powers into the Bill, we have responded to recommendations made by David Anderson, QC, and by the Intelligence and Security Committee. The Bill places those powers on a clear statutory footing, and makes their use subject to the issue of warrants that must be approved by a judicial commissioner.

Hon. Members will be aware that not only are those powers already available to law enforcement bodies, but they are vital to so much of their work to prosecute serious criminals. In exceptional circumstances, that capability is also used to deal with threat-to-life situations that fall short of serious crime, most typically to identify missing persons. For example, we would all expect that when a child goes missing and the parents know the password to their social media account, that the police should be able to use that password to search for vital clues. The Bill preserves capabilities that are already available to law enforcement, and makes it clear that they can be used to save lives. Nevertheless, these are intrusive powers and their use must be strictly limited. In future, all equipment interference warrants will require the approval of a judicial commissioner.

The draft code of practice, which I published alongside the Bill, constrains the use by law enforcement of more novel or advanced techniques that hon. Members might reasonably expect to be the preserve of the National Crime Agency and similar bodies. Equipment interference warrants may only be served on communications service providers with the personal agreement of the Secretary of State.

Alongside the draft codes of practice, and in response to recommendations of the Intelligence and Security Committee, we published a comprehensive public case setting out how bulk powers—for interception, communications data and equipment interference—are used, and why they are more necessary than ever before. There are, of course, limits to how much can be said about those most sensitive bulk capabilities without handing an advantage to criminals and those who mean us harm. For that reason, the security and intelligence agencies have provided further, classified detail about the use of those powers to the Intelligence and Security Committee.

As the publicly published case for bulk powers makes clear, such powers are vital to the effective working of the agencies. They have played a significant part in every major counter-terrorism investigation over the past decade, including in each of the seven terrorist plots disrupted since November 2014. They have been essential to detecting more than 95% of cyber-attacks against people and businesses in the UK identified by GCHQ over the past six months, and they enabled more than 90% of the UK’s targeted military operations during the campaign in the south of Afghanistan.

Part 6 of the Bill places these powers on a clearer statutory footing and makes them subject to robust and consistent safeguards. In future, bulk warrants will need to be authorised under the double lock regime that I have described. Furthermore, the examination of any data obtained under a bulk warrant will need to be for an operational purpose that has been approved by a Secretary of State and an independent judge.

Joanna Cherry: Other hon. Members have mentioned protection for the communications of parliamentarians. Does the Home Secretary agree that the provision in the
Bill does not protect parliamentarians from having their communications to and from constituents scooped up by bulk collection provisions, or with communications data or internet connection records, which could lead to whistleblowers being identified?

Mrs May: I could give a variety of responses to those points. The hon. and learned Lady must be aware that certain bulk powers are predominantly those for foreign usage, rather than in relation to the United Kingdom. With bulk powers, where there is any interaction with individuals in the UK, the double lock authorisation is still necessary to ensure that the examination of the information is subject to the same sort of tests regarding necessity and proportionality.

Part 7 applies those safeguards to the retention and use of bulk personal datasets. Such information is already used by the security and intelligence agencies to keep us safe, and may be acquired under existing powers. However, the Bill introduces powerful new privacy protections so that the personal data of innocent people are always subject to strong robust safeguards, irrespective of how they were acquired.

I said that privacy safeguards are at the heart of this Bill, and the guarantor that those safeguards will be effective and adhered to—both in substance and in spirit—will be the new Investigatory Powers Commissioner, or IPC. Created under part 8 of the Bill, the commissioner, who will hold or have held high judicial office, will oversee a world-leading new oversight body, bringing together the existing responsibilities of the Interception of Communications Commissioner, the Intelligence Services Commissioner and the Chief Surveillance Commissioner. The new Investigatory Powers Commissioner will be provided with an enhanced budget and a dedicated staff of commissioners and inspectors, as well as technical experts and independent legal advisers. They will have access to the staff and systems of the agencies, and will have a remit to provide Parliament and the public with meaningful assurance about how the powers in the Bill are being used. When a person has suffered as a result of a serious error in how the powers in the Bill are used, the IPC will have a new power to inform the victim without the need to consult the Investigatory Powers Tribunal, which will itself stand ready to hear any claim and will have the power to quash warrants, award compensation or take any other remedial action it feels appropriate.

I turn now to part 9 of the Bill and clause 217, which provides for requests to be made to communications service providers to maintain permanent technical capabilities to give effect to warrants, and, in connection with that, to maintain the ability to provide copies of communications in an intelligible form. Let me be clear: this provision only maintains the status quo. It allows law enforcement and the security and intelligence agencies to ask companies to remove encryption that they have applied or that has been applied on their behalf. It would not—and under the Bill could not—be used to ask companies to do anything it is not reasonably practicable for them to do.

Finally, alongside the Bill, we have taken forward the recommendation made by Sir Nigel Sheinwald to develop an international framework to ensure that companies can disclose data, a point I made in response to my hon. Friend the Member for The Wrekin (Mark Pritchard). We are in formal negotiations with the United States Government and are making good progress. The provisions in the Bill are drafted to accommodate any such agreement. Any company co-operating with its obligations through an international agreement will not be subject to enforcement action through the courts.

The Bill provides unparalleled transparency on our most intrusive investigatory powers, robust safeguards and an unprecedented oversight regime, but it will also provide our law enforcement and intelligence agencies with the powers they need to keep us safe. Because of its importance, our proposals have been subject to unprecedented levels of scrutiny, which has resulted in a Bill that really does protect both privacy and security—it is truly world-leading. I look forward to the revised Bill now receiving full and careful consideration by both Houses. I commend it to the House.

2.12 pm

Andy Burnham (Leigh) (Lab): I echo the condolences the Home Secretary rightly paid to the family of the police officer in Northern Ireland who lost his life in the course of his duties. They are in our thoughts today.

Let me start with the principle on which I think there is broad agreement. From the Government Benches to the Opposition Benches, from Liberty to the security services, there is a consensus that the country needs to update its laws in this crucial area, and that, if the police and security services are to be given new powers, there must be broad agreement that those powers be balanced with much stronger safeguards for the public than have previously existed. That, it seems to me, is a good platform from which to start.

The Bill is commonly seen through the prism of terrorism, but, as the Home Secretary said, it is about much more. The parents of a young child who had gone missing would want the police to have full and urgent access to all the information they need to bring them to safety. The Bill is about the ability to locate missing children or vulnerable adults. It is about reducing risks to children from predatory activities online. It is about preventing extremists of any kind committing acts of terrorism and hatred in our communities, and it is about defending the liberties we all enjoy each and every day. Despite that, the truth is that we are some way from finding a consensus on the form the proposed legislation should take.

Three months after I was elected to this House, two planes flew into the World Trade Centre in New York, with highly traumatic consequences. In the 15 years since, we have all been engaged on a frantic search. What is the right balance between individual privacy and collective security in the digital age? As of yet, we have not managed to find it. The arguments in the previous Parliament over the forerunner to this Bill loom over our debate today, as does the current stand-off in the United States between Apple and the FBI. I would say that that is an unhelpful backdrop to this debate. It suggests that privacy and security concerns are irreconcilable: a question of either/or, choosing one over the other. I do not believe that is the case. We all share an interest in maximising both our individual privacy on the one hand and our collective security on the other. As a House of Commons, our goal should be to give our constituents both.
Finding that point of balance between the two should be our task over the next nine months. As the Home Secretary knows, I have offered to play a constructive part in achieving that. The simple fact is that Britain needs a new law in this area. Outright opposition, which some are proposing tonight, risks sinking the Bill and leaving the interim laws in place. To go along with that would be to abdicate our responsibility to the police, security services and, most importantly, the public. I am not prepared to do that. Just as importantly, it would leave the public with much weaker safeguards in place and I am not prepared to do that either.

Mr Alan Mak (Havant) (Con): The shadow Home Secretary rightly says that the Bill will help us to fight terrorism. Will he join me in welcoming the new powers to fight cybercrime and financial crime, and will he join me in the Lobby tonight to vote for it?

Andy Burnham: I will not be joining the hon. Gentleman in the Lobby tonight, because I do not believe, as I will come on to explain, that the Bill is acceptable in its current form. As he will have heard me say in my opening remarks, I am in broad agreement with the Government’s objectives. I am not seeking to play politics with the Bill or to drag it down. I hope he will find some assurance in those words.

Simon Hoare: The right hon. Gentleman’s position, I am afraid, does not sound particularly persuasive or tenable, certainly to those outside this place. I just wonder what message it sends from his party, supposedly a Government in waiting. Instead of trying to thrash out the detail in Committee and on Report, by abstaining this evening the message will be very clear about what the Labour party actually thinks on this important issue.

Andy Burnham: I disagree entirely. As I said, we will not oppose the Bill because we will be responsible. I have recognised that the country needs a new law. I have also said, as I will come on to explain, that the Bill is not yet worthy of support. There are significant weaknesses in the Bill. I am sorry, but I am not prepared to go through the Lobby tonight and give the hon. Gentleman and his Government a blank cheque. I want to hold the Government to account. I want to see changes in the Bill to strengthen the Bill. When they listen, they will earn our support. That is entirely appropriate and responsible for an Opposition party to do.

The higher the consensus we can establish behind the Bill, the more we will create the right climate in the country for its introduction. As the Home Secretary said, it could create a template to be copied around the world, advancing the cause of human rights in the 21st century. The prize is great and that is why I am asking those on the Opposition Benches to work constructively towards it.

I repeat today that I do not think our mission is helped by misrepresentation. In my view, it is lazy to label the Bill as a snoopers charter or a plan for mass surveillance. In fact, it is worse than lazy: it is insulting to people who work in the police and in the security services. It implies that they choose to do the jobs they do because they are busybodies who like to spy on the public, rather than serve the public. I do not accept that characterisation of those people. It is unfair and it diminishes the difficult work they do to keep us safe.

Suella Fernandes (Fareham) (Con): Does the right hon. Gentleman agree that the three independent reviewers all agree that our services categorically do not carry out mass surveillance and work within the boundaries of legislation?

Andy Burnham: I agree with the hon. Lady. The idea that they have the time to do that is fanciful. They are going straight to the people they need to be concerned about on our behalf, and that is why I reject the characterisation that is often placed on this proposed legislation.

Catherine West (Hornsey and Wood Green) (Lab): What does my right hon. Friend make of the comments from the UN’s special rapporteur on privacy, Joseph Cannataci, who last week criticised the Bill, saying that authorising bulk interception would legitimise mass surveillance?

Andy Burnham: We need to explore the plans in detail. As I said, I do not accept that the Bill is a plan for mass surveillance, but we need to work hard over the next nine months to take those concerns away.

That said, there are well-founded concerns about the Bill. As we just heard, there is a genuine worry that providing for the accumulation of large amounts of personal data presents risks to people’s privacy and online security. More specifically, there is a worry that investigatory powers can be abused and have been abused in the past. In recent years, there have been revelations about how bereaved families, justice campaigners, environmental campaigners, journalists and trade unionists have been subject to inappropriate police investigation. What justification could there ever have been for the Metropolitan police to put the noble Baroness Lawrence and her family under surveillance? It has not been proven but I know that the Hillsborough families strongly suspect that the same was done to them.

Mark Spencer (Sherwood) (Con): A lot of this debate has been about looking at people’s files, but does the right hon. Gentleman recognise that this should be about victims, including child victims, of crime? Has he had any representations from charities representing victims of crime and children’s charities?

Andy Burnham: I have had such representations, as the Government have, which is why I said the Bill was about much more than terrorism; it is about giving the police and the security services the tools they need to keep us safe in the 21st century. That is why I am not playing politics with the Bill or adopting a knee-jerk oppositionist approach; I am taking quite a careful and considered approach. That said, the Government have not yet done enough to earn my support.

Steve Brine (Winchester) (Con): I have a lot of respect for the right hon. Gentleman, as he knows, and I would like to congratulate him on what he said about rejecting the conspiracy theories about this being a snoopers charter—it was deeply responsible of him to say that—but surely the Second Reading of a Bill is when we agree or
disagree with the principle of a Bill. He has said he agrees with the principle of the Bill, and there are many behind him—perhaps not behind him in the Chamber right now, but they are in the Labour party—who agree with that. Surely, therefore, the opportunity today is to vote for the principle of the Bill on Second Reading, after which we can scrutinise it upstairs and back on the Floor of the House on Report. The right thing to do, therefore, is to support the Government tonight.

Andy Burnham: I will let the hon. Gentleman form his own view on the right parliamentary tactics for the Opposition, but I will be deciding that position, and I do not think I would be serving the public simply by giving the Government a blank cheque this evening. It is my job—[Interruption.] Wait a second!—to hold them to account on behalf of the public and to get the most I can to protect the public as best we can through the Bill. I am approaching that job, as part of Her Majesty’s Opposition, with the utmost seriousness.

Alongside bereaved families, there have been cases of journalists claiming that material was inappropriately seized from them, most recently in connection with the “plebgate” affair. Last year, a former senior police officer-turned-whistleblower came to an event in Parliament and said that he and a colleague had been involved in supplying information that led to the blacklisting of construction workers. I would refer those who claim that these fears are exaggerated to the biggest unresolved case of this kind—the 1972 national building workers’ strike and the convictions of 24 pickets, known as the Shrewsbury 24. It is widely believed that their prosecution was politically orchestrated, with the help of the police and security services.

Steve Rotheram (Liverpool, Walton) (Lab) rose—

Andy Burnham: I give way to my hon. Friend, who knows a great deal about this matter and has championed those still fighting for justice.

Steve Rotheram: My right hon. Friend mentions the case of the Shrewsbury pickets, which is a stark example of the misuse and abuse of state power. Does he agree, therefore, that it is essential that the Bill contains the strongest possible safeguards specifically to ensure that great, historic injustices, such as the politically motivated incarceration of pickets in 1972, can never happen again?

Andy Burnham: My hon. Friend puts it very well, which is why fears about such legislation run deep on the Labour Benches. We know the truth about what happened, even though it is not widely known yet by the public, because we have seen the documents. I have here a memo from the security services sent at the time to a senior Foreign Office official—I am glad that the Foreign Secretary is winding up tonight, because this concerns his Department. It is headed “Secret” and talks about the preparation of a television programme that went out and the trial of the Shrewsbury pickets, and it says, at the top:

“We had a discreet but considerable hand in this programme”. That is from the security services, so why would people on the Labour Benches not fear handing over more power to the police and security services without there being adequate safeguards?

Mark Pritchard rose—

Andy Burnham: It happened close to the hon. Gentleman’s constituency, so I will give way.

Mr Speaker: Order. Just before the hon. Member for The Wrekin (Mark Pritchard) intervenes, I advise the House that, although everything is being done perfectly properly, and the Home Secretary and the right hon. Gentleman have been generous in giving way, 48 Back Benchers wish to contribute. Those who have or seek the Floor might wish to take account of that point. I call Mark Pritchard.

Mark Pritchard: I will be brief, Mr Speaker. The shadow Home Secretary is quite right to point out that abuses, where they have taken place, are absolutely wrong, but does he also recognise that the Bill contains a new offence of misusing communications data, which is something he should welcome?

Andy Burnham: I will come to that very point, but these are not historical matters, because the convictions I just referred to still stand. I pay tribute to the Government, because they have a good record on this, but we need to go further to give the full truth about some of the darkest chapters in our country’s past, so that we can learn from them and then build the right safeguards into the Bill. The Bill will fail unless it entirely rules out the possibility that abuses of the kind I have mentioned could ever happen again. That is the clear test I am setting for the Bill.

That is also why I welcome the principle of the Bill. It leaves behind us the murky world of policing in the ’70s, ’80s and ’90s, and holds out the possibility of creating a modern and open framework that makes our services more accountable while containing much improved safeguards for ordinary people. The Bill makes progress towards that goal, but it is far from there yet. It is clear that the Home Secretary has been in listening mode and responded to the reports of the three parliamentary Committees, but of the 122 recommendations in the three reports, the Government have reflected less than half in the revised Bill. She will need to be prepared to listen more and make further significant changes to the Bill if she is to achieve her goal of getting it on to the statute book by December.

I want to take the House through six specific concerns that we have with the Bill. The first is on privacy. As I said, people have a right to maximise their personal privacy, and given people’s worries about the misuse of personal data, the Intelligence and Security Committee was surely right to recommend that privacy considerations be at the heart of the Bill. A presumption of privacy would set the right context and provide the basis from which the exceptional powers are drawn. It would be the right foundation for the whole Bill: respect for privacy and clarity that any intrusions into it require serious justification. The Home Secretary said that privacy protection was hardwired into the Bill. I find it hard to accept that statement. I see the changes on this point as more cosmetic; they have not directly answered the Committee’s concerns. I therefore ask the Government to reflect further on this matter and to include a much stronger overarching privacy requirement, as recommended by the Committee, covering all the separate powers outlined in the Bill.
Also on privacy, we do not yet believe that the Government have gone far enough to protect the role of sensitive professions. The Committee noted that the safeguards for certain professions must be applied consistently across the Bill, no matter which investigatory power is being used to obtain the information, but it is hard to see how that is achieved at the moment. On MPs and other elected representatives, the Bill codifies the Wilson doctrine, but there is a question about why it stops short of requiring the Prime Minister to approve a warrant and requires only that he be consulted. The Bill could be strengthened in that regard. On legal privilege, the Law Society has said that, although it is pleased to see that the Government have acknowledged legal professional privilege, it needs more adequate protection, and it believes that that should be in the Bill, not just the codes that go with it.

Mr David Davis: On the Wilson doctrine, the wording of the Bill, as I understand it, relates to communications between Members of Parliament and constituents. That does not cover the whole Wilson doctrine, which covers communications between Members of Parliament and whistleblowers, between Members of Parliament and each other, and between Members of Parliament and campaigning organisations. They should all be protected. Does the right hon. Gentleman agree?

Andy Burnham: I do agree with the right hon. Gentleman. I was making the point that the provisions need to be strengthened in respect of prime ministerial approval, but also in the way that he describes to give our constituents that extra trust, so that if they come to speak to us in our surgeries, they can be sure that they are speaking to us and nobody else.

Sir Edward Leigh: If there is a matter of acute public concern and a whistleblower is making himself a real nuisance to the Government, and communicates that to his Member of Parliament, should one member of the Government, the Home Secretary, ultimately authorise it, with it then being referred to the Prime Minister, who might also be affected by the decision? He would effectively be judge in his own court and surely it is at least arguable that some other scrutiny should be involved.

Mrs May: The judge.

Andy Burnham: I think the Home Secretary has indicated that there would be, because her decision would be subject to the double lock, including judicial approval. My point is, why should the Prime Minister be only consulted by the Home Secretary as part of that process? It seems to me that there is a role for the Prime Minister finally to approve any such warrant, and I believe the Bill could be strengthened in that regard.

There is also the question of journalists. The National Union of Journalists believes that the Bill weakens existing provisions. Clause 68, which makes the only reference to journalists in the entire Bill, sets out a judicial process for the revelation of a source. Its concern is that journalists are wide open to other powers in the Bill. Given the degree of trust people need to raise concerns via the political, legal or media route, and given the importance of that to democracy, I think the Government need to do further work in this area to win the trust and support of those crucial professions.

Our second area of concern relates to the thresholds for use of the powers. The Bill creates a range of powers that vary in intrusiveness, from use of communications data and internet connection records at one end to intercept, equipment interference and bulk powers at the other end. There is a real concern that the thresholds for them are either too low or too vague.

Let us take internet connection records. The Home Secretary has previously described ICRs as “the modern equivalent” of the “itemised phone bill”, and the Government intend them to be made available on the same basis—that is, for the detection or prevention of any crime. The Joint Committee noted, however, that this is not a helpful description or comparison. ICRs will reveal much more about somebody than an itemised phone bill. They are closer to an itinerary, revealing places that people have visited.

The question for the House is this: is it acceptable for this level of personal information to be accessed in connection with any crime—antisocial behaviour or motoring offences, for instance? I do not believe it is, and I think a higher hurdle is needed. This is a critical point that the Government will need to answer if they are to secure wider public support for their Bill. People have legitimate fears that if ICRs become the common currency in law enforcement, much more information will be circulating about them, with the potential for it to be misused.

The Government need to tell us more about why they need this new power and they need to set a stricter test for its use—in connection with the prevention or detection of more serious crime or a serious incident such as a missing person, for instance. That is what I think the hurdle should be: serious crime rather than any crime, and I would welcome hearing the Home Secretary’s response on that point.

At the other end of the scale, the justification for using the most intrusive powers in the Bill is on grounds of “national security” or, as the Home Secretary said, “economic wellbeing”. While I understand the need for operational flexibility, there is a long-standing concern that those tests are far too broad. There is a feeling that “national security” has been used to cover a multitude of sins in the past. Let us remember that official papers from the domestic building workers’ strike in English market towns in 1972 are still being withheld on grounds of “national security”! How on earth could that possibly be justified?

Tom Tugendhat: The right hon. Gentleman is bringing up a point that relates to proportionality, but it strikes me as odd that he has rammed it home so strongly when the Bill itself mentions proportionality and the oversight of the Information Commissioner includes looking at proportionality. The right hon. Gentleman is going on and on about it, but it is actually in the Bill.

Andy Burnham: I do not believe it is. I put it to the hon. Gentleman that national security is a very broad term that is not defined in the Bill. The Joint Committee encouraged the Government to define it in order to give people greater security. As I have just said, activities have been carried out in the past under the banner of national security that I think he would struggle to justify as such.
The problem with the “economic well-being” test is that it potentially opens up a much wider range of activities to the most intrusive powers. The Bill states that matters of economic well-being must be only “relevant” to national security, not directly connected to it, as the Home Secretary seems to imply. This raises the issue of what extra activities the Government want to cover under this banner that are not covered by national security. A cyber-attack on the City of London has been mentioned, but surely that would already be covered by national security provisions.

Let me put two suggestions to the Home Secretary. First, I suggest that she accept the Joint Committee’s invitation to define “national security” more explicitly. Alongside terrorism and serious crime, it could include attacks on the country’s critical or commercial infrastructure. Secondly, if she were to do that, the economic well-being test could be dropped altogether. That would build reassurance among Opposition Members that there could be no targeting in future of law-abiding trades unionists, as we have seen happening in the past.

The third area of concern is with ICRs themselves—both their content and their use.

Sir Edward Garnier (Harborough) (Con): Is the right hon. Gentleman seriously suggesting that a judicial commissioner would permit a politically motivated interception on a trade union?

Andy Burnham: I would gladly share with the right hon. and learned Gentleman some of the papers I have about the historic injustices that we have seen in this country.—[Interruption.] But it is relevant, because those convictions still stand to this day. I said earlier—I do not know whether he was in his place—that revelations have been made that information supplied to blacklist people in the construction industry came from the police and the security services. I welcome the move to codify all this in law so that those abuses cannot happen again, but I hope that he will understand that Labour Members want to leave nothing to doubt. Why should the most intrusive warrants be used on the test of economic well-being? What does that mean? Are we not entitled to say that national security alone can justify intrusion on people’s privacy in that way?

Mrs May: I have been listening carefully to the response of the right hon. Gentleman to my right hon. and learned Friend the Member for Harborough (Sir Edward Garnier). Let me press him on the point that my right hon. and learned Friend raised, because it is very important. We are inserting the judicial authorisation of warrants. I did not think—I said this in my speech—that any Member should question the independence of the judiciary. It seems, however, that he is doing just that. Will he now confirm that he is not questioning that?

Andy Burnham: I am not doing that in any way, shape or form. It is wrong for the Home Secretary to stand there and imply that. What I am talking about is the grounds on which her Bill gives the police and the security services the ability to apply for warrants.—[Interruption.] Conservative Members should listen: I am saying to the Home Secretary and to them that those grounds should be as tightly defined as possible, and I do not think it helps if she is proposing that they can be brought forward on grounds of “general economic well-being”. In the past, her party has taken a different view from ours, and this opens up a much wider range of potential activities that could be subject to the most intrusive warrants. That point is both fair and, if I may say so, well made.

Dr Andrew Murrison (South West Wiltshire) (Con): My question to the right hon. Gentleman is this: why did it not occur to him on 4 November? On that date, he stood there and said:

“Having listened carefully to what the Home Secretary has said today, I believe that she has responded to legitimate concerns and broadly got that…balance right.”—[Official Report, 4 November 2015; Vol. 601, c. 974.]

What has changed in the interim?

Andy Burnham: Has the hon. Gentleman been listening? I began by saying the very same thing and said that we would work with the Government to get it right, but surely I am entitled, am I not, to raise specific concerns about the wording in the Bill—in this case, wording about “economic well-being”, which I believe opens up a large range of activities that could fit under that banner. I am saying to Government Members that if they want my help, they should help us get that definition right to reassure the public.

Angela Rayner (Ashton-under-Lyne) (Lab): Millions of trade unionists, and many of my constituents, are genuinely concerned about the stretch of these powers. The two Front Benchers are being very decent at the moment in trying to introduce safeguards, but it is important for my right hon. Friend to scrutinise the legislation as he is currently doing, so that people can have confidence in it in the long term.

Andy Burnham: My hon. Friend has put it very well. It is a fact that trade unionists and other campaigners have been subject, over time, to inappropriate use of investigatory powers. If the Conservatives do not understand that, they need to go away and look into the issues. They need to get at the full truth about Orgreave and Shrewsbury, so that they can understand why some people who do not share their political views on life have a different feeling about legislation of this kind. If they did go away and do that, they would probably find that they could reassure people, and that there would be more public support for the Bill.

Tom Tugendhat rose—

Andy Burnham: I am going to make some more progress now.

As I understand it, the intention of the authorities in building internet connection records is to list domains visited, but not uniform resource locators. There would not be a web-browsing history, as the Home Secretary said. The ICRs would show the “front doors” of sites that had been visited online, but not where people went when they were inside. That will give some reassurance to people who fear something more extensive, but the definition of ICRs in clause 54 remains extremely vague and broad. I see nothing that would prevent them from becoming much more detailed and intrusive over time,
as technology evolves. The draft code of practice gives an illustration of what would be included, but it does not build confidence, as it acknowledges that information may vary from provider to provider.

It would help everyone if the Government set out a much stricter definition of what can and cannot be included in ICRs, and, in particular, specified that they can include domains but not URLs. The current confusion about ICRs is unhelpful and clouds the debate about the Bill. It needs to be cleared up.

As for the use of ICRs, schedule 4 sets out far too broad a range of public bodies that will be able to access them. It seems to me that the net has been cast much too widely. Is it really necessary for the Food Standards Agency and the Gambling Commission to have powers to access an individual’s internet connection record? I will be testing the Government on that. If there were a suspicion of serious criminality in respect of the food chain or a betting syndicate, surely it would be better to refer it to the police at that point. I must say to the Home Secretary that we shall want to see a much reduced list before this part of the Bill becomes acceptable to us.

Mr Nick Clegg (Sheffield, Hallam) (LD): Does the right hon. Gentleman agree that not only are ICRs poorly and very broadly defined, but, even in the context of a narrow definition, the Government would still be proposing that every website or domain visited by every citizen in the country, every minute of every day, should be retained and stored for 12 months? Does he agree that that principle, whatever the definition, constitutes a very extensive power for the Government?

Andy Burnham: I do agree. If such information were published, it would reveal far more about someone than an itemised phone bill. The Home Secretary began this whole process by saying that they were the same, and that this was simply the modern equivalent. It is not. It would reveal a great deal about someone.

The reassurance that I would hope to give is that it is not necessary to limit the information, but it is necessary to raise the threshold allowing the records to be accessed, in order to make this a test of serious crime rather than any crime. At present, the Bill refers to “any crime”, but I do not think it acceptable for the kind of information to which the right hon. Gentleman referred to be available in the context of lower-level offences. I hope that he may be able to support me on that point.

Our fourth area of concern relates to bulk powers. It is a fact that criminals and terrorists, operating both here and overseas, may use a variety of means to conceal their tracks and make it hard for the authorities to penetrate closed or encrypted communications networks. I accept the broad argument advanced by the authorities that power to extract information in bulk form can provide the only way of identifying those who pose a risk to the public, but the greater use of some of those bulk powers takes investigatory work into new territory. The routine gathering of large quantities of information from ordinary people presents significant privacy concerns, and points to a need for the warrants to be as targeted as possible. The operational case for the individual bulk powers was published by the Government alongside the Bill, but it is fair to say that the detail has failed to convince everyone. It is still for the Government to convince people that the powers are needed.

Lucy Frazer (South East Cambridgeshire) (Con): I am sorry to backtrack slightly, but I have just looked up the provision relating to “economic well-being”, which is fairly qualified. Clause 18(2) ties economic well-being to “the interests of national security”. However, it also states that a warrant will be necessary “in the interests of the economic well-being of the United Kingdom so far as those interests are also relevant to the interests of national security”.

That provision is further qualified by subsection (5), which states that a warrant will be issued only “if it is considered necessary...for the purpose of gathering evidence for use in...legal proceedings.” Subsection (4) refers to “information relating to the acts or intentions of persons outside the British Islands.” It is clear that the position is extremely limited.

Let me add that, as a barrister who has presented a number of cases to judges, I believe that judges who look at legislation every day are perfectly adequate to the task of considering these principles.

Andy Burnham: I thank the hon. and learned Lady for the law tutorial. Her point may be one for Committee rather than Second Reading. However, I did refer to it earlier. The Bill uses the word “relevant”; it does not use the words “directly linked to national security”. She pulls a face, but I am sure that I speak for every Labour Member when I say that there is no room for ambiguity when it comes to these matters. The Government must be absolutely clear about what they mean. We have seen trade unionists targeted in the past on the basis of similar justifications, and we will not allow it to happen again.

Tom Tugendhat: The right hon. Gentleman wants the Home Secretary to draft a law that envisages every new provision, every change in technology, every change in crime and every change in threat over the next 50 or 100 years. The Home Secretary cannot do that and nor can the right hon. Gentleman, which is why the Home Secretary has instead introduced a system of oversight, proportionality and judicial checks and balances, in order to provide the flexibility that is necessary for our nation to have security in a changing world.

Andy Burnham: I disagree. I am making a legitimate point about which we feel strongly. I am saying that the most intrusive powers in the Bill should be strictly limited to national security. The hon. Gentleman has a different view, but I believe that serious crime and national security should be the strictly limited grounds on which the most intrusive warrants are applied for. I hope that he will approach the issue in a spirit similar to the one in which I have approached it: I hope that he will look into the concern that I have raised in more detail and try to understand why Labour Members feel so strongly about it.

Joanna Cherry: The hon. and learned Member for South East Cambridgeshire (Lucy Frazer) talked about barristers presenting cases to judges. Does the right hon. Gentleman agree that, given the double-lock model in the Bill, there will be no barristers arguing the case before the judicial commissioner? That is exactly the
point. There will be no gainsayer and no proposer; there will simply be a judicial review, an exercise carried out by the judicial commissioner on his or her own.

Andy Burnham: That is an important point, which I shall come to in a moment.

I was talking about bulk powers. Important concerns were raised by the Intelligence and Security Committee about scope, oversight and the more generic class warrants, and I do not believe that they have been adequately answered. One of the Joint Committee’s recommendations was that the Government should establish an independent review of all the bulk powers in the Bill. Given the complexity and sensitivity of the issue, I think that the House would benefit from that, so my specific ask is for the Home Secretary to commission such a review, to be concluded in time for Report and Third Reading.

Our fifth concern is about judicial oversight, and relates to one of our earliest demands in respect of the Bill. The Government have given significant ground in this area, and, as the Home Secretary said, the Bill is stronger as a result. However, we believe that it could be stronger still. It currently says that, when deciding whether this area, and, as the Home Secretary said, the Bill is stronger as a result. However, we believe that it could be stronger still. It currently says that, when deciding whether

the same principles as would be applied by a court on an application for judicial review.”

The point has just been made by the hon. and learned Member for Edinburgh South West (Joanna Cherry).

I have previously shared with the Home Secretary my fear that that could mean a narrower test, taking account of only the process and reasonableness of the Home Secretary’s decision rather than the actual merits and substance of an application. I was listening carefully to what she said at the Dispatch Box earlier, and I thought I heard her provide reassurance that a much broader consideration could be provided by a judicial commissioner. I hope that that is the case, and if it is, why not delete the judicial review clause from the Bill? That would make it absolutely clear this is not just a double lock but an equal lock, in which the judicial commissioner has the same ability look at the entire merits of the case.

Our sixth and final concern relates to the misuse of the powers. I accept the concerns of the Police Federation that there need to be safeguards for the collection of data in a lawful manner, but I also agree with its view that the Bill needs to make it clearer that an overarching criminal offence is created for the deliberate misuse of any of the powers. That should relate to the obtaining of data and to any use to which those data are subsequently put. Both should be a criminal offence. That would provide an extra safeguard for the public.

I have set out six substantive issues that must be addressed. Given the seriousness of these concerns, people have questioned why we are not voting with the Government tonight—[Interruption] We are voting neither with them nor against them. The simple answer is that we need new legislation but the Bill is not yet good enough. That is why we have set these tests. Simply to block this legislation would in my view be irresponsible. It would leave the police and security services in limbo and, as communications migrate online, that would make their job harder. We must give them the tools they need to do the job. If we did not put new legislation on the statute book, we would leave the public exposed to greater risk because they would not have the safeguards that are in the Bill.

However, let me be clear that there is no blank cheque here for the Government. We will not be voting for the Bill tonight because it is some way from being good enough, and if the Government fail to respond adequately to the concerns I have raised, I give notice to them that we will withdraw our support for the timetabling of the Bill. It is as simple as that. The public interest lies in getting this right and in not sacrificing quality to meet the deadline. The time has come for the House to lay politics aside and to find a point of balance between privacy and security in the digital age that can command broad public support.

We on these Benches have worked hard to uncover the truth about some of the dark chapters in our country’s past precisely so that we can learn from them and make this country fairer for those coming after us. I want a Bill that helps the authorities to do their job but protects ordinary people from intrusion and abuse by those in positions of power. I also want Britain to be a country that gives its people individual privacy and collective security. Our shared goal should be a Bill that enhances our privacy, security and democracy and—with goodwill and give and take on both sides—I believe that is within our grasp.

Several hon. Members rose—

Mr Speaker: Order. In the light of the extensive interest in this debate, we shall need to begin with a limit of eight minutes on Back-Bench speeches, though I give notice to the House that that limit will almost inevitably have to fall. I begin by calling the Chair of the Intelligence and Security Committee of the House, the right hon. and learned Member for Beaconsfield (Mr Grieve).

2.53 pm

Mr Dominic Grieve (Beaconsfield) (Con): I am grateful for the opportunity to participate in this debate. I want to summarise the views of the Intelligence and Security Committee on the Bill. The Committee has published two reports on the matter. In addition, the Government and the agencies have provided us with further evidence since we published the second report, and I want to update the House on that.

The present Committee and its predecessor are satisfied that the Government are justified in coming to Parliament to seek in broad terms the powers that the Bill contains. None of the categories of powers in the Bill—including the principle of having powers of bulk collection of data, which has given rise to controversy in recent years—is unnecessary or disproportionate to what we need to protect ourselves. In that context, I go back to what I said in my intervention on the Home Secretary, which was that certain individuals in this debate are labouring under a false understanding of what the legislation is really about. We also welcome the fact that the Government have sought in the Bill to provide much greater transparency than previously existed. It has been frequently said, but it is worth repeating, that the Regulation of Investigatory Powers Act 2000 was often incomprehensible, and that is precisely what we need to get away from.
The basic problem is that, by its very nature, the operational detail of the secret work done by the agencies cannot be revealed without damaging or endangering their capabilities. Assurances are therefore needed that the extensive powers and capabilities that they undoubtedly have are taken on trust in so far as any potential for misuse is concerned. That is why the Intelligence and Security Committee was set up and the various commissioners appointed. It is noteworthy that, apart from a few exceptions based on mistake rather than on malicious intent, all those bodies have consistently given the investigatory powers used by the agencies a clean bill of health. From my own experience not only as Chairman of the ISC but as Attorney General, I believe that the agencies operate to high ethical standards and are scrupulous in confining the use of their powers and capabilities to legitimate purposes. I think that that is in their DNA. A previous head of GCHQ, Sir Iain Lobban, has said that if he had asked his staff to do something unethical, they would simply have refused.

However, such an environment produces its own problem. For those of us within the bubble, our experience of the nature of the agencies’ role risks making us complacent about the legitimate concerns of those outside the bubble. The fact that a particular power might never, to our knowledge, have been misused does not mean that we should disregard the possibility of creating transparent safeguards for its use, if this can be done without interfering with operational capability. We also have to accept the possibility that times might change and standards slip. It is important that we should provide safeguards against such slippage.

It is with that in mind that I turn to our response to the Bill. The recommendations made in our report were intended to improve the legislation by trying to provide greater clarity and transparency and increased safeguards where we thought it would be possible to do so. We are pleased that the Government responded to nine of our 22 recommendations, including three key ones. We particularly welcome the revisions made to increase safeguards relating to legal professional privilege, although I have noted the comments that were made earlier today and others, and that the information could be misused. That is the kind of perception that people care about.

A number of our recommendations were not accepted. We were disappointed that the Bill does not include a clear statement on overarching privacy protections. We accept that the Bill has safeguards, but they come across as slightly piecemeal. This seems to be a missed opportunity to provide the necessary level of public reassurance, even if the practical consequence would not make a vast amount of difference. The same point arises in relation to putting all powers relating to investigatory powers operations in one place. The Government have chosen to leave some powers elsewhere, even though we thought it would have been helpful to put them all in the Bill.

I turn now to the three most significant issues. The first was our concern that the authorisation procedures for the examination of communications data were inconsistent in respect of safeguards for those in the United Kingdom. There are different routes for obtaining such material. Generally speaking, law enforcement agencies will access such material via a specific request to a communications service provider, which is subject to senior officer authorisation, but it could also be obtained via GCHQ bulk interception capabilities as a by-product. In those circumstances, although there are many safeguards relating to examining content, the same safeguards do not exist in respect of the data on their own. We thought that that was inconsistent and might be changed. The Government have helpfully responded by pointing out that this could make the burden too onerous for senior officers. We believe, however, that that matter could be addressed and we hope that it will be looked at again during the passage of the Bill.

Mr Steve Baker (Wycombe) (Con): Does my right hon. and learned Friend think that this matter could be addressed by increasing the independence of judicial oversight, so that judges would be much more able to refuse a warrant? Might that not also increase public acceptance of these measures?

Mr Grieve: This is an area that does not currently have warranty. It is an area in which there is specific authorisation, and that is what we have been looking for. However, we will listen carefully to what the Government have to say about the practical problems that that might pose.

The second issue concerns the agencies’ use of equipment interference. Our concerns focused on the way in which the use of this capability is authorised, rather than on the need for it, which is clear to us. In particular, we were not initially provided with evidence that explained the need for a bulk power, as opposed to a targeted thematic one. That is why we reported in the way we did. Following publication of our report, we received additional evidence from the agencies as to why they need bulk equipment interference warrants to remain in the Bill and they actually made a persuasive case. More importantly, the Committee was reassured that information obtained by such means will be treated in exactly the same way, with exactly the same controls, as data acquired under a bulk interception warrant. The Committee is therefore broadly content that there is a valid case for the power to remain in the Bill, but, just as with bulk interception warrants, we want to see the safeguards and controls in detail and hope to do so in the near future.

The third issue is that the Committee expressed concern about the process for authorising the obtaining of bulk personal datasets. It is undoubtedly necessary and proportionate that agencies should have the power to obtain them, because they can be vital to their work in helping to identify subjects of interest, but they largely contain private information on large numbers of people of no relevant or legitimate interest to the agencies at all.

Catherine West: Does the right hon. and learned Gentleman accept that there is a question mark over which agencies can then access such information? I have received many emails with concerns about the net having been cast too wide in respect of agencies such as the Food Standards Agency, the Gambling Commission and others, and that the information could be misused. That is the kind of perception that people care about out there.

Mr Grieve: I understand the hon. Lady’s concern, which can be looked at. From what the Committee saw, we do not think that that problem should arise with the agencies that do have access, but I am sure the Home Secretary will want to respond in due course.
Intrusiveness needs to be fully considered as part of the authorisation process, which was why the Committee recommended that that could be done far better if class-based authorisations were removed from the Bill and a requirement made that Ministers should authorise the obtaining and periodic retention of each dataset. The Government came back and suggested that that would be too onerous for Ministers, but we suggested that the recommendation could be met through increasing the role of commissioners in renewing orders and amending the duration of authorisations, which could be longer than at present. Our point was that it was right that Ministers were constantly sighted as to what datasets were being obtained and we were anxious that that might not always happen under the current form of authorisation.

The Committee also raised several more minor concerns that are set out in our report and can be returned to on Report if they cannot be resolved in Committee. Given the time available, I apologise that I cannot go through them all here. However, we are pleased that urgent warrants must now be approved within three days rather than the five days originally proposed. The same can be said of the clause 134, which provides for retrospective oversight when UK material has been inadvertently collected through its maker coming into the country.

There were, however, two further matters of concern. We were troubled that we have not yet seen the actual list of operational purposes that must underpin any draft bulk warrant, which goes to the heart of the legislation. We have seen examples that appear entirely valid, but we hope and expect a full list to be supplied to us before the Bill has completed its passage so that we can reassure the House. We also remain of the view that the Committee should be able to refer any concern about the use of an investigatory power to the Investigatory Powers Tribunal on behalf of Parliament. That would help to provide reassurance that there was a mechanism other than private complaint.

The Bill is capable of further improvement, but the Government have listened and I will certainly be supporting the Government on Second Reading. The Bill is undoubtedly necessary on the grounds of national security and is well intentioned. I trust that during its passage we will also be able to ensure that it fulfils the equally important role of being seen as an upholder of our freedom and liberty.

3.4 pm

Joanna Cherry (Edinburgh South West) (SNP): Before I begin my speech, on behalf of the Scottish National party I want to associate myself with the comments of the Home Secretary and shadow Home Secretary regarding the death of the prison officer in Northern Ireland and express our sympathy to his family, colleagues and friends.

The SNP joins the MPs from all parties in the House who have grave concerns about many aspects of the Bill. We do not doubt that the law needs a thorough overhaul and welcome attempts to consolidate a number of statutes in order to have a modern, comprehensive law. We also recognise that the security services and police require adequate powers to fight terrorism and serious crime. However, such powers must always be shown to be necessary, proportionate and in accordance with the law. In particular, powers must not impinge unduly on the right to privacy or the security of private data. We feel that many of the Bill’s powers do not currently pass those tests. For that reason, the SNP cannot give its full support to the Bill in its current form. We intend to join others in the House to ensure that the Bill is as extensively amended as possible. We shall be abstaining today, but if the Bill is not amended to our satisfaction, we reserve the right to vote against it at a later stage.

The Bill is a rushed job that comes on the back of a draft Bill that lacked clarity and did not go far enough to protect civil liberties. In recent weeks, three parliamentary Committees have expressed significant misgivings about many aspects of the draft Bill and made extensive recommendations for its revision. The Bill was published barely two weeks after the ink was dry on the last of those three reports, leaving insufficient time for the Government to go back to the drawing board to deal adequately with the concerns expressed by the three Committees. Like others in the House, SNP Members were concerned to read last week that the United Nations special rapporteur on the right to privacy concluded that some of the Bill’s proposals fail the benchmarks set in recent judgments of the European Court of Justice and the European Court of Human Rights. [Interruption.] Government Members may scoff, but I invite them to read his report as it contains a careful exploration of recent case law and should not be dismissed lightly.

The benchmarks suggest that surveillance should be targeted by means of warrants that are focused, specific and based on reasonable suspicion. Under the Bill, however, targeted interception warrants may apply to groups of persons or more than one organisation or premises. Bulk interception warrants lack specificity and lack any requirement for reasonable suspicion, giving licence for speculative surveillance. The shadow Home Secretary questioned whether we should be using the term “mass surveillance” in relation to this Bill, and I wonder whether it would be more accurate to say that aspects of the Bill permit “suspicionless surveillance”, which leads to civil liberties concerns. Another aspect of the Bill that concerns us is that an actual threat to national security is not required.

The powers to retain internet connection records and the bulk powers go beyond what is currently authorised in other western democracies and thus could set a dangerous precedent and a bad example internationally. The only other western democracy to authorise the retention of material similar to internet connection records was Denmark, which subsequently abandoned its experiment having found that it did not yield significant benefits for law enforcement. I see the Home Secretary looking at me and I am sure that she will argue that her proposals scheme differs from Denmark’s, but the devil is in the detail, which we will need to consider closely in Committee. The USA is rolling back from bulk data collection having found it to be unconstitutional in some cases and of questionable value in fighting terrorism. It is for this Government to justify why they alone are required to go so much further than other Governments in western democracies. Such operational cases as have been produced are anecdotal and hypothetical and do not constitute independent evaluation of the utility of bulk powers.
Lucy Frazer: If the hon. and learned Lady thinks that international comparisons are important, does she agree that the judicial authorisation procedure proposed by the Home Secretary goes further than in other European examples, such as Germany, the Netherlands and France?

Joanna Cherry: We need to compare apples with apples and oranges with oranges. A more correct comparison is with jurisdictions such as Canada and America, the systems of which are more similar to ours than the continental European jurisdictions that the hon. and learned Lady describes, but I will come back to that when I get to authorisation.

I am sure everyone in this House wants to get the balance right between protecting civil liberties, and giving the security services and the police the necessary and proportionate powers to fight serious crime and terrorism. However, we in the Scottish National party believe that the Government’s attempt has not got that important balance right and we are looking forward to working with other parliamentarians to try to get it right. We are worried that the Government are not giving sufficient time for the consideration of this enormous Bill. The 14 Home Office documents relating to the Bill that were released to Parliament on 1 March, including the Bill itself, extend to 1,182 pages, which is almost treble the amount of material released with the draft Bill last November. There is a suspicion that the amount of material being released in large tranches, coupled with relatively short timescales within which to consider and amend proposals, is an indication that the Government do not really want proper parliamentary scrutiny of this. We are determined to do our best to make sure that sufficient parliamentary scrutiny is provided.

Mrs May: Let me be absolutely clear about this. I have been in this House long enough to see Bills go through the House where parliamentarians have complained when the Government have failed to bring codes of practice that should sit alongside the Bill to the House at the very first stage of the debate. This Government have brought those codes of practice to the House more than the continental European jurisdictions that the hon. and learned Lady describes, but I will come back to that when I get to authorisation.

I am sure everyone in this House wants to get the balance right between protecting civil liberties, and giving the security services and the police the necessary and proportionate powers to fight serious crime and terrorism. However, we in the Scottish National party believe that the Government’s attempt has not got that important balance right and we are looking forward to working with other parliamentarians to try to get it right. We are worried that the Government are not giving sufficient time for the consideration of this enormous Bill. The 14 Home Office documents relating to the Bill that were released to Parliament on 1 March, including the Bill itself, extend to 1,182 pages, which is almost treble the amount of material released with the draft Bill last November. There is a suspicion that the amount of material being released in large tranches, coupled with relatively short timescales within which to consider and amend proposals, is an indication that the Government do not really want proper parliamentary scrutiny of this. We are determined to do our best to make sure that sufficient parliamentary scrutiny is provided.

Joanna Cherry: The Home Secretary misunderstands my complaint—it is not about the fact that the material has been produced. My complaint is that the material has been produced with a timescale following thereon that is not sufficient for us to scrutinise it properly. I must make something crystal clear before I go any further: the SNP will not be morally blackmailed or bullied by Conservative Members into blind support for a Bill of dubious legality in some respects, which seeks powers that go beyond those of other western democracies. We are not going to tolerate any suggestion that by seeking proper scrutiny of the Bill and full justification for the far-reaching powers sought, we are being soft on terrorism and serious crime. I would associate myself with the other main Opposition party in that respect.

Let me give hon. Members an example of why they can be assured that the SNP is not soft on terrorism or serious crime. We have been in government in Scotland for nine years and we have shown ourselves to be a responsible Government. Although issues of national security are reserved, we have always co-operated closely with the UK Government, for example, when Glasgow airport was attacked by terrorists in 2007. Our record in fighting crime in Scotland is second to none. The Scottish Government have got recorded crime down to a 41-year low and we are committed to a progressive justice policy. We will not, therefore, stand accused of being “soft” on serious crime or terrorism, because that is simply not a fair statement to make.

In the coming years, we confidently expect to be devising the security policy of an independent Scotland, and it will be a responsible security policy that will not only seek to work closely with near neighbours on these islands, but will look to international models from other democracies and strive to take proper cognisance of international human rights norms and the rule of law. That is all we are about in opposition and in our scrutiny of this Bill.

Our concerns about the Bill are not just our concerns. They are shared by: the parties sitting around me; many Conservative Members sitting opposite me; many of the members of three parliamentary Committees; non-governmental organisations; the technical sector; eminent legal commentators—more than 200 senior lawyers signed that letter in The Guardian today; communications service providers; and the UN special rapporteur on the right to privacy. [Interruption.] I hear somebody shout confidently from the Government Benches that the 200 lawyers who signed that letter are wrong. I suggest that he or she—I think it was probably a he—looks at the list of those who signed it and perhaps accords them a bit more respect; there is room for a difference of opinion here.

Joanna Cherry: I always listen carefully to what the hon. Gentleman and his colleagues have to say because, as he says, they have experienced terrorism—and indeed, they are, sadly, still experiencing it as a result of the tragic news we heard today. I apologise if I in any way included him in a sweeping statement, but I do not agree with him that the Government have got the balance right, and that is the whole purpose of my speech today.

Sammy Wilson (East Antrim) (DUP): For clarification, so that the hon. and learned Lady is not seen to be speaking for my party, may I ask whether she accepts that the balances in the Bill that the Secretary of State has outlined are, by and large, supported by people in Northern Ireland, simply because we have gone through the experience of terrorism and know how important such safeguards are for the general public?

Joanna Cherry: I am seeking to make is that it is the job of a responsible Opposition not only to oppose responsibly and to scrutinise, but to articulate and inform public concerns. The public are concerned about this, and there is greater public knowledge about this Bill than perhaps there was last time around. A survey commissioned by Open-Xchange found that only 12% of the public believe that the Home Secretary has adequately explained the impact of the Bill to the UK public and presented a balanced argument for its introduction. I suspect that it is possibly a little unfair, pinning it all on the Home Secretary, because it is the responsibility of all of us in this House to inform our constituents about this Bill and where it is going.
Simon Hoare: Will the hon. and learned Lady give way?

Joanna Cherry: I hope the hon. Gentleman will not mind if I make some progress for the time being and possibly give way later. I mentioned the letter to The Guardian. I am conscious that the right hon. and learned Member for Beaconsfield (Mr Grieve), the former Attorney General, has expressed his view on the matter. I would always accord that the respect it deserves, but I respectfully disagree with him. The letter to The Guardian from the lawyers today was focused initially on the problem of bulk intercept. Even the Interception of Communications Commissioner’s Office, the independent watchdog, has said that bulk intercept provides “generalised initial interception”, and that is the issue here—it is the generality, and the lack of focus and specificity, that the lawyers are worried about.

Mr Grieve: I should emphasise that I take the letter seriously, because I regard it as a serious matter. If what was happening was what was set out in the first objection by those writing it, it would be a very serious matter indeed: the House would be sanctioning a system by which there was generalised access to electronic communications, in bulk. The point at issue is that that is not what actually goes on at all. Not only that, but if one looks at the Bill, one sees that it is clear that that should not be able to go on and that we will prevent it from happening if there is any possible risk of it. We have been round this issue on many occasions, and this is why there is a difficulty of communication and understanding on something that is fundamental to the way in which the agencies go about this work.

Joanna Cherry: I can only reiterate that I and many others, including more than 200 lawyers who signed this letter, disagree with the right hon. and learned Gentleman on this occasion and about this point. One thing that this issue illustrates is the importance of having very focused language in Bills dealing with such major matters of constitutional importance, rather than having vague language, which is not properly understood and which can on a later day be twisted by those it suits, to expand to cover powers that were not envisaged at the time. We are all well aware that that has happened in the past.

We should not dismiss too lightly the importance of the notion of the rule of law overarching this Bill. If the Government really want this legislation to be world-leading, they cannot have legislation that potentially violates international standards. As things stand, the UK is still bound by the jurisdiction of the European Court of Justice; there were no proposals to withdraw from the charter of fundamental rights in the agreement negotiated by the Prime Minister over Europe last month. We are still awaiting proposals for the repeal of the Human Rights Act, but the Government have recently been moving to reassure us that we will not be withdrawing as a signatory from the Council of Europe. We are therefore still going to be bound by the Court in Luxembourg and the Court in Strasbourg. Many distinguished lawyers believe that if this Bill is not significantly amended, the law of the UK will be on a collision course with those European Courts. I remind the Government that an unamended Bill could result in unnecessary and expensive litigation. It could require Parliament to revise the law all over again at some point in the future. That should not happen, provided that we ensure that the law meets international standards.

[Interruption.] I suggest that they read the report that has come from the UN rapporteur on the right to privacy, and consider the law here. They may prefer to follow in the footsteps of Russia, which last December passed a law allowing its constitutional court to decide whether to comply with international human rights courts, but I would suggest that, on these matters at the very least, Russia is perhaps not the best role model for the United Kingdom.

I want to challenge the premise that the more privacy we sacrifice, the more security we gain, because that is not backed up by the evidence. Indeed, some of this House’s Committees have heard evidence that swamping analysts with data can impede investigation, because they are unable to find the crucial needles in the haystack of information before them. We should be looking at how to achieve security in a really intelligent way, not blanket data retention and suspicionless surveillance.

The Home Office responded to the Intelligence and Security Committee’s recommendations by simply adding one word to the start of the Bill so that the first part now refers to “privacy”. It has not, however, added any detail relating to any overarching principles of privacy. Its response to the ISC seems somewhat cynical.

I have indicated that the SNP is concerned about a number of aspects of the Bill. Time does not permit me to tackle all of them, but I am concerned about four in particular. I will endeavour to keep my comments to a minimum, bearing in mind that I speak on behalf of the third party in the House.

Our first issue with the Bill is the legal thresholds for surveillance; the second is the authorisation process, which the shadow Home Secretary has already talked about; the third is the provision for the collection of internet connection records; and the fourth is bulk powers, which I have already mentioned.

On the legal thresholds for surveillance, the Government essentially want to re-legislate on RIPA’s three broad statutory grounds. The SNP is not alone in its concern that those grounds are unnecessarily broad and vague and dangerously undefined. The Joint Committee on the draft Bill recommended that it should include definitions of national security and economic wellbeing, but that has not been done. The ISC recommended that economic wellbeing should be subsumed within a national security definition, finding it “unnecessarily confusing and complicated”. Those recommendations have been dismissed and the core purposes for which extraordinary powers can be used remain undefined and dangerously flexible.

On the authorisation of warrants, we welcome the move towards greater judicial involvement, and we acknowledge the fact that the Government have moved considerably towards the double lock. However, I agree with the shadow Home Secretary, because we also want an equal lock. Judicial review is not the same as judicial authorisation. Judicial review creates the illusion of judicial control over surveillance, and it does not achieve enough movement away from the status quo.

I want to give some concrete examples of that. The case law of the United Kingdom Supreme Court shows that, in civil proceedings that do not relate to deprivation
of liberty, a less intensive standard of judicial review is applied—more Wednesbury reasonableness than strict necessity and proportionality—and that is why many fear that that is what will happen if the Bill is passed unamended. There will be little or no scope for review on the merits.

Suella Fernandes: Will the hon. and learned Lady accept that she is simply wrong? In their evidence to the Joint Committee, of which I was a member, Sir Stanley Burnton, senior judicial commissioner, and Lord Judge, senior surveillance commissioner, were clear that the Wednesbury unreasonableness standards had no place in this context. The wording of the Bill is clear, importing a clear judicial review standard involving necessity and proportionality.

Joanna Cherry: The hon. Lady will no doubt be unsurprised to hear that I do not accept that I am wrong. She is cherry-picking her way through the evidence that was heard. There was evidence contrary to the position that she has stated. I accept that there is a debate about this point, but I take the side that the review of judicial review principles does not go far enough. Why not go as far as other countries? Why not have one stage of judicial authorisation? That is the norm in comparable jurisdictions, by which I mean the United States, Australia and Canada. Judicial authorisation would help us, because it would encourage co-operation from US technology firms.

On a practical note, a two-stage process—whereby the issue goes to a Minister first and then to a judicial commissioner—risks delay. There is a huge volume of surveillance warrants, and it looks like there will be an awful lot more as a result of this Bill. It is unsuitable for a small number of Cabinet Ministers to deal with them.

I want to deal with another false premise that is often used to justify ministerial involvement in the issuance of warrants. Some people seek to argue that Ministers are democratically or politically accountable to this House on the issue of surveillance warrants, but that is a misconceived argument. Ministers are not really democratically accountable for their role in issuing warrants, because, first, the disclosure of the existence of a warrant has been criminalised and it will remain as such under the Bill. Secondly, all of us know—even those such as me who have been in this House for only nine months—that requests for information concerning such matters in this House are routinely parried with claims about national security. I do not accept that Ministers are practically, politically or democratically accountable to this House on the issuance of warrants. To return to the jurisprudence of the Strasbourg Courts, they have made it very clear that it is important to have effective supervision by an independent judiciary. We query whether the double lock mechanism meets that test.

We agree with many others that the case for collecting internet connection records, including the claimed benefit relating to when A calls B. If we collect phone system records, we will see at what time A called B and the duration of the call. As I understand it, the internet is more like a mailbox that collects packets of information and then takes them from A to B.

To take a rather middle-aged example, if somebody uses the Facebook messenger service, all the internet connection record will show is that he or she has connected to Facebook messenger. It will not show with whom he or she then communicated, because that occurs at a higher or lower level or in another unreachable packet. The internet connection record will not show the when, where and who that the Government say they want, and which they already get from phone records.

What the internet connection records will show is a detailed record of all of the internet connections of every person in the United Kingdom. There would be a 12-month log of websites visited, communication software used, system updates downloaded, desktop widgets, every mobile app used and logs of any other devices connected to the internet. I am advised that that includes baby monitors, games consoles, digital cameras and e-book readers. That is fantastically intrusive. As has been said, many public authorities will have access to these internet connection records, including Her Majesty’s Revenue and Customs, and the Department for Work and Pensions, and it will be access without a warrant. Do we really want to go that far? There is no other “Five Eyes” country that has gone as far. David Anderson QC said:

“Such obligations were not considered politically conceivable by my interlocutors in Germany, Canada or the US.”

and therefore, he said, “a high degree of caution” should be in order.

Finally, let me turn to bulk powers. I have already made the point that even the Interception of Communications Commissioner’s Office says that bulk provides at the outset generalised initial intercept. We became aware of these bulk interception programmes only when they were disclosed by Edward Snowden in June 2013—whatever Members think about those disclosures and whether they were appropriate, that is how we became aware of the matter. This House has never before debated or voted on bulk powers, so we are being asked to do something very novel and very challenging, and we must do it properly.

The power to conduct mass interception has been inferred from the vaguely worded power in section 8(4) of RIPA, which illustrates the danger of vaguely worded legislation. Targeting bulk warrants at a telecommunications system or at entire populations rather than at specific individuals is a radical departure from both the common law and human rights law, yet that is the approach that will be maintained in this Bill. In many respects, that is the most worrying part of the Bill. Indeed, it is the part of the Bill about which the UN special rapporteur on privacy is most concerned. Let me read what he said, because it is very respectful of the tradition of the United Kingdom and it makes some very good points. He said:

“It would appear that the serious and possibly unintended consequences of legitimising bulk interception and bulk hacking are not being fully appreciated by the UK Government. Bearing in mind the huge influence that UK legislation still has in over 25% of the UN’s member states that still form part of the Commonwealth, as well as its proud tradition as a democracy
which was one of the founders of leading regional human rights bodies such as the Council of Europe, the SRP encourages the UK Government to take this golden opportunity to set a good example and step back from taking disproportionate measures which may have negative ramifications far beyond the shores of the UK. More specifically, the SRP invites the UK Government to show greater commitment to protecting the fundamental right to privacy of its own citizens and those of others and also to desist from setting a bad example to other states by continuing to propose measures, especially bulk interception and bulk hacking, which prima facie fail the standards of several UK parliamentary Committees, run counter to the most recent judgements of the European Court of Justice and the European Court of Human Rights, and undermine the spirit of the very right to privacy."

The rapporteur is appealing to the better tradition in this country, and saying that we should look at this Bill very carefully. He is suggesting not that we should throw it out, but that we scrutinise it very carefully, bearing in mind how far it intends to go in comparison with other countries and with existing international case law.

Andy Burnham: The hon. and learned Lady has made a very good speech this afternoon. Government Members should be working a little harder to reach out and build consensus. Before she finishes, may I invite her to say whether she will be supporting our call in Committee and on Report to make internet connection records accessible only through a warrant based on serious crime, not any crime, to give protection, and also for a clear definition of national security?

Joanna Cherry: Those are both issues on which we will work with the Labour party. I have already indicated that we intend to attempt to amend the Bill extensively in Committee. We are very concerned about internet connection records. We query whether their retention is necessary or appropriate at all, but we will look seriously at proposals put forward by other parties and will work with them.

The SNP is in favour of targeted surveillance. We welcome the double lock on judicial authorisation as an improvement, but it does not go far enough. Our concern is, quite clearly, that many of the powers sought in this Bill are of dubious legality and go further than other western democracies without sufficient justification. It is for that reason that we cannot give this Bill, in its current form, our full support. We will work with others to attempt to amend it extensively. Today, we shall abstain, but if the Bill is not amended to our satisfaction, we reserve the right to vote it down at a later stage.

3.33 pm

Mr Kenneth Clarke (Rushcliffe) (Con): That is one of the most combative and partisan speeches in support of an abstention on the Second Reading of a Bill that I have heard from a Member of this House for a very long time. I urge the hon. and learned Member for Edinburgh South West (Joanna Cherry) and her Scottish National party colleagues to calm down a bit and accept that everyone is in agreement that this is a huge and comprehensive Bill. Its terms are often quite obscure, and it is not light reading to try to analyse it. I think we are all agreed that some issues need to be addressed in Committee and at later stages. Despite her excellently combative speech—I have nothing against partisan politics on the right occasions—it would be useful to accept that there is almost a consensus in this House about the principles that we should be adopting. As I think the standards of liberal democracy in this country at the moment are not too bad, we need legislation that enshrines them for the future, in case even wilder protest groups eventually get elected to the House, so that we stick to those principles.

The principles are, I think, that we wish to give the strongest possible support to our intelligence and policing authorities to defend the national interest and to defend our citizens. There are very real dangers in the modern world and we must not be left behind. When our intelligence and police services are dealing with terrorists, or serious organised crime—drug trafficking, human trafficking and so on—or child abuse, as people have said, I want them to be as tough as anybody else’s intelligence and police services. I want them to be as effective as they possibly can be and as successful in avoiding risk; that is essential.

Spies—the intelligence services—have had to do slightly odd things ever since they first emerged on the scene, ever since they started steaming open envelopes and started intercepting telephone calls. We must not be left behind by technology, and we must not be left behind by modern society. The spies have to act in the same way towards the internet as they have been acting towards envelopes in the past for the past 200 years. I hope we are all agreed on that. I hope we also accept that this poses a dilemma for a liberal democracy like our own, because we have to do this as well and as toughly as anybody else in the world, and to the highest technical standards, without compromising our underlying values. The reason we want such actions to be so effective is that we have, we hope, the highest standards of human rights and the highest regard for the rule of law and democratic accountability, but perhaps the thing we have neglected the most in recent times as the pace of events has speeded up is privacy—the privacy of the individual. We have recent examples—although not in this area—of the abuse of privacy by the press and others, of which we are only too well aware. I think our citizens expect that their privacy should be intruded on only in the right cases.

The real heart of the test of getting the balance right—we all talk about getting the balance right—is the proportionality of very intrusive powers, which should only ever be used when the national interest is threatened and our security is at stake. That should be—

Sir Edward Leigh rose—

Mr Clarke: I will give way just once.

Sir Edward Leigh: I am sorry I am worrying on about this issue, but my right hon. and learned Friend has been Home Secretary. Let us suppose that there is a matter of national security and acute political crisis, and a Home Secretary feels it is necessary to authorise some snooping, for want of a better word—I am sorry to use that word—on a Member of Parliament’s communications with a constituent who has raised these issues. The Home Secretary said when I intervened earlier, “Don’t worry; the judge will authorise it or review it, and the Prime Minister will consider it too.”
Judges are very responsible, but they do not really understand these acute political sensitivities. Should not somebody else, like the Speaker, have some sort of oversight to protect these very valuable communications between Members of Parliament and their constituents?

Mr Clarke: I do not think I am persuaded, although I do not totally reject my hon. Friend’s case. I was about to say that we must realise there are dangers in a democratic society if we are not constantly vigilant against some future Administration—although none that I have experienced, either in opposition or in government have done so—abusing this. There are western democracies—I think some things have happened in America at times that we would not approve of here—where political opponents, political rivals, have found the intelligence services and other sources of information used against them. [Interruption.] My right hon. Friend the Member for Haltemprice and Howden (Mr Davis) recklessly suggests France. A Frenchman might not agree, but it would not surprise me if that were the case. In modern politics, the temptation to do that is actually quite strong.

The other reason for insisting that this legislation is as tight as we can make it is that it is all too easy to get accustomed to these things. I was Home Secretary, and Home Secretaries are overwhelmed with applications for warrants. In the middle of the night, doing a red box—contrary to popular belief, I was conscientious about my red boxes—there is very little time to make decisions. There are vast numbers of applications. I used to make a point of challenging one or two just to find out more detail than I had been given.

The volume hitting my right hon. Friend the Home Secretary is massive, compared with that which I experienced. That shows that there is a danger. In the intervening 20 years, the world has changed so profoundly that I suspect she has vastly more of these cases to consider than I had, and I suspect some of them involve much more difficult matters of judgment than most of the ones that I faced. Even in those days, when I suspect we were less concerned about these things, I found some pretty surprising applications being made if I went into what they were about. It is too easy even for the best people in the intelligence service—

Hannah Bardell (Livingston) (SNP): Will the right hon. and learned Gentleman give way?

Mr Clarke: No. Others want to get in and I do not think I will get any more injury time. I apologise.

It is too easy for those in the intelligence and police services to get used to such power. It is too tempting to use it against people who are causing trouble by making complaints or leaks. There have been examples of that, and that is what this Bill is about.

My right hon. Friend the Home Secretary has brought forward a Bill that makes the biggest advance that I can remember for a generation, introducing the principle of judicial involvement and judicial oversight, for which I have the greatest possible respect. It is a quite dramatic change. We have also strengthened the powers of the Intelligence and Security Committee, and I hope my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), the former Attorney General, will make the fullest use of them. That Committee is always faced with the problem that it cannot debate in public most of what is ever done or heard in private. We have to rely on having the right people to hold to account those concerned.

We need to get the Bill right. Most of the points are not the big, wide, partisan points that I was talking about a moment ago. They are in the detail—the devil is in the detail—and there are some quite important points that we should still question. It is true that there is a vast amount of activity under the general title of economic wellbeing. I have known some very odd things to happen under that heading. National security can easily be conflated with the policy of the Government of the day. I do not know quite how we get the definition right, but it is no good just dismissing that point.

Most of my points are Committee points and several have been raised already. I did not know that Igor Judge had given his opinion to the Select Committee that the Wednesbury test of reasonableness was not appropriate. He is an old opponent of mine in the courts, and an old friend of mine for most of his life. I am an out-of-date and extinct lawyer and he is a very distinguished and very recent lawyer. Presumably, if the judge thinks the Home Secretary is not following the legal principles, he can overrule an application.

Questions of judgment and proportionality are the most important of all and worry me most. The one Committee point that I shall raise, and the one I feel most strongly about, was raised by the shadow Home Secretary. I am worried by part 3. The whole debate is conducted on the basis that we should all lie fearful in our beds and that the Bill is designed to deal with terrorism, jihadists, child abusers and human traffickers. Actually, vast numbers of people are getting powers. Part 3 gives all kinds of curious public bodies—every local authority, county and district, where one official can get the approval of one magistrate—access to huge amounts of information. Too much is already available. I doubt the wisdom of that. I think we will find other points that should be corrected during the progress of the Bill through this House.

3.43 pm

Mr Nick Clegg (Sheffield, Hallam) (LD): I associate myself with the remarks by the Home Secretary and others, and join in sending heartfelt condolences to the family and friends of the prison officer who tragically lost his life in Northern Ireland.

I shall start with the positive. Of course, my colleagues and I acknowledge that this Bill represents progress in some important respects. It is far more comprehensive than any previous piece of legislation and now covers all the powers that were previously unavowed. It contains important improvements in oversight and accountability, and compared with its predecessor, RIPA, it is easier to understand. However, as the Home Secretary, who alas has just departed, will know, she and I discussed the Bill yesterday. I am not a supporter of it, not for technical reasons but for reasons of principle, which I will come to. We feel that her Department has not responded in full to the criticisms of the three parliamentary Committees and that the Bill is, therefore, not yet in a fit state.

There are many problems, but I would like to highlight two in particular. First, as the former Attorney General, the right hon. and learned Member for Beaconsfield (Mr Grieve), said, the Intelligence and Security Committee
was heavily critical of the way in which privacy protections were articulated in the draft Bill. In responding to the ISC’s request for a new part dedicated wholly to privacy, the Government have in effect done little more than change one word in a title. They have demonstrated precisely the point that the Committee made when it described the privacy protections in the Bill as an “add-on”.

I share the Committee’s concerns. The powers authorised by this Bill are formidable and capable of misuse. In the absence of a written constitution, it is only the subjective tests of necessity and proportionality that stand in the way of that misuse. The Bill should be far, far more explicit than it currently is that these powers are the exception from standing principles of privacy and must never become the norm.

The Home Office appears, unfortunately, to be institutionally insensitive to the importance that should be attached to privacy. A Department that cared about privacy would offer more than a one-word response to the ISC. A Department that cared about privacy would not have quietly shelved the privacy and civil liberties board, which this House voted to establish just last year. A Department that cared about privacy would have examined more proportionate alternatives to storing every click on every device of every citizen, instead of leaping to the most intrusive solution available.

Mark Spencer: What would the right hon. Gentleman say about privacy when it came to a victim of child abuse who was unable to find the perpetrator because of some of the restrictions he wants to put in the Bill?

Mr Clegg: As I know from my time in government, one of the greatest tools in going after precisely the perpetrators of such heinous crimes is matching the devices they use to them through IP addresses. That is why we passed legislation—the unfortunately acronymed DRIPA—which is being challenged in court by other Members of this House right now. It is also why, as I will explain in a minute, there are much more effective ways of achieving that objective than having a great dragnet, which is being advocated in the Bill.

Internet connection records, or ICRs, are my principal concern. We have been here so many times before—in 2008, 2009 and 2012. I cannot think of another proposal where there is an exchange of data between someone’s device and a remote server, for 12 months. It is the equivalent to someone in the days of steaming open letters keeping every front cover of these datelogs from across the whole country stored in some great warehouse somewhere for 12 full months. It did not happen then, and it should not happen now.

The implication of this is very big indeed: it is that the Government believe, as a matter of principle, that every innocent act of communication online must leave a trace for future possible interrogation by the state. No other country in the world feels the need to do this, apart from Russia. Denmark tried something similar, as was referred to earlier, but abandoned it because the authorities were drowning, of course, in useless data, as they would have drowned in useless envelopes many years ago if they had tried this then. Australia considered it, but the police themselves said it was disproportionate. Many European countries, interestingly, have recently gone exactly the other way, relinquishing data retention powers following the ruling of the European Court of Justice in the so-called Digital Rights Ireland case in 2014.

At the request of David Anderson, QC, the Home Office has produced a so-called operational case for internet connection records, which we can all read. I would suggest that students of politics and government would do well to study that document, which is a model exercise in retro-fitting evidence to a predetermined policy. Naturally, it sets out how these data could be useful to the police and intelligence agencies. What it does not do, but should do, is to start from the operational need, where a lack of data is obstructing criminal investigations, and explore different options for meeting that need, while balancing the twin requirements of security and privacy.

It is simply false to claim that this dragnet approach is the only way to provide the Government with better tools to go after criminals and terrorists online. For example, as I said earlier, we could incentivise companies to move to the new industry standard for IP addresses at a much faster rate. That might sound terribly technical, but it is important, because our doing so would, at a stroke, go a long way towards solving the key problem of how to tie IP addresses on individual devices to suspects, which is one of the principal purposes of this Bill.

During my time in government, I saw very little sign that the Home Office had devoted any serious consideration to alternatives to ICRs. As the operational case illustrates, that is because this is a case not of evidence-based policy but of policy-based evidence. On top of that, we still do not know how it will actually work and how it would be defined. The Internet Services Providers Association states in its briefing for this debate: “In its attempt to future-proof the Bill, the Home Office has opted to define many of the key areas in such a way that our members—these are the experts—still find it difficult to understand what the implications would be for them.”

The costs of ICRs are also unclear. The Government’s estimate is just over £170 million over 10 years. but the Internet Services Providers Association says that it does “not recognise” that figure, and BT has said that it believes the costs will be significantly higher.
Internet connection records are at the heart of this Bill. They are not just a technicality: they are principally at the heart of what information is stored on all of us for long periods by the Government in our name. This dragnet approach will put us completely out of step with the international community, there are practical problems with the proposal, and the terms used in the Bill are still unclear. That is why I urge Members in all parts of the House to scrutinise properly this far-reaching and poorly evidenced proposal, and to withhold parliamentary consent for such a sweeping power until the questions that I and others have raised are properly addressed.

3.52 pm

Sir Edward Garnier (Harborough) (Con): Any Bill that fundamentally affects the relationship between the citizen and the state is bound to be controversial. This Bill is no exception, even though much of what it does is to consolidate in one statute powers to interfere in the citizen’s private life and communications that are presently to be found in existing statutes. Although article 8 of the European convention on human rights permits interference with the rights protected by it if “in accordance with the law and...necessary in a democratic society in the interests of national security” and so on, Parliament has a particular duty to examine closely legislation of this sort to ensure that the Government and the security and law enforcement agencies are not asking for too much and that we are not supinely giving them too much. We find the words “necessity” and “proportionality” frequently in this Bill, and that is not an accident.

Today’s debate is not new. Much of what will be said today will have been said in the debates on the 20th-century and early 21st-century legislation that is to be consolidated in this Bill. As technology has advanced we have had to adapt our laws, first, to cope with the ability of those who wish to do us harm to do so more quickly and effectively, and, secondly, to ensure that technology is not used by the state improperly to interfere with the citizen, just because it can.

As long ago as the 14th century, Parliament outlawed eavesdropping under the Justices of the Peace Act 1361. In essence, for the past 600 years or so, the intrusion into the private lives of others by use of illegal listening devices, be it the human ear or electric surveillance machinery, has been a topic of public debate. No one doubts that our law enforcement agencies and the security services need to be able to detect and prosecute serious crime, and to counter terrorist and other threats to the country and our fellow citizens. The threat to our country and its interests is, I am sure, as serious today as it has been since the second world war, and the capacity of the criminal underworld or our national enemies to transfer money, to traffic people for enslavement or sex or to move drugs, weapons and explosives has been greatly enhanced by the internet and other forms of electronic telecommunication. Whereas in 1361, the dark, a disguise and the speed of a horse were all that the King’s men had to contend with, so much of what we have to contend with now is unseen, unheard, instantaneous and undetectable. It is getting more and more difficult to stay ahead of the criminal gangs and terrorists who have access to the most sophisticated of communication systems, which can be operated from an iPhone anywhere in the world.

Nusrat Ghani (Wealden) (Con): Does my right hon. and learned Friend agree that to help our police and security services to transfer what they do in the physical world, they need the powers to do that work in the digital world, and that without the Bill we are asking our security services to do their job with one hand tied behind their back?

Sir Edward Garnier: I agree with that.

I do not have time in this Second Reading debate to do more than state that, as a matter of principle, I wholeheartedly support the aims and policy behind the Bill. The proposals to enable the state to intercept others’ communications or to interfere with equipment in a way that would, without this legislation or the laws it replaces, be unlawful, are sensible. The requirement for the Secretary of State to issue warrants that have to be approved by judicial commissioners, and other protections against the state’s misbehaviour with regard to the collection and retention of communications data, are rightly in the Bill. The ability to acquire bulk data is necessary. The checks and balances governing the police, and the internal supervision arrangements referred to in schedule 4, are right, subject to further consideration of the seniority of the officers involved. All that and more is justified and defensible in the interests of protecting us from harm.

That said, there is no room for complacency or any suggestion that the Bill is the perfect answer to a difficult set of problems, which are most obviously defined as the border between public protection and freedom on the one hand, and excessive state power on the other. In my time as a Law Officer I had, from time to time, to deal with the security services and the law enforcement agencies. I hope that I will not be accused of undue naïveté, but my experience of them in government was that they were scrupulous to obey the will of Parliament, and the law. I was impressed by the fact that, from the top down, there was a genuine desire to do only what was right and to seek clarification where the law was complicated or capable of being misconstrued, so that they did not stray across the line between what was possible and what was lawful.

Based on my experience, I am sure that those entrusted with the type of work described in the Bill will conduct themselves within the law and that, if errors are made, it will not be for want of trying to keep on the right side of the law. The number of intercepts warranted every year by a Secretary of State may not be large in comparison with the billions of emails sent, mobile telephone calls made and internet searches carried out every year. It may be—I am guessing—that the three Secretaries of State will collectively issue fewer than 5,000 each year. If the law is to be obeyed, however, every warrant must be considered by the Secretary of State or a Scottish Government Minister. The Foreign Secretary, the Defence Secretary and the Home Secretary will have to give every application for a warrant from an intercepting authority the time and the close attention that it deserves.

Of course, I believe what the Home Secretary said in her response to the intervention from my right hon. Friend the Member for Haltemprice and Howden (Mr Davis), and no doubt she will never take shortcuts. The current holders of those offices are hard-working Ministers, who are capable of reading a closely argued and complicated brief late at night after a long day of
[Sir Edward Garnier]

other work in their Departments, in Parliament or travelling here or overseas. Even if I have overestimated the number of applications for warrants that they will receive each year, I am reasonably sure that they will consider several every day. That is much reinforced by what my right hon. and learned Friend for Rushcliffe (Mr Clarke) had to say a moment or so ago.

This should not be a tick-box exercise. Although I accept that some applications will be more straightforward than others, I do not expect that even in the easier cases, it will be a question of skim-reading the application and initialling it. Each application must be fully argued on paper on its own facts and considered personally by the Secretary of State. I hope that no submission to the Secretary of State will merely recite the wording of clauses 17 and 18; I hope that all submissions will go into detail about why the warrant is necessary, not least because they will have to be carefully reviewed by a judicial commissioner. That is all the truer in urgent cases when a judicial review follows the issuing of the warrant, or in cases involving legal privilege under clause 25.

My concerns about the practicalities of all this are added to when one considers this point, which was also made by my right hon. and learned Friend. Authorisations under part 3 of the Bill are likely to be numbered in the many hundreds of thousands every year and will be made by what, to my eye, look like middle-ranking police officers and other officials. As one can see from schedule 4, those officials are inspectors and superintendents, majors and lieutenant colonels, and other civil servants of that rank. As I learned yesterday, some of them will be part-timers. I need to be assured that the necessity or expedience of every case will not outweigh the need for formality and proper scrutiny of every such application. If we are to have complete confidence in the vetting system, I urge Ministers on the Front Bench and the rest of the Government to think very carefully about those aspects of the process.

Finally, clause 222 requires the Secretary of State to prepare a report on the operation of the Act five and a half years after the Bill has been passed. In any view, that is too long. I suggest that it should be done after two years. If the Government refuse to reduce the period, I hope that my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve) and the ISC—as well as Mr David Anderson, the independent reviewer, who produced an invaluable report last summer—will want to do so themselves.

4 pm

Stella Creasy (Walthamstow) (Lab/Co-op): A comment often made to explain why political events go on for so long is that, although everything that needs to be said has been said, not everybody has yet said it. In the spirit of trying to offer something different to this debate, I want to speak as a member of the Science and Technology Committee, which we might call Parliament’s geek squad, and raise a third set of concerns about the Bill as it currently stands.

Members have already talked about proportionality and people’s concerns about the balance between security and liberty, about the challenges of extra-jurisdictional legislation and whether, in a global world, we can pass national laws that make sense. I want to add concerns about the technical aspects of the Bill and, frankly, about whether it will work. Is this legislation designed for digital natives who are comfortable with the modern world, or has it in fact been designed by what we might call digital refugees—people who run away from the reality of the modern technical advances with which we are trying to deal?

All of us have had the experience of trying to explain to a person aged under 20 that, no, we could not google our homework when we were at school. Many of us may have jumpers that are older than the internet, which has fundamentally changed our lives. In this country, a third of all divorces contain a reference to Facebook, a technology that came into our lives only in 2007, but has fundamentally transformed that most personal of relationships. When we come to thinking about legislation that takes account of modern technologies and the ways in which they change, such legislation must be based on an understanding of those technologies and of the consequences of such changes to the law.

With that in mind, it was when the Committee looked at the question of surveillance, especially internet connection records, that concerns arose. Concerns arose in particular about the idea that, as the right hon. Member for Sheffield, Hallam (Mr Clegg) said, a dragnet could be used to bring together internet connection records for every single member of the British population for 12 months, and about what that might entail.

There is a fundamental challenge at the heart of the Bill about the idea that it is possible to separate somebody’s contact data from their content data. Many internet companies have made that point and said that they are concerned about such a definition. As yet, the legislation has not completely grappled with that definition. The Bill makes a distinction between identifying IP addresses and being able to know whom people have contacted, and what it calls anything else that “might reasonably be considered to be the meaning...of the communication”.

That definition makes sense when we are talking about phone records, but the legislation has to cope with the world to come, not the world that has gone. If I send a message through Outlook, others do not need to know the content of the message to know that it is a request for a meeting. When we talk about knowing which websites people have visited, that of course brings with it content analogies: if I visit the Refuge website or the Alcohol Concern website, that is contact data, but it content analogies: if I visit the Refuge website or the Alcohol Concern website, that is contact data, but content information.

I very much welcome the shadow Home Secretary’s comments about our needing to challenge such definitions. We need a much tighter definition of what it means to have an internet connection record and of what information is held as part of that record. All three of the Committees that have looked at the legislation have called for that. However, to date, we have not heard from the Government an understanding that in the modern world the distinction between content and contact is not viable. The distinction between entity and events, and everything else, must be much tighter in the Bill. If it is not, the question of who can access that information bleeds into the question of who can access the meaning of those content combinations.
Such questions will become starker as the internet develops, and particularly with the internet of things—I see that a few digital refugees on the Government Benches, and perhaps even some Labour Members, are querying what the internet of things is. It is the growing number of physical objects that are connected online. This Christmas I was given a coffeemaker that I can set off using my mobile phone, and it is wonderful to sit in bed and order several cups of coffee. So far, we have online airbags in cars, online burglar alarms, and some Members might even set their home electricity online. All those forms of contact are created through online mediums. We will soon have pacemakers that are electronically set up. People will be able to access their bank accounts in the same way. All such contact is potentially information that could be created in an internet communication record. It could also be useful in an investigation.

Kevin Hollinrake (Thirsk and Malton) (Con): With the internet connection record, we are looking for a past history for a future crime. If someone is investigating a child abuser or a terrorist, is it not relevant to see their past records and whether they have accessed sites with relevant material? We would be able to see that from contact information.

Stella Creasy: I am not quite sure about the hon. Gentleman’s point because no one is suggesting that we would not want to access such information. My point is that, from a technical perspective, separating contact data from content data is much more difficult than the Home Secretary suggests. That means that we need more honesty about the powers we are proposing that our police and investigatory authorities should have.

For example, if someone can get information about my use of an electricity meter, they might want to look at the contact between me and that meter. If I were accessing it a lot, they might wonder what I was doing in my home that required so much heat. Drug enforcement agencies might look at such contact patterns, and inevitably that brings with it content about what someone is doing. That does not mean that we do not need methods to access that information; it means that one thing missing from this debate to date is an honesty about the technological complications that will come with this Bill, and we must address those concerns.

The Minister for Security (Mr John Hayes): Perhaps I can reassure the hon. Lady. The Home Secretary emphasised that we continue to have discussions with the providers for exactly the reasons she has described. It is essential that they can do what we oblige them to do, and we are determined to put those mechanisms in place. The right hon. Member for Sheffield, Hallam (Mr Clegg) gave the game away because he said that repeatedly, over time, security services and the police have requested the ability to carry out such work, for the simple reason that they need to do that in order to protect us all.

Stella Creasy: I am grateful to the Minister for acknowledging that the idea that one can always separate contact from content data is not viable. We need a much more honest debate about who will be able to access that information and under what circumstances. I hope that that will be discussed in Committee, because as the Bill is currently drafted, we cannot justify to our constituents the fact that their content data may be accessed—however inadvertently—because of the nature of technology. We must address that.

Let me move on to the question of honesty about encryption. A lot of technology companies and the technology industry in our economy are concerned about how the Bill may affect encryption. The Bill gives the Secretary of State the power to serve technical capability notices, and to require companies to remove their electronic protection. Again, it is not yet clear what that means, what protection exists in terms of encryption technologies, and what that might mean for other consumers of services. That is a real concern for many.

We know that encryption is a vital part of security for services. Constituents will mention Ashley Madison and TalkTalk, or they may be aware of hospitals that did not have security measures in place and had their systems hacked. We are talking about whether the Government will require those companies to bring in those backdoor opportunities for accessing information. We need much stronger scrutiny of the Bill and of what the encryption process means, not least because removing some of the encryption requirements would create a security risk. The Government are making that choice in return for the ability to do some of the things they are talking about doing, and we need to be honest with the public about that.

There is also a question relating to the security of data. In 2009, the Conservatives made great play of turning back the “surveillance state”, but it seems to me that they are seeking to privatise the databases they told us they did not want to see developed. The Bill asks companies to hold the data, but the security of that data is not clear. We know that having to hold everybody’s internet records for a whole year will be a honeypot to hackers. That will be a massive security risk unless security processes are in place—even if data are held by private companies. The fact that the Government have not clarified who will pay for that security, what a reasonable cost is and how to resolve disputes about what a reasonable cost will be, leaves open a gap that not just hackers but consumers will be deeply interested in. The Government must be much clearer about how they will make sure they protect consumers from having their information hacked as a result of requiring companies to gather data.

There are similar concerns about bulk interference and encryption data, but my central point is this: there are questions about the proportionality and the judicial extent of the Bill and working overseas, but there are also concerns about technology. We have to be able to answer questions on all three issues to be satisfied that the Bill is appropriate for the 21st century. I hope those issues will be addressed by amendments in Committee. I believe that many members of the Science and Technology Committee share concerns about whether our technology industry is comfortable with the proposed legislation.

For the Government to fail to act on any one of those questions will compromise the others. If we do not get the technology right and do not work with our overseas partners, we will not keep anybody safe. We could, in fact, create more problems. I hope Ministers will listen to those concerns and I hope they will recognise the spirit of what they said in 2009 about the importance of rolling back the surveillance state. I also hope they will be digital natives, not digital refugees. I will not support the Bill on Third Reading if they do not change it.
4.11 pm

Mr Owen Paterson (North Shropshire) (Con): It is a pleasure to follow the hon. Member for Walthamstow (Stella Creasy) and her interesting comments.

The Home Secretary and the shadow Home Secretary both, quite correctly, began by paying tribute to the prison officer from Northern Ireland who died today after a cowardly attack on 4 March. We should remember article 2 of the European convention on human rights: “Everyone’s right to life shall be protected by law.”

I respect the hideous difficulties Ministers have had in drafting the Bill, bringing together the conflicts between liberty and security. I fully understand that there are calls for improved scrutiny associated with greater powers. However, we must take great care to avoid damaging the effectiveness of operational decision making which protects our citizens. Effective operations rely on the capacity for operational agility in the face of ruthless and innovative opponents. After a decision has been made, I am firmly in favour of a more rigorous and rapid review process.

First, I would like to state that I regarded signing warrants as a key responsibility when I took over as Secretary of State for Northern Ireland. Sadly, there were elements in the republican community who would not accept the settlement we had inherited from the previous Labour Government and were determined to pursue their aims by terrorism. We rapidly reequipped various agencies at considerable public expense. I was fully aware that our security services, facing a deterioration in the security situation and a raised threat level, could operate efficiently only if decisions were made rapidly from the top. I made clear that I was always to be disturbed at any time if an urgent decision was required.

The vast majority of warrants were signed in an orderly manner, in regular slots built into my diary; those slots were a priority. I was occasionally woken up very early in the morning and asked to make an extremely urgent decision. I am deeply concerned that the proposal to have a dual lock, involving endorsement by a commissioner, will bring an element of delay and confusion to effective operational decisions. I understand that there are calls for more accountability and scrutiny of these vital but necessarily confidential decisions, but I believe very strongly that only a democratically elected Secretary of State, who is ultimately accountable to the House of Commons, should make such decisions.

Tom Tugendhat: Does my right hon. Friend agree that the definition of “urgent” needs to be one for a Minister, not a judge, and that therefore there should be no possibility of later applications for judicial review of what is urgent?

Mr Paterson: Yes, I entirely agree that the whole decision should be in the hands of the democratically elected Secretary of State, responsible here, but by all means let there be the most rigorous and rapid review afterwards by a learned judge.

Andy Burnham: I am listening to the right hon. Gentleman’s remarks, and I did similar things as a Minister, but is it not the case that a politician’s mind will always turn to the question, “What if I don’t sign this?”, and the public embarrassment that might come from not signing? Is not the further judicial check a helpful double lock so that a politician need not worry that a failure to agree might lead to public embarrassment?

Mr Paterson: No, I think the politician’s personal feelings are wholly irrelevant. They are responsible to the public and the House and have to report on those decisions, and it is they who should be exclusively responsible for these very difficult, subjective decisions.

During my time, I had real respect for the thoroughness with which warrants were prepared, but on occasion I refused them, and there was a clear decision-making procedure. I was also acutely aware that my decisions would be subject to review after the event, and I respected the review process. As shadow Secretary of State, I spent three years visiting Northern Ireland every week, and I built up a level of knowledge that was really useful when I took over as Secretary of State. Some decisions had to be made in imperfect conditions with imperfect information. That is the nature of working with intelligence to protect the public. A decision sometimes required a personal judgment about what was in the public interest, not just a legal interpretation.

Alex Chalk (Cheltenham) (Con): Does my right hon. Friend agree that the point made by the hon. and learned Member for Edinburgh South West (Joanna Cherry) was a fair one: it is very difficult for the House properly to scrutinise what was the thought process and evidence base because so much of it will be considered in the national interest and so will not be transparent to us in the Chamber?

Mr Paterson: No, I was fully aware that I had to come regularly to the House to answer questions and that I could be called before the Select Committee. There were various methods by which the House could scrutinise my decisions.

The key thing is that the public demand for more scrutiny, which I fully appreciate, should not interfere with operational agility and thereby put the public at risk. The current system works and could, with amendments, offer much greater scrutiny. I am in favour of a more rigorous and rapid review process. The proposal in the Bill is that a warrant could be issued in emergencies but would be reviewed within three days. This could be made applicable to all warrants, and I would welcome that, but other practical and operational issues do not appear to have been considered.

It is not clear in the Bill what the procedure would be should a commissioner refuse a decision by the Secretary of State. There is potential for even further delay and confusion in clause 21(5), under which the Secretary of State may go to the Investigatory Powers Commissioner. Under the current arrangement, it is quite clear who is responsible: the Secretary of State, accountable to Parliament. Under the proposed system, with possible delays and divided decision making, it is not clear who is ultimately responsible should something go horribly wrong, with devastating consequences for the public. Should a terrorist operation be tragically successful because of delay and differences of opinion under the proposed dual lock, who would be legally responsible? Who would the relatives hold to account and potentially sue? The Secretary of State will be accountable to the
House of Commons, but to whom will the judicial commissioners and the Investigatory Powers Commissioner ultimately be accountable?

The impossible position in which distinguished lawyers will be placed is highlighted in clause 196(5) and (6). Lawyers and judges are trained to interpret the law meticulously, but these subsections require very subjective political decisions. Subsection (5) provides:

“In exercising functions under this Act, a Judicial Commissioner must not act in a way—contrary to the public interest or prejudicial to—(a) national security, (b) the prevention or detection of serious crime, or (c) the economic well-being of the United Kingdom.”

Subsection (6) reads:

“A Judicial Commissioner must, in particular, ensure that the Commissioner does not—(a) jeopardise the success of an intelligence or security operation or a law enforcement operation, (b) compromise the safety or security of those involved, or (c) unduly impede the operational effectiveness of an intelligence service, a police force, a government department or Her Majesty’s forces.”

No law book can possibly guide a distinguished lawyer on these questions, which ultimately require a political judgment. In order for these criteria to be met, the Secretary of State should clearly be accountable here, in order to guarantee our security services’ operational agility and the ability to react swiftly and at short notice.

According to the principle of the separation of powers, it is clear that lawyers should not make operational executive decisions that might require some personal judgment. Montesquieu himself said:

“When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty...Again, there is no liberty, if the judiciary power be not separate from the legislative and executive”.

Lawyers should be brought in after the decision, in order to review the process by which the decision was arrived at. The Bill effectively brings judges into the Executive, giving them the difficult role of being both scrutineers and Executive decision makers. These roles require very different skills, and according to the separation of powers, they should be kept separate for good reason.

The further important deep flaw in the Bill applies particularly to Northern Ireland. It was illustrated in a high-profile case last October when members of the notorious Duffy family were accused of a number of terrorist offences arising out of a security services surveillance operation. The trial collapsed when the judge ordered disclosure of the tracking devices, and the case has been strongly made that as a result of this trial’s collapse, the public are at risk because of a judge’s insistence on total transparency procedure. In practical terms, this is unworkable in the current circumstances in Northern Ireland. The demand for transparent disclosure of the technology used, as required by this judge, would have compromised the methodology that keeps the public safe. It would also have educated terrorists on how to avoid detection in the future.

I am concerned, too, about clause 194(3)(e), which requires the Prime Minister to consult the First Minister and deputy First Minister before appointing an Investigatory Powers Commissioner or a judicial commissioner. I was the first Secretary of State for Northern Ireland to have responsibility, following the devolution of justice and policing to local politicians, and it was always clearly understood that the Secretary of State maintained responsibility for matters of national security; the Police Service of Northern Ireland and the security services reported to him on those matters.

I draw the attention of Ministers to the wise words of the Joint Committee, when it said:

“We are aware that particular sensitivities around these issues may apply in Northern Ireland. The Government will need to reflect on these sensitivities as this legislation progresses.”

That can be found in paragraph 419. Will the Government please commit to that?

Sadly, very few Members of either the House of Commons or the House of Lords have direct experience of this issue. Law-abiding British citizens are under threat from dangerous terrorists every day. I am acutely aware that deaths and injuries have been prevented not just thanks to the supreme professionalism of our security services, but thanks to the current swift decision-making process, which gives them critical operational agility. It will be tragic if this is lost because so few Members of Parliament understand the very real benefits of the current process. I am therefore opposed to the dual lock proposals in the Bill, and I hope they will be removed in Committee. The signing of warrants should remain the exclusive responsibility of the Secretary of State, accountable to Parliament, and the review process by distinguished members of the judiciary should be carried out sooner, more frequently and more thoroughly after the decision has been made.

4.22 pm

Mr David Winnick (Walsall North) (Lab): I shall come on in a few moments to some of the points raised by the right hon. Member for North Shropshire (Mr Paterson). Let me say, however, that I am deeply disappointed with the Bill, which does not even attempt a broad consensus outside this place on the balance between measures to protect the country from terrorism and those protecting the privacy at the same time of the overwhelming majority of citizens. I am not one of those who in any way minimises the continuing threats from terrorism. I well remember the atrocities of 7/7 and I know, as we all do, what happened over the weekend on the Ivory Coast, when a five-year-old lad was put to death by the terrorists. The boy was begging for his life, but it was no use. I am as aware as anyone of the murderous nature of the terrorist threats we face, and have no desire to minimise it in any way whatever.

One would have hoped that, with existing legislation due to lapse, any new measure would be of a different kind from what we have today—less severe and less comprehensive in many respects than some of the Bill’s clauses, which in my view are bound to be controversial and will remain so if the Bill becomes law.

The right hon. Member for North Shropshire was not happy about the judicial process involved, but I take the opposite view. If these measures are indeed going to be brought in, all the more reason for some judicial involvement. That would make it better than it otherwise would be. My criticism—again, it is very different from his—relates to the extent to which the judicial commissioners are likely to be able to probe the case for the warrant that the Home Secretary wants to be issued. It seems more likely to me that a judicial commissioner will merely have to be satisfied that all the necessary processes have been pursued. To what extent would a commissioner dealing with a case in which a warrant had been applied for be able to hear counter-arguments?
If I were asked what I considered to be the most objectionable aspect of the Bill, and why I could never vote for it in any circumstances, I would cite clauses 78 and 79, which require the retention of communication data—and internet connection records of all kinds—for up to 12 months. Let us be perfectly clear about that. Let us have no illusions about it. Is it really desirable to retain, for that period, information relating to those who are not suspected of any criminal activity, and who, needless to say, constitute the overwhelming majority? Does anyone really believe that that will help the fight against terrorism? It could rather be argued that, by its very nature and given its controversial aspects, it is likely to be more counterproductive than helpful. If those clauses do not undermine privacy, I can only say that the very word “privacy” loses all meaning. Notwithstanding all the denials from Ministers, I would describe this as snooping on a massive scale, although we have been reassured that the actual content will not be looked at.

Mention has been made of the powers that will be given to what are described as “relevant public authorities”—not just the security authorities—to obtain communication data. My right hon. Friend the Member for Leigh (Andy Burnham) and other Labour Members have rightly pointed out that that could be used against trade unions. The 10 purposes for which data can be required include “public safety”, “financial stability” and “the economic well-being of the United Kingdom”.

All those purposes could be used against trade unions in industrial relations cases. Labour Members should be, and are, very much on their guard, and I trust that those provisions will be examined in great detail in Committee.

The Joint Committee made some helpful recommendations relating to bulk personal dataset warrants, which, if put into effect, will improve the Bill. Following the Edward Snowden revelations, about which there was a great deal of fuss, the United States Senate took steps to restrict the collection of bulk communications except when there was a reasonable suspicion of association with international terrorism. The Bill is, essentially, doing the reverse—and the United States would have been unlikely to take measures to restrict those communications had it not been for Edward Snowden’s revelations.

Bill Binney, a former technical director of the United States National Security Agency—presumably he is not one of the usual suspects, and should know what he is talking about—has argued in articles, and in a letter published in The Times on 1 March, that bulk collection simply does not work. Scanning every single person’s communications, he says, simply overloads the scanner with data and false targets. What is really needed—and this is pretty obvious—is an emphasis on target suspects and their social networks.

We are being told today that the Bill is absolutely essential, and that if we want to combat terrorism, the way to do it is to pass this legislation. I am reminded, however, that following 7/7, we were told that it was absolutely essential to have 90 days, and later 42 days, of pre-charge detention and that unless we passed legislation to that effect, the country would be greatly threatened.

Those of us who opposed it were accused of undermining security. Today, no one on either Front Bench would dream of recommending 90 or 42 days of pre-charge detention.

So this is just a warning that we should be very careful about giving away powers that it would be very difficult to take back. I said at the beginning of my speech that I was not persuaded that this legislation was justified. I think it is wrong and disproportionate, and I hope that if it is to become law, it will be substantially amended.

Mr David Davis (Haltemprice and Howden) (Con): When I was listening to my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) talking earlier about steaming open letters, I was reminded of the fact that, in 1929, the then American Secretary of State, Henry Stimson, shut down the State Department’s code breaking department with the words:

“Gentlemen do not read other gentlemen’s mail.”

That was quaint even then, and the action was quickly reversed. Today, everybody recognises the vital importance of targeted surveillance of dangerous criminals of all sorts.

I think everyone in this House wants to see our intelligence agencies and police forces equipped with effective measures that will help them to do their job. I do not think that there is any difference between us on that issue. However, the presentation of this Bill has required the Home Office publicly to avow a vast range of surveillance powers that to date have existed in secret. These powers seem to be rather greater than those used by our allies—certainly greater than those used by America or Germany. Some of them would have been struck down as unconstitutional in both those countries.

What seems to have happened is that these powers have been developed over the past 20 years using a vast thicket of existing legislation, largely without the knowledge of Parliament. Many of the agencies’ current capabilities were never considered when the legislation that underpins them was created. I can say with absolute certainty that that is true of the Intelligence Services Act 1994, which as a Minister I took through Parliament. It was never envisaged, for example, that that legislation would provide for the acquisition of bulk personal datasets.

I could give the House many further examples, but time is short so I shall give a single example of how, with the best of intentions, the creep of surveillance has happened. It relates to the erosion of legal privilege. Until the late 1990s, when an intercept or bug was recording a criminal suspect, the bug was turned off the moment the suspect started talking to his lawyer. That is what used to happen; the position was absolutely clear. Then in 2000, the Regulation of Investigatory Powers Act was introduced. RIPA was silent on legal privilege. It was simply not mentioned in the Act at all. However, the Government of the day chose to interpret that silence as acquiescence that RIPA did allow for the surveillance of privileged communications. So we went from a situation in which recording equipment was switched off in those circumstances to one in which privileged conversations were recorded and kept in a separate, red-flagged database. That was how it worked.
This matter eventually came out in 2009, when two Law Lords, Lord Phillips and Lord Neuberger, expressed their incredulity that the Government had in effect been “sanctioning illegal surveillance”. At least in those initial stages, however, the illegally collected information was red-flagged and kept from being allowed to pervert the judicial process. Then, either during or before 2014, the rules were changed to allow the Government lawyers to see the intercepts. This is extremely dangerous to the operation of justice. It could destroy equality of arms, which in turn could undermine perfectly proper cases against terrorists, leading to their being freed on the basis of an improper prosecution.

That single example of the actions of the agencies and the Home Office is important in its own right, but I cite it here as a demonstration of what has been happening over the past 20 years. Owing to the difficulty of the counter-terrorism task and the opportunities afforded by technology, the agencies in particular, but also the police and other organisations, have quite understandably sought to extend their powers, using, in this case, the silence of RIPA to erode legal privilege. We have seen that again and again. We saw it in the Intelligence Services Act 1994, which I mentioned, and in the Telecommunications Act of, ironically, 1984, which followed the decision to privatise British Telecom. That is why this Bill must be drafted incredibly precisely and carefully.

As it stands, the language in the Bill is designed to confuse. My right hon. and learned Friend the Member for Rushcliffe, a previous Home Secretary, and I were talking about this and both of us had trouble understanding its 250 pages. That must be put right and that is why I am concerned about the Report stage. There are many other significant flaws in the Bill that must be put right, such as the lack of sufficient privacy protections, the collection of ill-defined bulk personal datasets, wide and too-easy access to retained communications data, the prime ministerial appointment of judicial commissioners—it goes on and on. I have about a dozen items here, but I do not intend to go through them all.

In my final couple of minutes, I want to touch on the bulk capabilities. The House should be under no misapprehension as to how broad and potent the powers are, even though the Chairman of ISC, my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve), is quite right to say that the agencies do try to be as economical as they can in using them. The powers allow for the interception of vast quantities of foreign and domestic communications and the acquisition of the entire nation’s phone and internet records, and permit industrial-scale exploitation of phones and computers. The fundamental question is whether those powers are effective.

In the US, the bulk collection of citizens’ data has been heavily curbed as it was considered to be “not essential to preventing terrorist attacks”. Most damningly, the American President’s privacy and civil liberties oversight board said that it was “aware of no instance in which the” NSA’s bulk records programme “directly contributed to the discovery of a previously unknown terrorist plot or the disruption of a terrorist attack.”

There are genuine concerns that the collect-it-all approach actually makes things worse, which goes back to the point about Bill Binney referred to by the hon. Member for Walsall North (Mr Winnick). I say this to the House and to the ISC: the Senate intelligence committee, the ISC’s more powerful equivalent in the US, was initially assured that bulk collection had prevented over 50 terrorist attacks. The staff of the Senate judiciary committee then went through the claims one by one and found only one case, and it was not a terrorist attack but an $8,000 money laundering case. That is how useful the powers were and that is why they have been curbed.

This Bill, or something like it, is absolutely necessary. It replaces 66-plus other statutory mechanisms, so, in the interests of transparency, we need something to put in their place, but it grants sweeping powers with insufficient safeguards and not enough consideration of privacy. I ask all parts of the House to press for more time on Report to allow for reasonable amendments to the legislation that will put in place a world-standard law.

I will finish on this point. Other countries, in particular the most unpleasant ones, are always happy to use Britain as an example for something that they should not be doing. That is why I opposed 90-day detention and many other illiberal things that too many Governments have done.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. One more speaker will have eight minutes. Then, in order to accommodate all those standing, we will need to drop to a four-minute limit.

4.39 pm

Mr David Hanson (Delyn) (Lab): I wanted to contribute to today’s debate, because, like several other hon. Members in the Chamber, I served for four months on the Joint Committee on the draft Investigatory Powers Bill, which considered the Bill in some detail. They may be four months of my life that I will never get back, but scrutinising the Bill was certainly a worthwhile experience.

The Joint Committee was appointed by the House in October and met from 25 November under the chairmanship of my noble Friend Lord Murphy of Torfaen. I pay tribute to him and to the Clerks of the Committee for the way in which they stewarded its deliberations. We had 54 witnesses and nine evidence sessions. We met in public and in private to scrutinise the Bill, in recess and out of recess, when the Commons was sitting. We received 148 submissions and more than 1,500 pages of evidence. We visited GCHQ and the Metropolitan police, and we gave detailed, fair, cross-party consideration to a difficult subject to bring forward proposals on. Our conclusions were relatively unanimous.

The first conclusion was that we need to modernise the current legislation, including that which expires on 31 December. There is therefore a clear need for this Bill, in order to modernise RIPA, the terrorism Acts, the Police and Criminal Evidence Act 1984 and other legislation to hand. We have to look at, and we ensured that we did look at, not only the issue of privacy, but the issue of security, both of which were central to our concerns. Although we welcomed consideration of the report, we did make 86 recommendations. If people want to read about this, as I am sure they will, they will see that our report contains 157 comments and recommendations in the summary and conclusions to improve the Bill and make it stronger, and to address some of the concerns that people raised.
I wish to draw the House’s attention, first and foremost, to our first recommendation, which states:

“Resolving the tension between privacy and effective law enforcement in this area is no easy task. The Home Office has now come forward with a draft Bill which seeks to consolidate in a clear and transparent way the law enabling all intrusive capabilities. The Committee, together with the many witnesses who gave evidence to us, was unanimous on the desirability of having a new Bill.”

The Labour party members, the Conservative members, the SNP member, the Liberal member, Lord Strasburger, the bishops and the independent members were unanimous on the need for a new Bill.

The question is: why do we need this Bill? I believe we need it for several reasons. First and foremost, we need it to tackle terrorism, strong and serious organised crime, paedophilia and organised crime across the board. If we look at the annexes to the reports presented to us as part of our evidence from, among others, David Anderson, we will see cases where terrorism has been stopped by activities dealt with under this Bill. For example, in 2010, an airline worker in the UK who had access to airline capability was stopped as a result of access to bulk data. We have information on GCHQ intelligence uncovering networks of extremists who had travelled to Pakistan and then been stopped as a result of the acquisition of bulk data. We have GCHQ evidence on bulk data that have tracked down men who have been abusing hundreds of children across the world and are now in UK prisons because of the powers dealt with in this legislation. We have information on criminal investigations into UK-based crime groups that were supplying class A drugs from south America, where intercept evidence provided intelligence on their modus operandi and they have subsequently been put in prison, resulting in fewer drugs on our streets. We have evidence, and we took such evidence in the Committee, about criminal investigations into London-based gangs, money laundering and dark web activities.

I took some of the previous legislation in this area through as the then Minister for Policing, Crime and Counter-Terrorism under the Labour Government, but things have changed since then. Six years ago, I did not use Twitter, I never had Facebook, and I did not have WhatsApp or the Fitbit that I have on my chest today—now I can talk to my family using them. We have not got the information material now to be able to keep up with the technology, which has advanced. If we look at the type of activity being covered by these Bills, we will see that terrorism is pretty low on the list, at only 1%. Other offences are crucial, such as those relating to vulnerable or missing persons, as well as drug offences, homicide and financial offences, and they cover a large bulk of the amount of work done to date. As I have said, the Joint Committee made 86 recommendations and the Government accepted 46 of them. I hope that we can look in Committee at 20 other recommendations that the Joint Committee made. To do that, this House needs to pass this Bill. I support the decision by my Front-Bench colleagues and the SNP to abstain, but, given that there are Conservative, Labour, SNP and, indeed, Liberal Members who support it and the Joint Committee’s report, I hope there will not be a vote today and that we will let the Bill go through and then deal with the key issues that my right hon. Friend the Member for Leigh (Andy Burnham) has mentioned, which are important to the Labour party. I hope we will also look at the 20 or so Joint Committee recommendations that have not yet been adopted by the Government.

The key issues include those mentioned by the right hon. Member for Haltemprice and Howden (Mr Davis) with regard to the definition of internet records. They also include targeting warrants for equipment; recommending and removing emergency procedures; recommending further safeguards for the sharing of information with overseas agencies; and more support and recommendations for strengthening the protection the Bill affords to journalistic material.

Andy Burnham: I am listening very carefully to my right hon. Gentleman and I agree entirely with everything he has said. Before he finishes, will he say a little more about the Committee’s recommendation on the definition of national security? The Committee raised that as a concern and the term has been used to cover a multitude of activities. Does he agree that it would be better for the Government to provide a clear definition of national security in the Bill and to drop the justification of economic wellbeing for the more intrusive warrants?

Mr Hanson: I cannot speak for the Committee as a whole, but my right hon. Friend makes a very important point. We asked, “What is national security?”, and the answer we got was, “What the Government deem it to be.” Perhaps it is time to make a definition.

My right hon. Friend said that the Labour party would set important challenges. If he looks at the 20 cross-party recommendations that have not been accepted—I am sure that he and the Government will do so—he will see that we have the ability, here and now, to make real and effective changes that would improve the Bill further. The key one is that relating to the definition of internet records and, as I asked the Home Secretary earlier, their deliverability. I genuinely do not have a great problem with the principle of defining an internet record or with the question of how we store it and eventually track individuals who have committed crimes or who could commit crimes in the future. The key point, however, is that we do not yet have a definition, nor do we have clarity on how the Government will fund and manage the storage of internet records.

I hope that the Bill Committee members will look at the written evidence received from Vodafone, TalkTalk and EE. They are very clear that they can use the budget set by the Government over 10 years to develop and manage the storage of internet records. We need a better, more effective way to deal with the issue.

I hope that there will not be a vote. If there is one, I will abstain—it is not my job to support the Government’s Bills through the Commons—but I really hope that the Bill will make it to the statute book in due course, after meeting the strong challenges set by my right hon. Friend and the cross-party Joint Committee. If that happens, the Bill will be used appropriately to stop paedophilia, organised crime and drug trafficking, to prevent terrorism, and to protect our citizens, which is the first duty of this House. That is what we should aim to do this evening.

Several hon. Members rose—
Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I call Victoria Prentis, who has four minutes.

4.48 pm

Victoria Prentis (Banbury) (Con): Frankly, I struggled with the intricacies of RIPA and the other relevant legislation in my many years as a Government lawyer. I was, therefore, pleased and, indeed, excited to hear that previously almost impenetrable legislation was going to be consolidated into a new, easy to understand Bill, fit for the modern age.

When I read the draft Bill, I had concerns. I felt that greater judicial oversight was needed and that specialist groups, such as lawyers, journalists and, indeed, Members of this House, needed further protection. I read the Committee reports with interest and I was very much heartened to read the new Bill, which was produced following a large amount of scrutiny.

I feel that the double lock is a safe one. Assessing applications does and will undoubtedly take up a great deal of the Home Secretary's time, but it is time well spent. It means that she is up to date with the details of real investigations in a way that few of her counterparts abroad can ever hope to be. It keeps her finger on the pulse. These are both political and judicial decisions; the fact that bulk warrants will come into force only once they have been authorised by the Secretary of State and approved by the Judicial Commissioner seems to be the very best of both worlds. Effectively, we are talking about judicial review with bells and whistles on, as Lord Judge informed the Committee, in every single case.

I was also pleased to read about the new protections afforded to those who provide information to sensitive persons—I hesitate to call lawyers and politicians sensitive, but perhaps those who provide us with information may be so described. The exemption is specially related to journalist sources.

I have been surprised by the openness of the Department in publishing the supporting material for this Bill. It is brave—I use that word as a long-term civil servant—of the Government to have published codes of practice complete with examples, and indeed the operational case for assessing internet connection records. It means that we can have a really informed debate today. I have presented cases where the security services, the police and the Ministry of Defence have analysed very large quantities of data. Although not very technically able myself, I did have to learn a certain amount about the search engines, which were designed to interrogate this material. I was reassured and, in turn, was able to assure judges and Queen's Bench Masters that the material on which important decisions were made was as complete as possible. The ability to collect bulk data is essential. The new Bill will help to ensure that there is no credibility gap in the balance between keeping us safe and protecting our rights to privacy. As important as pinpointing what information Government can obtain is deciding what can be done with it once it is gathered. This is where the important ethical debate should focus.

Last week the Justice Committee was fortunate to interview the President of the Citizens Crime Commission of New York City. He told us about new techniques to reduce crime by interrogating openly available material. Discussions now need to focus on whether we should interrogate social media to decide on a person's propensity to commit crime or have drug addiction problems in the future.

I hope that the new IP commissioner will be a strong voice in the debates that lie ahead, and that he will be able to add a sensible and independent viewpoint to both the media and this House. Getting the balance right will always be a challenge, but I welcome the transparent approach of the Home Secretary and her team in presenting us with the Bill in its current form.

4.52 pm

Diana Johnson (Kingston upon Hull North) (Lab): If we are to take the public with us on this important Bill, we need to be clear about what we want to achieve, and we need to be very precise in our language. We need a law enforcement framework that is fit for the 21st century, that matches technological advancement and that deals with the way that criminals have very effectively exploited technology. When we are tackling cases of terrorism or child abuse, we need to leave the public in no doubt as to whose side we are on. I want a law that is fit for purpose, is not outdated and is future-proofed as far as it can be.

I specifically want to talk about child abuse and the role that this legislation can play in trying to tackle online child abuse, which we have seen so much of in recent years. I also want to register my concerns about privacy. I know that the Committees that considered the draft legislation raised a number of issues, including privacy, the need to be very clear about privacy in the drafting, and the fact that some of the drafting is not as clear as it could be.

On child abuse, we know that, unfortunately, paedophiles have very quickly exploited the internet for disseminating and distributing child abuse images. We know that there are about 50,000 people in the UK who are accessing these abusive images each year. I am disappointed to say that, when the Child Exploitation and Online Protection Centre disappeared and was subsumed into the National Crime Agency, the number of paedophiles being identified and prosecuted in the UK started to fall, when we know that there is a rise in the number of people looking at these child abuse images. In fact, in Operation Notarise, it was found that between 20,000 and 30,000 suspects were looking at these images, but only 745 people were arrested. That is simply not good enough.

I was very disappointed to read a quote from the Minister for Policing, Fire, Criminal Justice and Victims, the right hon. Member for Hemel Hempstead (Mike Penning), who said, agreeing with what the head of the National Crime Agency had said:

“it is unrealistic to say that we will be able to go after, prosecute and convict in every single case” – of child abuse. He said that the head of the NCA’s “honesty was refreshing.”

Well, I do not think arresting less than 5% of suspected abusers is something that we should be proud of. As my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) said, if we can arrest 111,000 people suspected of drug offences a year, we should be able to arrest 25,000 people suspected of looking at child abuse images.

It is clear to me that part of the problem around why we are not making those arrests is the limitations in the legislation that we are working with. I want to see
people such as Myles Bradbury, the doctor who was abusing his young patients, and Gareth Williams, the teacher who was abusing his pupils, brought to book far more quickly. We need an updated framework, we need to be able to identify offenders, and we need to update the warrant procedure and the investigation procedures. If we are to do that, the public need to be reassured that there is clear drafting. At the moment, it is easy to see what traditional surveillance looks like—tapping a telephone or following someone in the street—but it is much harder for the public to understand how we map surveillance onto to online communications. We need clarity about the status of Twitter, Facebook and Instagram.

If we do all that, it should be possible to produce a workable system with all the necessary safeguards of privacy and fundamental liberties—a system that protects the innocent as much as it protects the vulnerable, and which only those from whom society needs protection need fear.

4.56 pm

Victoria Atkins (Louth and Horncastle) (Con): Like the right hon. Member for Delyn (Mr Hanson) and others in the Chamber, I had the privilege of serving on the Joint Committee. Against that background, I have no doubt that the Bill will help the security services and the police to keep our nation safe while preserving our civil liberties. That alone is reason enough for the Bill.

But the Bill serves another purpose—one that is just as important to our constituents as national security—and that is to help the police and law enforcement officers to catch the most dangerous and serious criminals. These powers will be used to stop the very worst of humanity—those who commit unspeakable acts against children, those who run their criminal networks in our streets with violence and fear, guns and knives, and those who seek to undermine our civil society by stealing from the state and from our families. This is the reality of the crimes our police officers have to investigate. The Bill will help to prevent crime, and to protect the victims of crime from people who mean us harm.

If I may, I will try to bring these powers to life in the Chamber. In my previous career I used to prosecute criminals, and I am very familiar with the law enforcement powers in the Bill because all of them, with the exception of ICRs, already exist and have been used for many years.

One example was a case involving an organised crime gang who, with the mafia, used to run the counterfeit cigarette market in the north of England. Over six months, that conspiracy involved the import of millions of dodgy cigarettes and the evasion of over £10 million in duty. The case relied on digital evidence to prove the involvement of 11 defendants. We used mobile phone records and cell site data to build a map of the six months, showing, for example, when defendants drove from the port to HQ to distribute the cigarettes to couriers and further afield. The map was so detailed that we could point to a single call and suggest to the jury that that was the call to the gang to say, “The load is here. Come and get it.” That is an example of communications data. It is used in 95% of organised crime cases and 100% of counter-terrorism cases.

There was another piece of compelling evidence that caused real difficulties for the leader of the gang, and that was a microphone in his car. When the tape was played to the jury, the conversations revealed plans, not to import cigarettes but to import drugs. Criminals diversify, just as legitimate businesses do. That is equipment interference. It is vital in the modern age and has been for some time, but this case was five years ago. I used it deliberately, because we now use our phones in a very different way and so do criminals. If that case were investigated now, a major part of the prosecution case—the communications between defendants—might well be a black hole because of the changes in the way that criminals communicate. How many paedophiles, gangsters, drug lords, gun runners and terrorists are to escape justice while some critics of this Bill—not here, I accept—try to divert our attention with misleading claims of a snoopers charter?

Finally, I end as I began, with the Joint Committee. This was a Committee of all parties and none—Conservative, Labour, Liberal Democrat, the SNP and Cross Benchers. It was unanimous in its support in principle for the Bill. I therefore have no hesitation in advising the Chamber that the Bill is necessary, proportionate and just.

5 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): I want to make it clear that I believe that our police and security services must have the necessary powers to protect us from terrorists and to disrupt, prevent and apprehend organised criminals, and that it is necessary to equip them with the proper legal powers to intercept communications and acquire information about the activities of those who would do us harm.

I am aware that in the west midlands there is a threat to our way of life. I was shocked to see figures from the National Police Chiefs Council which claimed that more than 400 children had been referred to a de-radicalisation programme over the past four years, and I am conscious of reports that the ringleader of the horrific Paris attacks, Abdelhamid Abaaoud, visited Birmingham just months before spearheading the carnage in Paris, so I do not underestimate the risks. Under normal conditions I would come to the House to defend the Government and support their aims, but if it were not for the seriousness of these matters, I query whether this deficient Bill deserves a Second Reading today.

I do not accept that in a liberal democratic society we can let any Government have carte blanche to instigate surveillance powers across whole communities of innocent people. Where we permit the extensive use of surveillance, it must be subject to the strictest scrutiny and controls; otherwise, what is our purpose? The Bill before us does not have anything like enough safeguards and it is drawn far too wide. Unless it is substantially modified, I would be doing a disservice to the people who elected me if I did not challenge it.

I agree with the Intelligence and Security Committee report that “privacy protections should form the backbone of the draft legislation.”

It is an insult to the British people that the Government think that inserting the word “privacy” into the title of part 1 addresses such a fundamental concern. The Bill
gives the Home Secretary powers to issue national security or technical capability notices requiring the recipients to take such steps as the Home Secretary considers necessary. This is, in effect, Parliament writing a blank cheque. Measures such as national security notices should be limited to emergencies. They should not be capable of being used on fishing expeditions.

On internet connection records, I agree with David Anderson that a “compelling operational case” should be made. As a result of the proposals in the Bill, the UK will be the envy of states such as North Korea, China and Iran. The Government are planning to have a full record of an individual’s contact history, whether that individual is under suspicion or not. The idea that agencies will be allowed to combine information from a variety of sources—everything from our Nectar card to our library card and medical records—is intolerable.

We need substantial changes to this Bill so that the genuine powers that the police and security services need to protect us are available in legal form, and our civil liberties are recognised in law and cannot be misused.

5.4 pm

Michael Tomlinson (Mid Dorset and North Poole) (Con): It is a pleasure to follow the hon. Member for Birmingham, Selly Oak (Steve McCabe), although I disagree with his analysis and with what he says about the Bill being a blank cheque and about the provisions being ones that North Korea or China would welcome.

I also disagree with the many comments characterising the Bill as a snoopers charter, and I agree with my hon. Friend the Member for Louth and Horncastle (Victoria Atkins) and the shadow Home Secretary, the right hon. Member for Leigh (Andy Burnham), that it is an insult to those who work so hard to provide for our safety to characterise it in that way.

Some have accused the Government of bringing the Bill before the House too quickly; indeed, the hon. and learned Member for Edinburgh South West (Joanna Cherry) said it was a “rushed job”. Again, I disagree. There has been extensive pre-legislative scrutiny of the Bill, and there will be further opportunity to scrutinise it during its later stages.

I will focus on one aspect: the authorisation under parts 2, 5, 6 and 7. On that, I agree with much of what my right hon. Friend the Member for North Shropshire (Mr Paterson) said. Essentially, the choice is whether authorisation should come from the Secretary of State, the judiciary or a combination of the two. One initial recommendation was that the Secretary of State’s authorisation should be replaced by judicial authorisation. That suggestion would replace a practice several centuries in the making, and I disagree with it.

It was said that judicial authorisation would improve public confidence in the system. I have great respect for the judiciary—as a lawyer, I have to say that, but it also happens to be true. However, I regret that it is thought that handing over these powers from the Executive to the judiciary would improve public confidence, and I regret that this place and politicians are held in such low esteem. My firm view is that we should not pass the buck just because these decisions are difficult and may be unpopular, for that would risk making politicians yet more unpopular.

It has been said that Ministers are not accountable, but I disagree: they are accountable to Parliament, Select Committees and the electorate. That contrasts with judges, who, however well respected—and, of course, they are—are not elected and not accountable. This decision is an Executive decision, and as such it should certainly involve the Secretary of State. If the proposal had been that the judiciary alone would make these decisions, I would be rising to speak against the Bill. As it is, the double lock—authorisation from the Secretary of State, but with a check from the judiciary—means that I can support the proposals.

Kevin Foster (Torbay) (Con): Does my hon. Friend agree that, given the nature of these powers, no Secretary of State—certainly, no Home Secretary—would come to the House and say, “I didn’t know,” if there had been a controversy about their usage and about a warrant?

Michael Tomlinson: As always, my hon. Friend makes an insightful point, and I am grateful for his intervention. As drafted, however, the double lock is a sensible compromise, which perhaps strikes the right balance. In the broader context of the Bill, and as set out, the test in the Bill is just, necessary and proportionate, and I will be supporting it this evening.

5.9 pm

Gavin Robinson (Belfast East) (DUP): It is an honour to follow the hon. Member for Mid Dorset and North Poole (Michael Tomlinson). While we as a party share some of the misgivings that have been raised in this debate, we would be supportive of this Bill receiving its Second Reading.

As the elected representative for Belfast East, I cannot, in all good conscience, stand here and have an abstract discussion about the threat of terrorism. Terrorism hit home in my constituency a week ago last Friday, and sadly the tragic consequences materialised today. When Adrian Ismay left his home a week ago last Friday, he did so as a diligent and dedicated public servant. He was on his way to his place of work as a prison officer. He had served the Northern Ireland Prison Service for 28 years. He worked in Hydebank young offenders centre. He emulated all that is good about our society in Northern Ireland, and his service was dedicated to bringing our society together, but that is a long way from the motives of those who planted a booby-trap bomb under his car. The esteem in which he was held in Hydebank is best described by the inmates he had direct contact with, who issued a condemnation of and expressed their abject horror at the atrocity that was brought to his home and to his car last Friday.

The right hon. Member for North Shropshire (Mr Paterson) raised a number of serious concerns that we share about the implications when we tackle terrorism head-on in Northern Ireland. I share those concerns, and as a representative of my party on home affairs and justice, I wrote to the Joint Committee on a confidential basis to raise some of them.

An individual was mentioned earlier—Colin Duffy. Colin Duffy is a monster. Colin Duffy has terrorised society in Northern Ireland for over three decades. He
was convicted of murdering a UDR soldier in Northern Ireland—a conviction that was subsequently quashed. He was arrested and charged with the offence that took place when two serving members of the armed forces—two sappers—in Massereene barracks had pizza the night before they went off on a tour of duty. He was arrested for the murder of two serving police officers in Northern Ireland, but was subsequently released. When he was arrested less than a year ago for directing terrorism under the banner of the New IRA—an organisation with no ideology but blood thirst and the wish to destroy society in Northern Ireland—he was released because the judge was prepared to order the security services to reveal the nature of the way in which he was brought before the courts. He still walks our streets today, but Mr Ismay does not.

I support this Government today, as I will always support this Government when they stand against terrorism. If we can do anything, it is to have a rational, sensible discussion. That is not to suggest that these threats are abstract or that people are not dying on our streets in the United Kingdom today—hopefully not—but that the threat remains for the months and the years to come. We must be resolute in this House in recognising the dangers not only in London and Great Britain but in Northern Ireland. If we can do anything to honour the memory of Adrian Ismay, it is to make sure that this Government, and our security services, are equipped with all the powers they need to bring people like Colin Duffy and his cohorts to justice.

5.13 pm

Kelly Tolhurst (Rochester and Strood) (Con): There is nothing more important than the safety of our country and the people who reside in it. I believe that the Bill before us today is an important step forward with regard to securing a clear framework to further enable our security and intelligence agencies to do just that. I welcome the introduction of the Bill and its allowing us to have this debate. I am pleased that the draft Bill was scrutinised by Committees of this House, with the Government making safeguards clearer and stronger.

It remains important that the agencies tasked with protecting us are able to do so in the developing digital world. I understand why some would express concerns over data collection and how those data would be used, and it is right that those questions are asked and explored. However, in today’s digital world, now more than ever, our children are vulnerable to criminals, who target and exploit them by digital means. It has been reported that, in 2012, 50,000 members of the British public accessed indecent images of children over the internet. Only last year in my constituency, we saw a head teacher sent to jail for accessing images of that kind.

Protecting our children and bringing the people who abuse them to justice is of paramount importance to me. I have seen at first hand the lifelong damage caused to children who have been abused and exploited. If the Bill enables our police forces to detect and stop abusers, that is enough for me. Last week, I was part of a panel that heard evidence in relation to the Barnardo’s inquiry into harmful sexual behaviour. We heard evidence from the National Police Chiefs Council lead for child protection and child abuse investigations, who informed us that there were 70,000 allegations of abuse in 2015, an 80% increase on 2012. More worryingly, on the current trajectory, allegations would rise to 200,000 by 2020.

Ultimately, the chief constable said that the Investigatory Powers Bill would give the police essential powers to combat internet grooming and the dissemination of indecent images of children. That is made more important by the fact that only a very small number of cases—one in eight—are reported by victims. It is therefore crucial that more is done to arm authorities to identify more abuse and bring more offenders to justice. For example, of more than 600 criminals covered by an interception warrant, over 300 were accessing online communications services. The powers in the Bill would mean 300 trackable communications, leading to 300 paedophiles being prosecuted.

It is clear to me that the direction and focus provided by the Bill can only bring positive results when it comes to preventing online child abuse. Last week, the Barnardo’s inquiry also informed me that many child abuse offenders are not using the most sophisticated methods to search and share illicit material, or to conduct internet grooming. A large percentage of such offenders use social media and messenger services, and many use chatrooms. The Bill will require service providers to record those communications when a notice is served. That will make the job of prosecuting abusers that much easier, because it will not involve going through the current request process.

Because of the rise in mobile and internet technologies that were unavailable 15 years ago, it is a sad fact that one of the biggest challenges before us today is that the abuse of children is increasing. We need to allow our police forces to utilise the powers outlined in the Bill if we are to keep our children safe from sexual abuse. That is why I encourage the House to join me in supporting the Bill today.

5.17 pm

Anne McLaughlin (Glasgow North East) (SNP): As Members have heard, on the three main aims of the Bill, the SNP agrees with the Government. Laudable as those aims are, however, they are certainly not always in concert with the effects of the Bill. In the words of the Internet Services Providers Association, ISPA—not to be confused with the Independent Parliamentary Standards Authority, IPSA—“there is a disconnect between what can be found on the face of the Bill and what the Government says the Bill will be used for. Given that the Bill is highly intrusive, the Government must put all of its intentions for how it plans to use the powers on to the face of the Bill. Reliance on speeches and…documents, such as codes of practice, to make clear what the Bill explicitly intends is unsatisfactory.”

The SNP and I have a number of other concerns, as my hon. and learned Friend the Member for Edinburgh South West (Joanna Cherry) so eloquently laid out. As the SNP’s civil liberties spokesperson, I have received a large volume of emails on the matter. I want to focus on the concerns most frequently raised with me by civil liberties campaigners and my constituents. Time is very tight, so I have to chop my speech to pieces. I will try to be specific and to speak even more quickly than I am doing now.

One concern is that the Bill legalises practices that have been introduced without any parliamentary scrutiny, and it uses the fact that they are already happening as
some kind of justification for their efficacy, legality or morality. We should be wary of legitimising steps taken by state agencies without our knowledge or consent, before we have had a full debate on whether we consent to those powers. I refer, of course, to the bulk powers in the Bill. It is not good enough to say, “We have not had any major disasters so far.” That is the cowboy builder’s approach to our liberties. It is equivalent to saying, “Keep your fingers crossed and hope that the roof does not cave in,” and it is not good enough.

Like many civil liberties campaigners, I appreciate the fact that targeted interception with appropriate oversight plays a vital role in keeping our constituents safe. Nobody has a monopoly on that—we all want to be safe, and we all want to feel safe—but the key issue is targeting. The majority of the case studies that were provided, and experience of terrorist attacks elsewhere, show that, by and large, individuals involved in such attacks attract attention from the authorities in advance of the attacks.

Simon Hoare: Will the hon. Lady give way?

Anne McLaughlin: I am speaking as fast as I can; I cannot possibly give way. I am very sorry.

Such leads must be followed up in a targeted manner, and we must protect our much valued civil liberties and the freedoms for which, so we are told, Britain is famed.

I find it disturbing and somewhat frightening that the Home Secretary has refused to accept the recommendation, by one of the three parliamentary Committees that have detailed their concerns, to exclude from the Bill the use of surveillance powers for the economic wellbeing of the UK. From the passion and determination with which British politicians of all hues fought to keep Scotland in the UK, and if we accept, as I do, that they did so not just for Scotland’s own good, it is clear that they believed that our independence would have an adverse impact on the UK economy. Notwithstanding the fact that I do not necessarily agree with that premise, I am interested to know whether all independence campaigners are vulnerable under this legislation.

Mike Wood (Dudley South) (Con): Will the hon. Lady give way?

Anne McLaughlin: No.

As Members may have heard, the First Minister of Scotland has recently announced a new initiative, starting this summer, to argue for independence, so it is best that we know.

Campaigners have rightly been somewhat alarmed to read clause 1(3), in which the Government tell us that some of the protections enjoyed by citizens of the UK—indeed, the only protections explicitly named in the Bill—exist

“by virtue of the Human Rights Act 1998”.

The Government are not only pushing the Bill through hastily and to a tight timetable, but asking us to accept protections in a piece of legislation that they are doing their utmost to scrap. We want a Bill that we can fully support. For us, we do not yet have such a Bill.

5.21 pm

Steve Brine (Winchester) (Con): My thoughts on this legislation can best be summed up in three ways: first, it is about time; secondly, it is very much a Bill of our time; and thirdly, I of course wish it was not needed at all. The measures contained in the Bill should have been on the statute book in the previous Parliament, of which I was a Member, but history records why they were not.

I say it is a Bill of our time. Sadly, the bad guys have always wanted to do us harm. In the internet age, it of course gets harder to deal with them—it requires us as a society to ask ourselves even tougher questions about the compromises required—but that does not mean we can bury our heads in the sand. Whether or not this Parliament acts, the world will continue to be a dangerous place and our many enemies will continue to use the very latest technology to try to get at us. We cannot stop the world because we want to get off.

It seems to me that the opponents of the Bill break in one of two ways, or perhaps both—that we have rushed to get to this point, and that insufficient safeguards are in place for the powers granted. As a youngish researcher, I worked on the Regulation of Investigatory Powers Bill 16 years ago. I remember the claims that it was rushed, was not needed and, above all, would usher in some Orwellian nightmare. I did not believe that then, and I do not believe it now. The intention to bring forward this legislation was set out clearly in our successful manifesto last year.

Simon Hoare: My hon. Friend makes the very important point that this legislation was in our manifesto. Given the slightly academic approach to law enforcement taken by our friends in the other place, does he share my hope that, because the Bill is a manifesto commitment, they will not seek to hold it up, given its urgency?

Steve Brine: I think the other place will enjoy being described as taking an academic approach. Yes, this very clear security measure was in our manifesto, and I think that message will clearly go along the corridor.

As the Home Secretary said, the Bill follows no fewer than three reports, published last year, which concluded that the law in this area was not fit for purpose and needed reform. We have heard much about the Anderson report today. We have had the ISC report and we have heard from its Chairman, my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve). We have also had the RUSI independent surveillance review. Further to all that, the draft Bill was subject to pre-legislative scrutiny by three parliamentary Committees, which made some 86 recommendations about how it might be improved.

As we have heard, the Government have accepted many of the recommendations. There has also been a general election. I know that the Minister for Security and his team have done a huge body of work in bringing the proposals—Bill-ready, as they now are—before the House today, so I think it is some stretch to say that the measures have been rushed before us. Furthermore, I think our constituents should be reassured that, after all of that, we have a better Bill. It has been stress-tested by all the work I have mentioned, and we have the lengthy process of parliamentary scrutiny ahead of us.
The Government say that the only new capability provided for in the Bill is the ability to require retention of internet connection records. That is certainly the area that has most caught the media’s attention. Oversight for the operation of the surveillance powers in the Bill is also reformed compared with the legislation—RIPA—that it supersedes. The new double lock means that, for the first time, the commissioners will bring an element of judicial oversight to the process of issuing warrants. I am happy with that, but I want to hear more from the Government about the practicalities of those oversight arrangements, and to be sure that the judicial commissioner will not merely look at the decision-making process that a Minister has gone through, thereby undermining the significance of the authorisation procedure.

I have no issue with Britain’s spy agencies and those parts of the police that investigate serious crime having these powers. I think that they have earned the right to be trusted, and I take the Home Secretary at her word when she says that they have foiled serious terrorist plots in the UK since November 2014. I do, however, have concerns that these powers will end up also being used for trivial purposes by those in our town halls and local constabularies who may think that they are in an episode of “Spooks”. I know that that is not the intention of the Bill, which seeks to keep us safe and equip the spooks to do their job in the 21st century—as I am sure the Minister will reiterate when he winds up the debate—but I do not want this Bill to become its own public relations disaster due to a mission creep that was never intended in its drafting.

Time is short, so in conclusion, there will always be strong emotions about a Bill such as this. Some will believe that we are presiding over an increasingly all-seeing state that reaches into our lives too much, and others will think that these measures do not go far enough. Many of our constituents will take the view that, if someone has nothing to hide, they have nothing to fear, and I have some sympathy with that. The truth is probably somewhere in between. As I said at the start of my remarks, I wish that a Bill such as this were not necessary, but it is, and a wealth of evidence suggests that the law in this area needs urgent revision. The bottom line is that we as a society give something away in return for our freedom, safety and security. That is a choice we make as an elected House of Commons and as elected representatives. There is always a compromise between liberty and security. It is unhelpful to present this issue as being all one way or all the other way. On balance, having looked at the evidence, read the Bill and talked to Ministers, I think that it contains the right combination of measures, and I will support it tonight.

Peter Kyle (Hove) (Lab): Does the hon. Gentleman accept that public trust is undermined when laws that are designed for serious crimes are used for minor crimes and things such as antisocial behaviour? Does he agree with the shadow Home Secretary, who called for a proportionality clause to be included in the Bill to ensure that that does not happen in practice?

Stuart C. McDonald: I have severe difficulties with some of the provisions on internet connection records in the Bill. There are tests of proportionality in the Bill, but the shadow Home Secretary was proposing a different threshold for the types of crime for which we could use internet connect records, and we will consider that proposal with an open mind.

The context informs the tests and standards we need to apply to the Bill, so we can restore the trust the hon. Gentleman talks about. First, the Bill must comply with and support the rule of law by clearly defining the investigatory powers that public institutions have available, and the limits and safeguards that apply. Of course, it must itself be consistent with the law, including international human rights law and the right to privacy.

Secondly, there must be strong oversight of the use of these invasive powers and a body that can independently scrutinise the work of the organisations using them. Going further, that body must also have the powers and expertise necessary for ensuring that the powers are not being exceeded or abused. The ability to look under the bonnet, as some of the witnesses to our Committee described it, and see what is really going on is the only way we can avoid another Snowden incident in future.

Thirdly, there is a need for the Government to shoulder responsibility for justifying each and every one of the invasive powers sought and avowed. Parliament should not give an inch without being properly persuaded of
their absolute necessity. This is the first time Parliament has debated many of them. Some, as has been said, go further than our European neighbours or even our “Five Eyes” colleagues.

In the time available, I will focus on the second of those areas of concern, the oversight and limits on powers. The introduction of judicial oversight is, to my mind, very welcome. I do not want to re-tread the debate about whether judicial review is the appropriate standard. The minutes of the Joint Committee will record that I voted to remove that test so that a general merits test was instead what was applied. My view, for what it is worth, is that if we are going for a double lock, it should be a proper double lock with two proper bolts of equal strength. The Bill Committee will form its own view on that.

I welcome the fact that the Government have made some attempt to respond to recommendations, strengthening the oversight role of judicial commissioners through the use of an in-house legal adviser, appointment of counsel and access to technical expertise, and through their ability to communicate with the tribunal directly, and to hear from whistleblowers. However, other recommendations have been rejected, including significant proposals to make the tribunal more transparent, broader rights of appeal and public hearings. The Bill Committee will want to push further on issues such as the appointments process and the process for agreeing the commission’s budget.

Very significant question marks still remain with regard to legal privilege and the protection of journalistic sources. Much more scrutiny work is required in this area. I also remain utterly dissatisfied with the Government’s response to one important criticism of the ability to significantly modify warrants without judicial oversight, something that risks running a coach and horses through judicial protections. I accept the principle of the Bill, but there is still a lot of work to be done to persuade me to vote for it.

5.32 pm

Will Quince (Colchester) (Con): The primary duty of any Government is the security of its people. Above all, we need to ensure that those tasked with keeping us safe have the powers to do so. I congratulate the Secretary of State for listening to concerns about the draft Bill and taking steps to improve it before bringing it to Parliament. It is a better Bill than before. However, I am afraid I still have some concerns that prevent me from wholeheartedly supporting it.

First, everyone in this House wants the police and security services to have the necessary powers to intercept communications data, but the Bill goes further than that. It extends those powers to public and local authorities. Clause 64 states that a designated senior officer may grant an authorisation for obtaining telephone data to detect or prevent crime and disorder. A designated senior officer is defined as anyone at a local council with the “position of director, head of service or service manager”.

I would suggest that there are no circumstances under which the head of waste services at my local council should be able to authorise an application for telephone data to prevent crime or disorder.

The Bill should not give councils these powers in the first place. We have seen what happens when we extend these sorts of powers to local councils: they abuse them. We all remember examples of local authorities using terrorism legislation to rummage through residents’ bins or to spy on local paperboys. If local councils need to investigate crimes and require telephone data, my response is simple: go and speak to the police. These are very serious powers, which is why I urge Ministers to restrict them to the police and the security services.

Victoria Atkins: Local authorities will not have the powers to deal with internet connection records. Indeed, the powers of local authorities are very much restricted, following the very legitimate concerns voiced several years ago about exactly the things my hon. Friend describes.

Will Quince: I take my hon. Friend’s point about internet data, but local authorities will have the powers in relation to telecommunication data. That is still very much in the Bill.

My second concern is around the modification of warrants. Clause 30 allows the Secretary of State to add, remove or change the names of people, organisations or premises to a warrant already issued. We are told this is for situations where the same target uses different names—in other words, the use of aliases. For example, the same individual may be known as Mr Smith with O2, and Mr Clark with Vodafone. That must be made clear in the Bill. These modifications should apply only to adding, removing or altering aliases of existing targets on warrants; the Bill should not permit changing names to investigate a completely different person.

My third and final problem concerns situations where a judicial commissioner refuses an urgent modification. The Bill says that where a commissioner refuses an urgent warrant, they can require that the information collected through that warrant be destroyed or restrict how it is used, but it does not make clear the commissioner’s powers when they refuse an urgent modification of a warrant. When the commissioner refuses urgent modifications to a warrant, I would like the Bill to allow them to require that any material obtained under the modified provisions of the warrant be destroyed or that restrictions be put on its use. In some instances, judicial commissioners are not required to review or approve modifications made to warrants at all. The Government should agree that all modifications require the approval of a judicial commissioner.

Despite those concerns, I will vote with the Government today. In order that we be kept safe, we need a Bill that confirms the powers of our police and security services, but we have only one chance to get the Bill right, so I hope that amendments can be made on Report.

5.36 pm

Stephen Hammond (Wimbledon) (Con): In the four hours during which I have been fortunate to listen to this debate, I have observed common purpose on two things: first, our existing, piecemeal framework of legislation around regulatory powers is outdated and not fit for purpose; and secondly, there is a widely accepted view across the House that we must do something about the changing nature of crime and the risk of terror. We, as Members of Parliament, particularly those of us who
are not lawyers, must consider whether the Bill makes our constituents safer and strikes the right balance between security and civil liberties. The need for this revised Bill is obvious, so I will be delighted to support the Government this evening.

I want to raise an issue I have spoken about in the Chamber a number of times before. Investigatory powers are clearly essential in the fight against terrorism and, as many have said, pedophilia, but they are also essential in the fight against economic cybercrime, which is what I want to touch on now. Overall, crime in the UK has been falling, but behind that has been an ever-increasing threat from cybercrime. Some 12% of European internet users have had their social media, email or payment systems hacked, and 7% have been victims of credit card or banking fraud online. Recently, we have seen sensitive data stolen from companies and the targeting of private payment systems and financial institutions’ websites. Often, these are denial-of-service attacks.

The Opposition need to rethink their comments about economic wellbeing. My hon. and learned Friend the Member for South East Cambridgeshire (Lucy Frazer) was right in her intervention on the shadow Home Secretary. Interference in a banking system might cause difficulties for one or many of our constituents, and although it might not be as directly injurious to them as a bomb, surely a threat to our banking system is a threat to them and more generally to our national security.

I think the Government have got the balance right in clause 18(2)(c) and 18(4). It is essential to consider economic wellbeing as a matter of national security. Moreover, like others, I am a student of the country’s infrastructure systems. Far too many people will not think that a small or large-scale attack on power or communications networks carries the same disruption or national security implications as a bomb and the appalling injury it could do, but the potential ramifications of such an attack are as injurious to our national security. I therefore think that the Government have got the balance right.

I say to one or two of the Bill’s opponents, particularly those concerned about bulk data collection powers, that I hope they share my contention that economic well-being is wrapped up with national security. The bulk powers have been exactly those that have been used by the security services in the last six months to identify 95% of the cyber-attacks on people and businesses. That shows why these bulk powers are necessary. I hope that all Members will support the Government and the Bill.

5.40 pm

Edward Argar: (Charnwood) (Con): Today we debate what is possibly one of the most important pieces of legislation this Session—or possibly even this Parliament. I rise as a non-lawyer amid what could be described as a “brief” or even a “fee” of lawyers, so I shall seek to focus on the broader issues. This Bill goes to the heart of our duty to protect the security of our country and our constituents. A delicate balance is always to be struck between financial and national security, privacy and liberty. The Bill serves to protect the security of this country in the face of a changing scale and type of threat—both terrorist and criminal.

James Berry: (Kingston and Surbiton) (Con): Does my hon. Friend agree with the evidence we heard from the National Society for the Prevention of Cruelty to Children in Committee showing that the Bill is important for tackling online child abuse and for tracking children who have gone missing and are at serious risk of harm?

Edward Argar: My hon. Friend is absolutely right, and that is exactly the sort of criminality that the Bill will make it easier for the forces of law and order to tackle.

The Bill also serves in tandem to protect the privacy of the individual. That threat, domestic or foreign, seeks to find a safe place in which to operate in the darker recesses of the internet, using modern communications technology to escape justice. My right hon. Friend the Member for Haltemprice and Howden (Mr Davis) rightly said that the legislation he took through Parliament as a Minister in the past did not provide for these sort of powers. He is right, but the problem is that the nature of the threat and the technology used have moved on significantly since then. Our duty is to ensure that our security forces, whose often silent toils to keep us safe we should all respect and pay tribute to, have the powers they need to keep up with that change and the reality of the modern world and to pursue those who wish us harm wherever they seek to hide—on the web, or outside it.

As my hon. Friend the Member for Louth and Horncastle (Victoria Atkins), a distinguished lawyer, has said, many powers in the Bill already exist in other legislation, and the additional powers provided by this legislation such as for ICRs and greater bulk collection of data are, I believe, appropriate and reasonable, and they come connected with strong safeguards.

This Bill strengthens the protections for citizens and privacy and overhauls the complex, even byzantine, existing regime governing investigatory powers, modernising and clarifying that framework. Importantly, it includes provision for judicial involvement alongside the Home Secretary’s authorisations. I personally have great faith in this Home Secretary and in her judgment as well as her accountability to this House. However, the double lock of judicial involvement provides an important compromise and further reassurance for those who genuinely and sincerely have expressed concerns.

Taken as a whole, what is set out in this Bill will provide for one of the most transparent and rigorous sets of safeguards and oversight regimes in the world. I believe it is the right approach, but I also set great store by what my right hon. Friend the Member for North Shropshire (Mr Paterson), a former distinguished Northern Ireland Secretary with first-hand experience, has said: I hope that the Minister will be able to offer some reassurance on the points my right hon. Friend raised and confirm that the envisaged system will still be sufficiently operationally agile.

I agree with the shadow Home Secretary, whom I have always regarded as a thoughtful and decent man, that finding the right balance between security and privacy is the key and that that balance is never an easy one to strike, which makes it absolutely right for this House to scrutinise what is proposed by using its full set of powers. I believe that the pre-legislative scrutiny and the scrutiny process through which we are taking the Bill through the House are absolutely fit for purpose in
doing so. I am afraid that I cannot agree with the shadow Home Secretary’s conclusions. I am convinced that the Bill strikes the right balance between security and privacy and that what is proposed is right, necessary, proportionate and will help to ensure that those who keep us safe have all the tools they need to do that in this modern age.

5.44 pm

Scott Mann (North Cornwall) (Con): I know that there are strong feelings about the Bill on both sides of the House, but for me, it pits two fundamental issues against each other: privacy and security. Although the United Kingdom has no constitution, it is the leading light in laying down the main principles of democracy: such fundamental principles as “innocent until proved guilty”, trial by jury, freedom of expression, freedom of speech, and the right to privacy. Meanwhile, we have some of the best and most sophisticated intelligence agencies, which keep us safe and work around the clock with our world partners to tackle global crime and terrorism.

Along with their responsibility for maintaining our fundamental democratic rights, the Government have a responsibility to keep their citizens safe. Over time, the principles by which we live have evolved. In 1967, for instance, the House rightly passed the Sexual Offences Act, which decriminalised homosexuality and allowed thousands of people openly to express their love for others of the same gender. Likewise, in recent years we have seen a revolution in technology and the ability to communicate by many means: by telephone, letter, email or text message, and through the use of mobile phones, tablets, radios, computers, cameras, or pen and paper.

Even decades ago, when members of the public did not have computers or mobile phones, the right to privacy was under scrutiny as security agencies tapped telephone lines and secretly opened mail. For years the police have been able to look at people’s phone records. Just as that new form of technology had to be monitored so that criminals and terrorists could be caught, today’s emerging technologies, including encryption, should be monitored effectively. To those who oppose the extension of these powers from telephones to the internet, I say this: why should the internet be the one part of people’s lives that is off limits to surveillance? The security services must have the same ability to catch criminals and terrorists—through modern forms of communication—as they did 50 years ago.

Over the decades, we have seen a degree of balance, but in the background we have always had a Government who wish to keep us safe, and who use highly trained people and advanced technologies to identify threats in order to protect the freedoms by which we live. As the present Government address the increasing threat that we face, it is imperative that we continue to afford our citizens the same level of privacy and freedom that they have always had, and for the sake of which millions of people have put their lives on the line. I am therefore very pleased that the Government worked so constructively with campaign groups when drawing up the Bill.

In 2015, three reports concluded that the law was unfit for purpose. First, the Anderson report recommended that judges authorise communication intercept requests, and also recommended the creation of an intelligence commissioner. Secondly, the Intelligence and Security Committee’s report concluded that the legal framework within existing laws had developed “piecemeal” and was “unnecessarily complicated”. Its key recommendation was for a new Act of Parliament that would strengthen privacy protections and improve transparency. Thirdly, the report of the independent surveillance review by the Royal United Services Institute also concluded that new legislation was needed, and that warrants relating to national security that were signed by Secretaries of State should be subject to judicial review.

The Bill addresses the recommendations and concerns contained in those three reports. It keeps the principles of our democracy at the heart of its mission to stop criminals, terrorists, child traffickers and abusers, and, ultimately, to save lives. That is why I shall support it this evening.

5.48 pm

Dr Andrew Murrison (South West Wiltshire) (Con): Let me begin by thanking an enlightened and beneficent Whips Office for appointing me to the Joint Committee that considered the draft Bill. The Whips may have come to regret that, but I thank them nevertheless.

The Bill is largely an avowal of current practice. A blueprint for some “Nineteen Eighty-Four” dystopia it most certainly is not. However, it does improve transparency, oversight and authorisation. It does give our agencies the tools that they need to do their job, in an age when the number of terrorists may not be increasing in absolute terms, but the nature of that terrorism, and the number of tools available to the terrorists, most certainly are. Thanks to the Intelligence and Security Committee and the Joint Committee on which I had the privilege to serve, the Bill has been improved a great deal.

It is extraordinary that the right hon. Member for Leigh (Andy Burnham) should have flip-flopped since 4 November. I remember his speech well, and I remember thinking, “What a good speech! What a statesmanlike contribution!” Now, however, we have completely the reverse. The right hon. Gentleman is not in his place at the moment, but he is a decent man and I am sure that he will live to regret his abstention this evening. Since that time, we have had the introduction of the double lock, the nature and use of which have been clarified in Committee, certainly to my satisfaction. That would deal precisely with the sort of abuses that the right hon. Gentleman correctly cited in his speech.

Clause 222 will institute post-legislative scrutiny, which is extremely important. None of us can see what the situation five years hence is going to look like, although I think we can all guess that technology will occupy an entirely different space at that point. It is inevitable that we will have to review the legislation formally in five years’ time, and I am grateful that the Bill has been amended accordingly.

There has been much debate about internet connection records. Those who say we do not need them must understand what the consequences of that would be. I accept that hard cases make for bad law, but when the National Centre for Missing and Exploited Children tells us that 862 of the 6,025 cases referred to it could not be progressed without a measure to retain ICRs, we have to think about that. Those who are saying that we do not need such a measure should reflect on what that would mean for all our constituents.
[Dr Andrew Murrison]

There has also been much talk about bulk powers—some of it informed, some of it rather less so. This is already covered by existing legislation, and the case for these provisions has been reinforced in an operational case that was recently published alongside the draft Bill and in the code of practice for bulk powers. I tried in Committee to get the Home Secretary to give me an idea of what she had in mind when she was talking about personal datasets. I failed completely. Indeed, the Chairman of the Intelligence and Security Committee also appears to have failed to clarify the meaning of “operational purposes”. I admit my defeat, but this matter lies at the core of our discussions today and I hope that some clarity will be shed on it. For example, are we talking about Care.data or are we simply talking about telephone directories? It is important to know this.

I am satisfied that the Bill has been significantly improved through pre-legislative scrutiny. Few Bills that I can recall have had quite so much scrutiny. I look forward to the remaining rough edges being knocked off in Committee and in the other place, and I will most certainly be supporting it tonight.

5.52 pm

Mark Spencer (Sherwood) (Con): I shall be as quick as possible because I know that others want to speak. Anybody who has teenagers living in their house understands that the world has moved on. My children hardly ever call each other on the telephone. They use different forms of communication such as WhatsApp and Snapchat to communicate with each other. We need to understand that the world has moved on, and we need to move on as well. It is make-your-mind-up time, and one thing that is absolutely clear to me is that we cannot abstain our way to a safer society. We are going to have to make difficult decisions in order to get the balance right between people’s privacy and identifying those who would do us harm.

My only concern about the Bill is whether it goes far enough. My constituents understand that you are either on one side or the other. You are either backing the police and the security forces or you are backing those who would do us harm. You are either backing the victims of crime and those who have been abused or you are backing the scumbags who perpetrate those crimes. I say to colleagues in the House today that they have to make their mind up whether they are backing the right side or the wrong side, and whether they will go into the right Lobby tonight or simply sit on their hands and hope that the world gets better. In my experience, the Tinkerbell method of closing your eyes and hoping things get better while other people do it for you does not work. So I say to colleagues, “Come into the right Lobby, back this legislation and let’s make sure you are on the right side with those people who need our support and help.”

The balance is pretty good in this Bill. We have judicial oversight in some of the legislation, and it is important that we give people the confidence that we have the balance just about right. Personally, I would go further, but I understand that not all colleagues would.

Criminals work in networks, through which people who want to abuse children, for example, can communicate with others who are sympathetic to their ways. It is often the case that if the authorities pick up someone who is smuggling tobacco, we find out that they also engage with people who are running guns, dealing in prostitution and doing terrible things across criminal networks. We need to identify who those people are and who they are talking to, so that we can shut the networks down and keep our constituents safe. I will be delighted to support the Government in the Lobby tonight and hope that my constituents will be safer both in their beds and when going about their daily life once the legislation has been passed.

5.55 pm

Rebecca Harris (Castle Point) (Con): I am delighted that we are finally bringing forward this long-overdue Bill. Cases such as Apple’s dispute with the FBI underline how modern criminals can hide behind modern technology. Criminals and terrorists are international and depend on international networks and systems. I could recite a list of the hideous terrorist atrocities that have happened throughout the world over the past year, but only today we heard of the tragic death of Adrian Ismay, the prison officer who was attacked in Belfast 10 days ago. Since the debate began, the news has been reporting armed raids in Brussels relating to last year’s Paris attacks, so we are doing current and vital work today. Such criminal acts do not simply happen and are rarely the work of individuals; they are highly organised events planned by groups, and we need to be able to uncover those networks.

The Bill is about not only terrorist activity, but all kinds of crime, such as serious and organised crime, child abduction, people smuggling and, most horrible of all, child pornography, which, horrendously, is the fastest-growing form of online business. One can now even arrange child abuse to order online. I have seen at first hand the work of the police who are trying to tackle online child pornography and it is tough, horrible, but necessary work. We must not allow their hands to be tied as a result of some wrong-headed, neurotic anxiety about data retention.

The UK is lucky to be protected by the finest, most-principled security services in the world. Their job is to conduct themselves in private to protect all the freedoms that we take for granted most of the time, yet enormous public damage was done when a previous attempt to update investigatory powers legislation was dubbed the snooper’s charter. It was a gross distortion of the legislation’s aims to imply that the British Government were somehow trying to spy on their own citizens. It was just straightforward political scaremongering.

Joanna Cherry: Will the hon. Lady acknowledge that Opposition Members have been careful today not to use “snooper’s charter” and have tried to be measured in their important criticisms?

Rebecca Harris: I absolutely appreciate that. I was not pointing my finger at any political party in particular, but some campaign groups outside the House may have used the term.

Many constituents, perfectly ordinary, good, law-abiding people, have written to me in the genuine, albeit absurd, belief that there is—or will be—some vast room full of security personnel trawling through their Facebook profiles and the pictures of their grandchildren and their cats.
As legislators, we cannot just reassure people that we would need a security service the size of the population of China to do that and simply cannot afford it, even if we had the inclination, so I am glad that the Bill clearly sets out the four key purposes that data retention and investigatory powers cover. I hope that that will reassure those who have been worried and frightened. I also appreciate the benefits of the double lock, the extra judicial oversight of which will also reassure the public, although I would like to be reassured myself that that oversight will not hamper the investigative abilities of our security services and police. There are many wonderful hon. and learned Members here today but, as I sometimes hear, lawyers can often have very different views on tiny subjects when the straightforward common sense of my constituents would know exactly when we needed to regulate on something. I wish to be reassured that we are confident that we will not over-burden the process of warrant, to the extent that security services personnel may feel that perhaps it is a little too much effort to go down that route, given that time may be of the essence and they will need to act with speed.

We all know that we are targets for international terrorists, and that the things they hate and target us for are our freedoms, democracy and liberty. We must therefore make it clear that this Bill ensures we protect those freedoms and is in no way any form of attack on them.

6 pm

Alex Chalk (Cheltenham) (Con): Striking the right balance between liberty and security is one of the most difficult judgments we have to make as a society. Anyone who has prosecuted and defended in our criminal courts—I see several here—will understand the tension that exists between the need to protect the public from harm and preserving our precious individual freedoms. This is therefore an immensely difficult issue, and if we get it wrong, the consequences are indeed serious. But the fact that we are able to approach this Bill in a calm atmosphere, and not against a backdrop of the panic and emotion of a recent outrage, is in no small part due to the constituents of mine working at GCHQ. Their quiet, brilliant work saves lives. They avoid the limelight and do not seek our thanks, but we owe them a profound debt of gratitude.

It would be a great mistake for calmness to give way to complacency, as serious plots are thwarted with alarming regularity. Before I came to this place, I was part of the team that prosecuted five young British jihadis who had travelled from Birmingham to Dewsbury intending to detonate an improvised explosive device filled with nails at a public rally. Had the plot succeeded, the potential for carnage would have been horrifying, and I have no doubt that we would be experiencing the repercussions today.

In my experience, the people in the intelligence agencies I have met, both as a barrister prosecuting terrorism offences and since my election, are scrupulous about remaining within the law. That means we have a covenant with them. We must provide them with a piece of legislation that gives them the tools to keep us safe, but we also owe it to them to create a framework containing the safeguards needed to command public confidence—nothing less than that will do. I believe that this Bill gets that balance broadly right and it deserves a Second Reading. That judgment has been possible because the Government have listened carefully and responded in appropriate detail to the legitimate concerns raised by the Joint Committee on the Draft Investigatory Powers Bill, the Intelligence and Security Committee and the Science and Technology Committee. However, valid points have been raised today, for example on whether we ought further to limit the pool of agencies to which ICRs can be available, and on the threshold for the type and seriousness of criminality that ought to trigger their use. Those legitimate points have been properly raised, but they can be raised in Committee.

I do not have the time to examine more than a fraction of what this Bill contains, but I wish to say a few words about bulk powers. The bulk data powers in the Bill are not new. The law today has long allowed the security and intelligence agencies to acquire bulk data under RIPA and so on. Those powers underpin a significant proportion of what our security services already do.

Joanna Cherry: Does the hon. Gentleman accept that at the time the Act he has just mentioned was passed, bulk powers were not in people’s contemplation? Therefore, although that Act may have been retrospectively interpreted to cover bulk powers, they have never before been debated or voted on by this House.

Alex Chalk: The hon. and learned Lady is absolutely right about that, but what is important about this Bill is that it shines a light on precisely those powers: it clarifies and consolidates them; it unifies them into a single document; and, crucially, it strengthens the safeguards that govern the security and intelligence agencies’ use of them. That is precisely why this legislation is so important. Crucially, in future, warrants for bulk powers will need to be authorised by a Secretary of State and approved by a judicial commissioner, which means we can be satisfied that those powers will be issued only where it is both necessary and proportionate to do so. Each warrant must be clearly justified and balance intrusions into privacy against the expected intelligence benefits.

There is so much to say, but time is limited. The upshot is that this Bill is not the finished article, but it forms the basis of a strong piece of law. I believe it can have as positive an impact as the Police and Criminal Evidence Act 1984, by updating and clarifying the law for those having to apply the relevant powers, while strengthening safeguards for those who are subject to them. If we get the detail right, I believe this Bill has the potential to become world-leading legislation. We should give this Bill a Second Reading.

6.5 pm

David Warburton (Somerton and Frome) (Con): Speaking as one of the few non-lawyers present, I must admit to having been moved by the powerful speech by the hon. Member for Belfast East (Gavin Robinson), who is no longer in his place, about attacks in his constituency.

We instinctively baulk at the idea of expanding the powers of the state in this area, but the question is not whether we should expand them; if we are to maintain the same level of security as technology develops, we have to expand our capabilities. I am pretty confident that no Government Member would be keen to extend the powers of the state as a philosophical end in itself.
The question is how and to what degree we maintain the equilibrium with regard to technology as it keeps diversifying and threats as they keep growing.

I shared the unease of some colleagues on both sides of the House about the original Bill, but I am reassured by the Government’s reaction and the subsequent changes. The Bill now offers a far clearer commitment to privacy, and I welcome in particular the additional protection it offers journalists, the limits on powers over bulk personal datasets, and the time limit on the examination of personal information extracted from databases.

We must, however, decide where the line should be drawn. The appalling events in Paris last year show clearly that our intelligence services face an enormous challenge in securing the absolute safety of the public while using incomplete and fragmented information. Terrorism is the simplest form of barbarism, but it is being conducted through modern means. If police and intelligence services are to be effective, they must adapt to that modern landscape.

As we have heard, the judicial double lock is a valuable safeguard in providing a check on the powers of the Executive. The Bill provides unprecedented detail about what those powers are and how they are exercised and overseen.

However uneasy we may feel about internet connection records or thematic warrants, that does not compare to the infinitely greater unease we ought to feel about our intelligence agencies being unable to use those tools to keep us safe. In a democratic country with such a tradition of liberty, such measures are always proposed reluctantly, but when the asymmetry between the state and the threats it faces is more apparent than ever, the arguments are pretty convincing.

The creator of England’s first systematic intelligence services, Sir Francis Walsingham—it was some time ago—wrote:

“There is nothing more dangerous than security.”

Today, unfortunately, that is more true than ever. With that in mind, I accept the clarity, effectiveness and necessity of this Bill.

6.8 pm

John Glen (Salisbury) (Con): I strongly support the principles behind the Bill, and I accept the provision for ICRs and the progress made towards achieving a balance between politicians and judges having oversight.

In the few minutes I have available, I want to focus on issues relating to technology. The Bill needs to be robust enough to deal both with technology as it actually is and with how rogue actors can use it. The principle of the security services having the right to intercept communications and to obtain relevant communications data, subject to the safeguards in the Bill, is absolutely vital. As a consequence, certain technical obligations must be placed on telecommunications operators to enable that to occur. In particular, clause 218(4) allows the Secretary of State to issue a notice to a communications provider, creating an obligation to remove

“electronic protection applied by or on behalf of that person to any communications or data”.

My concern is that the Bill must differentiate sufficiently between two very different ways of removing electronic protection. One is technically called an instance break, which is where one instance of a communication is accessed and decrypted. Not all communications of that type are decrypted. If we want to access another communication, we have to do the process again. The second is technically called a class break, which is where removal of electronic protection is not at the individual level, but at the level of the data encryption system itself. This is the problematic form of backdoors, where a platform or protocol has an inbuilt vulnerability that should, in theory, be known only by software engineers. Once we have the generic override, it can be applied to any communication that uses that platform or protocol.

We must acknowledge the increasing technological sophistication of the individuals who threaten our security, and that is obviously why the Government are introducing this Bill. Given that, we cannot realistically expect the inbuilt vulnerabilities in data encryption to remain secret only to those who create them. My concern is that, sooner or later, we should expect those vulnerabilities to be maliciously exploited by the same groups that we are trying to fight. Those measures intended to increase security would pose a greater security risk if exploited, as malign forces could then access a whole set of encrypted communications, not just one instance.

The distinction between an instance and a class break has long been recognised by the industry and is technically clear cut. It is usually much less financially costly to build in a backdoor, but much more dangerous to the integrity of a communications system. The Bill as it stands takes account of the financial cost of complying with a notice, but not the wider security implications. I hope that the Minister will seriously consider explicitly ruling out any obligation to create inbuilt vulnerabilities in software or communications systems and to require the Secretary of State to have regard to the preservation of electronic protection as a whole when she authorises the removal of it in one instance.

For this Bill to work, it must take seriously technology as it actually is, not as we hope that it might be. Creating backdoors may be cost-effective, but could create even greater vulnerabilities in our communications infrastructure and present a critical danger to national security. I support this Bill in its principles and its safeguards, but I hope that this listening posture of the Government will continue so that we can absolutely ensure that we get it right.

6.12 pm

Matt Warman (Boston and Skegness) (Con): We have today heard much talk about this Bill being rushed. I have had the privilege—that is one word for it—of serving on not one but two Committees looking at this Bill. I am talking about the Joint Committee and the Science and Technology Committee. I can assure the House that neither of those Committees felt that it ran short of time when it came to scrutinising this Bill. Who knows? I might get lucky and find myself on the Bill Committee to scrutinise it yet further. Importantly, the level of pre-legislative scrutiny that this Bill has undergone is extensive and will be followed by the standard level of scrutiny that all Bills face in Parliament.

I wish to talk briefly about two specific points. The first is on internet connection records. We have heard today that they are not equivalent to a mobile phone
record. I would accept that point but for the fact that the internet connection record clearly is, in many ways, the modern way in which we are able to track what sort of surveillance is necessary. If we were looking at the lives of people around 10 or 20 years ago, we might simply have used the telephone. The way that we all live our lives today is through our mobile phones, through the internet, so the level of surveillance is a modern equivalent, proportionate response if we look at it through the lens of modern life. It is a marginal difference to move from the phone record, with which we have become so comfortable, to ICRs. That is why the Joint Committee was comfortable with the concept of ICRs, although I accept that there was not total unanimity on that point.

The second point relating to the ICR is that it is not a dragnet, despite what we heard from the Liberal Democrats, because it still requires approval from a judge or the state for any of this information to be accessed. I believe it is irresponsible to call it a dragnet, and I praise both the Labour party and the SNP for avoiding phrases such as “snooper’s charter”. Secondly, I would praise the Government for not asking for keys to encrypted communication—for making explicitly clear the point that we are not asking Apple to build in a backdoor to everybody’s iMessages, and we are not asking for major technology companies to do things that they say “protect” their users.

However, I would raise a final point, which I think is more important. The Bill is an acceptable, to me, and sensible way of living with the modern world of encryption, but it does not address the modern world in which we live that says it is sensible for every citizen to have access to weapons-grade encryption. I fear that if it is accepted that there are dark spaces where the state simply cannot ever go, we are not having the debate in Parliament and in the nation that says it is not sensible for citizens to be perpetually suspicious of the role of the state in their lives, when in fact the state is that which may best keep us safe, rather than that which we should seek privacy from in every possible circumstance.

6.16 pm

Lucy Frazer (South East Cambridgeshire) (Con): Every day we compromise our right to privacy. Consciously or not, we are increasingly willing to share aspects of our everyday life with others. I will take just three examples.

The first is Google. Google’s online terms of service expressly state that it analyses content, including emails, to provide personally relevant product features. Secondly, by having location services enabled on our phones, we are allowing a third party to record and keep track of where we have been, for how long and how often. Thirdly, we are privately recording each other. According to a recent estimate, in one day in Manchester a person is likely to be caught on CCTV 100 times, in circumstances in which 1.7 million of the 1.85 million surveillance cameras are privately owned.

We are therefore already exercising choice, limiting our own privacy, and we do so willingly, simply to maximise convenience and to allow us to use a free service. There is a saying, well known in security circles, that unless you are one of a very small group of people, Tesco already knows a great deal more about you than MI5 ever will.

The question I have is this: when we are happy to share such information with international corporations, which have expressly stated that they will share our data with third parties, why do we push back at the prospect of the intelligence, police and crime agencies collecting data to improve the security of our nation and to protect our citizens, and especially when it is proposed that these powers be exercised with clear safeguards, transparency and judicial oversight?

I have had the privilege of working as a barrister. I have been fortunate to act for the National Crime Agency and HMRC, to bring those allegedly involved in money laundering to justice and to recover tax, and I am acutely aware of the need for investigation and evidence when calling to account those who are adept at covering their tracks.

I have read the detailed and thorough report that David Anderson prepared as part of his initial review, and I should also declare that I was fortunate to be his pupil when starting out as a barrister. [HON. MEMBERS: “Ah.”] “A Question of Trust” highlights the importance of communications data in every aspect of security and crime detection and prevention. In his report, David Anderson stated that in 26 recent cases of terrorist activity, where 17 resulted in a conviction, 23 could not have been pursued without communications data, and in 11 cases the conviction depended on the data. That compares to Germany where, at the time of the report, data retention arrangements were not in operation. There, 377 suspects were identified, seven could be investigated and no arrests were made.

The right to privacy is not an absolute right. As individuals we choose daily to trade it in for our own convenience, but even lawmakers in the field of human rights have recognised that it is circumscribed. Even in article 8(2) of the European convention on human rights, which protects the right in generic terms, the right is qualified in the interests of national security and the public interest. The price of freedom is constant vigilance, because freedom is not anarchy.

6.20 pm

Simon Hoare (North Dorset) (Con): I support the Bill, having not had the privilege of ever being a lawyer. Occasionally, that is quite useful as it brings an element of common sense to the debate. I support the Bill because I believe it is balanced, proportionate and needed. It has a subtle nuance of equilibrium between the rights and the powers, between the state and the law enforcement agencies and the rights of individuals. I say that not because of any avowed tendency, but because I happen to believe that it is true.

We have listened this afternoon to the Opposition parties in glorious abstention. Their absence from most of the debate underscores the lack of seriousness with which they take national security. They have sat slightly like the vestal virgins, positioning themselves as the guardians of the flame of some cherished civil liberty, often dancing on the head of a legal pin, where this test has not quite been met or that hurdle has not quite been covered. We will wait and see what happens on Report.

I speak as a father, a husband, a son—somebody, I hope, with common sense, who believes that at the heart of the Bill is the Government’s sincere intention to deliver what they were elected to do—that is, to strive
[Simon Hoare]

and to put in place mechanisms to defeat and frustrate terrorism, to protect our children and our young people, to try to address the problems of drug and people trafficking. Listening to the Labour Opposition, in years gone by, they probably would have complained that the magi had been intercepted and that Herod was allowed the slaughter of the first-born as a result.

Nusrat Ghani: Perhaps we should reflect on the view of experts. When David Anderson gave evidence to the Home Affairs Committee, on which I have the privilege to sit, he said, “My view is that if the police and the intelligence agencies can prove that they need those powers to do their job of keeping us safe, then the powers need to be there.”

Simon Hoare: My hon. Friend is right. Those of us who took part last summer in the debate on the Anderson report, which was a very thoughtful cross-party debate, would have drawn a huge amount of comfort from what David Anderson said.

The Home Secretary and the Foreign Secretary have come to the right conclusion with the dual lock, a judge and specially trained commissioners. Their training, experience and understanding of the issues will need to be demonstrated so that the House and the public can have confidence in their judgment. It is crucial that Ministers of the Crown, accountable to this place and the electorate, will take those decisions and then be peer-reviewed by the judiciary.

The business of government, as we all know, can often be difficult, and we have people doing good work in difficult circumstances in our name. I am convinced that they do it to the highest of standards and to the zenith of professional integrity, but with the sole focus which is underscored in every line of the Bill—that the first duty of Government is the security of the realm.

The nation at last should know that the Government take that seriously. The glorious principle but fairly impotent abstentions of the Opposition parties speak volumes.

Several hon. Members rose—

Mr Speaker: Order. In seeking to accommodate remaining colleagues, I am afraid it is necessary now to reduce the time limit on Back-Bench speeches to three minutes with immediate effect.

6.24 pm

Mr Alan Mak (Havant) (Con): I welcome the Bill because the consolidated and updated powers can be used to tackle a wide range of threats, both new and old. However, my remarks will focus on a new, growing and specific threat: economic cybercrime carried out over the internet.

The internet is an enormous economic and commercial opportunity for our country, but it has also become a means of carrying out economic attack and espionage and of causing harm. That is why the National Security Council was right to categorise cyber-attacks as a tier 1 threat to national security, and why the Chancellor was right to say in his speech to GCHQ last year that the starting point for the House must be that every British company and every British computer network is at risk.

Cybercrime is not simply something that happens to other countries at other times; from the City of London to the towns, cities and villages represented in this House, the threat is real and growing, and the Bill provides this country with the vital tools it needs to protect our economy from that growing threat.

The Centre for Economics and Business Research estimates that cybercrime costs the British economy £34 billion per year, including £18 billion from lost revenue. Cybercrime includes a broad range of offences, from phishing for personal and financial information; to industrial espionage, where businesses’ intellectual property is stolen; to the disruption of this country’s critical national infrastructure, such as our banks and defence facilities.

The threats come from a wide range of actors: hostile nation states, cross-border crime syndicates, company insiders and so-called hacktivists. Those threats are growing and very real, and the Bill therefore gives the police and our security services the vital tools they need to fight back in the digital age, from intercepting data to interfering with computer equipment.

I want to give the House just one example of a recent cyber-attack to show the scale these attacks can reach. Last year, Carphone Warehouse was the victim of one of Britain’s biggest ever attacks on a business. The personal details of up to 2.4 million customers, including bank details and dates of birth, were accessed by hackers. Some 90,000 customers had their credit card details accessed. The powers in the Bill will help to prevent and detect similar episodes in the future, keeping our economy secure.

At the heart of the fight against modern economic cybercrime is the asymmetry between attack and defence. It is simply much easier and cheaper to attack a business network than to defend it, and that asymmetry is growing. A few years ago, mounting a cyber-attack meant having all the skills at every stage of the attack, but in the last few years it has become possible for all the elements of the attack to be deployed more easily. The barriers to entry for attackers are coming down, and the workload of the defenders is going up. We need to give our police and security services the tools they need to fight back in the digital age and to keep our economy secure and strong. That is what the Bill does, and that is why it deserves the support of the whole House.

6.27 pm

Byron Davies (Gower) (Con): This significant Bill has the potential to overhaul the framework that governs the use of surveillance by the intelligence, security and law enforcement agencies in obtaining the content of communications data, and it will clearly continue to garner much serious and forensic debate.

Members will clearly have their own stance on the Bill, given their knowledge of certain areas. In that vein, I would like to look at it, not as a lawyer, but as someone who provided plenty of business to lawyers—as a former Metropolitan police counter-terrorism officer and National Crime Squad officer. I will therefore look at the issue from an organised crime and operational law enforcement perspective.

The legislation governing much of the framework on the powers of the security, intelligence and law enforcement agencies to intercept communications—the Regulation
of Investigatory Powers Act 2000—is no longer fit for purpose. I have spent many an hour burning the midnight oil trying to construct applications under the Act, and it is not easy.

When the Act was created, broadband internet barely existed; now, we have iPhones, which were a real game-changer for law enforcement, because people could access the internet almost anywhere. Indeed, end-to-end encryption is now so widespread that it is coming to a point—indeed, it may even be at a point—where some criminals are untouchable. That simply cannot be allowed to continue.

If I do nothing else in my three minutes, I should say that equipment interference is a key part of the Bill. There are hardly any investigations into major crimes that do not require equipment interference—it is that crucial to building up a pattern of criminality, determining links between people and organisations and providing key evidence to investigate and prosecute crime. Many cases I was personally involved with used equipment interference, including cases involving major currency counterfeiting, drugs importation and firearms importation. Many of the criminals involved in such cases are not caught in a matter of days; it takes months and years to build a picture of their movements and associates, and the Bill will support that.

In 1829, one of the joint commissioners of the Metropolitan police, Sir Richard Mayne, said: “The primary object of an efficient police is the prevention of crime” and the detention and arrest of offenders. With that in mind, we must give law enforcement agencies the tools to do their job. There is an operational need for changes to the law. The three reviews have clearly stated that law enforcement agencies need powers to access communications and data about communications.

There has been no Paris in this country, I am pleased to say. British law enforcement is renowned as the best at intelligence gathering. If, God forbid, something did happen here, Opposition Members would be the first to ask the Government why they did not do anything. This is an opportunity to do it tonight.

6.30 pm

Tom Tugendhat (Tonbridge and Malling) (Con): This debate is very much about striking a balance between privacy and security, as I understand very well. Indeed, my father wrote the book on privacy, and it is now in its third edition—if anybody would like it, it is selling for about £200. However, I have spent much of my life working on the latter.

Security is very much at the heart of what I hope our Government are bringing to the nation—not just economic security but national security. This Bill goes a long way towards achieving that. I am extremely pleased, however, that it is grounded not just in that principle but in the principle of proportionality. Indeed, proportionality is mentioned 54 times in this Bill; it is very much at its heart. I am sorry that the right hon. Member for Leigh (Andy Burnham) missed that point.

The question of proportionality relates to the bulk data powers, which are about not simply collecting data on targets but protection. One of the points that has largely been missed, although my hon. Friend the Member for Cheltenham (Alex Chalk) raised it strongly, is that our agencies do much more than just look after our security in the offensive sense—they also look after it defensively. GCHQ has done a huge amount to protect our country from cybercrime. Indeed, 95% of all cyber-attacks in the United Kingdom have been defended against on the basis of bulk data.

In an important speech at the Massachusetts Institute of Technology only last week, the head of GCHQ, Mr Robert Hannigan, commented on the need to provide proper encryption to our society in order to allow free economic trade that we have enjoyed for so long. He also clearly stated that he was not in favour of “backdoors”, which were mentioned by my hon. Friend the Member for Salisbury (John Glen), because they are not a protection but a threat. He said: “I am not in favour of banning encryption just to avoid doubt. Nor am I asking for mandatory backdoors. I am puzzled by the caricatures in the current debate, where almost every attempt to tackle the misuse of encryption by criminals and terrorists is seen as a ‘backdoor’. It is an over-used metaphor, or at least mis-applied in many cases, and I think it illustrates the confusion of the ethical debate in what is a highly-charged and technically complex area.”

Having used the powers in the former investigatory powers Acts for operations in Afghanistan targeting those who were placing bombs to try to kill fellow British servicemen, I am glad that this Bill is updating those provisions. I am also glad to see that the former Director of Public Prosecutions, who has wide experience in this field, will respond for the Opposition. His experience does credit to this House, and I am delighted to see him here.

If I may be allowed just one minor criticism, it is that the word “urgent” must be tightened. The Secretary of State must be the sole decider of what is an urgent request and an urgent need, and not a judge later on, because only she or he can have that knowledge.

6.33 pm

Chris Philp (Croydon South) (Con): Clearly, when we grant the Government powers to infringe on our privacy, such powers must be deemed absolutely necessary. No case better shines a light on what may be considered necessary than one that arose in my constituency a short time ago. Barry Bednar’s 14-year-old son was groomed online over the course of some months. He was lured to the flat of someone called Lewis Daynes, where he was brutally murdered. When speaking to Barry Bednar and the boy’s mother, Lorin LaFave, it is very clear that powers such as these are absolutely necessary to protect young people like Breck from being groomed online, to help the authorities to investigate such offences, and to prevent further offences from taking place.

We always face a choice in these matters, and I choose to stand with victims like Breck. I choose to stand with Breck’s mother and father in doing everything we can to prevent, to investigate, and to catch the perpetrators of crimes like these. If the price I have to pay for that is that my internet browsing history gets stored or the authorities have certain powers to intercept my communications, then I am very happy to pay it in order to protect young men and women like Breck Bednar. That is why I will support Second Reading of the Bill. I thank the Home Secretary for taking the time to meet Barry Bednar and Lorin LaFave about two
weeks ago. They were very grateful for the time that she took to listen to their concerns, and I want to put on record my thanks to her for doing that.

Since the shadow Home Secretary is now in his place, I will take the opportunity to respond briefly to a point that he raised in his speech. He made great play of the question of economic well-being, which concerned him. He mentioned an example from 1972, and the fact that he had to go back as far as 1972 to find an example tells us something. I draw his attention to clause 18(4), which I believe addresses his concern. It states that the test of economic well-being can be applied only to interception requests that are not in the United Kingdom. The concerns that he raised about the conduct of trade unions and so on would not apply because the test relates only to matters outside the United Kingdom. I hope that that gives him the reassurance that he requires.

I believe that the Bill is proportionate and reasonable. I am comforted by the judicial oversight that is in place, and I will most certainly support the Bill in the Division Lobby this evening.

6.36 pm

Kevin Foster (Torbay) (Con): It is a great pleasure to follow my hon. Friend the Member for Croydon South (Chris Philp). This type of Bill is always difficult in a democratic Parliament, where our wish for freedom in a democracy clashes with our need for security and to prevent harm from being done to us. At times this afternoon, the debate took me back to the seminars that I used to sit through at Warwick University, where we would sit around and discuss a moot point. This debate is not about a moot point, however, as my hon. Friend has just pointed out and as the hon. Member for Belfast East (Gavin Robinson) movingly said in his contribution. It is about real issues, real people and real threats to our communities with real outcomes, depending on what legislation we finally put in place, so it is not just a philosophical debate.

The alteration of our investigatory powers legislation is long overdue. My right hon. Friend the Member for Haltemprice and Howden (Mr Davis) pointed out that 66 pieces of legislation govern this area, and some elements of surveillance and investigatory powers in the Bill are, shall we say, being avowed in legislation for the first time. They are happening, but they are now being brought into the legal framework. For me, it is right that the Bill is being introduced.

Interestingly, we have had talk this afternoon about the amount of time that we have been given to debate the matter, but it has been over an hour since we last heard from an Opposition Member. That tells us that the matter, but it has been over an hour since we last heard from an Opposition Member. That tells us that the amount of time that we have been given to debate the Bill is being introduced.

Mike Wood (Dudley South) (Con): I was opposed to the 2000 Act, and I had concerns about the 2014 Act. If our starting point is whether changes would make things easier or harder for some hypothetical despotic regime, both Acts clearly shifted the powers of the state and gave the security services significant new powers without providing corresponding safeguards to protect the rights and freedoms of the individual. However, with three independent reviews, three parliamentary Committees during the pre-legislative scrutiny stage and Ministers who have clearly been prepared to listen and to make changes, this Bill is far better than any previous ones.

I still have concerns about shifting the balance between individuals and the state, but I am satisfied that the proposals will introduce powers that are proportionate to the risks faced. They will bring greater transparency to the system and the process. The powers will be controlled by more effective authorisation mechanisms and independent oversight. The proposals are proportionate because, as is widely recognised, the future is increasingly digital, and we have a responsibility to respond as such.

The internet is a fantastic opportunity and it opens incredible doors—even though I think of myself as tech savvy, I find it dispiriting to see that my five-year-old son can use my iPad better than I can—but it also, of course, opens doors for those who would do us harm in relation to both national security and some of the most vulnerable members of our community.

We often hear about the precautionary principle: the idea that where there is even a small risk of great harm, it is appropriate to take whatever action might avoid it. In this case, the risk is not small or hypothetical—unfortunately, with paedophilia and child sexual exploitation, we see the risk week after week—and the Bill could help to tackle that risk. We know not just that the risk of international terrorism is significant, but that if the security services do not have the powers to tackle those threats, it is absolutely certain that we will be victims. That is why I will support the Bill this evening.

6.42 pm

Suella Fernandes (Fareham) (Con): I am not sure what the collective noun is for lawyers.

Simon Hoare: A pain.
Suella Fernandes: It may be a pain, a chorus, a dazzle or an appeal. Whatever it is, I rise to join that group and its collective voice in favour of the Bill.

Although the Bill’s opponents brand it a snooper’s charter and criticise the lack of safeguards, I disagree with them. Like several hon. Members in the Chamber today, I had the privilege of sitting on the Joint Committee, and I heard at first hand the evidence of professionals on the front line. I am convinced that they exercise their powers judiciously and carefully, and I have faith that they will apply ethical standards when it comes to employing those powers. As the shadow Home Secretary said, GCHQ has neither the resources for nor the interest in carrying out mass surveillance of innocent people.

On safeguards, warranting has traditionally been the sole concern of the Executive. To echo the sentiments of my right hon. Friend the Member for North Shropshire (Mr Paterson), warranting is an inherently political process. When Ministers take a decision on granting a warrant, they take into account issues of national security, diplomatic relationships and the wider context. Frankly, such factors would not be relevant to a narrow legal and judicial analysis.

The Bill incorporates judicial review as the test to which warrants are subject. As my hon. Friend the Member for Tonbridge and Malling (Tom Tugendhat) set out, judicial review incorporates a test of proportionality. That test—I speak with 10 years’ experience as a barrister—specialising in judicial review in administrative law—involves four stages: first, looking at the objective in mind; secondly, assessing whether the means are directly connected to the objective; thirdly, asking whether an alternative is available; and lastly, carefully balancing intrusion against privacy. The choice is clear: do we trust our skilled professionals, or do we further disable them and let the terrorists and those who seek to destroy our society wreak havoc in this world?

6.44 pm

Keir Starmer (Holborn and St Pancras) (Lab): I pay tribute to all contributions made during this debate.

Anyone who has been involved in real time in a criminal investigation knows how vital it is for the police and our security and intelligence services to have access to communications and personal data. If a child goes missing, or a planned terrorist plot is uncovered, and a suspect appears on the radar for the first time, then knowing who he is, who he has been in contact with, and when, are vital clues.

The police, and the security and intelligence services, must be able to look back as well as forward. I know that because when I was Director of Public Prosecutions, I worked with the relevant agencies in real time on real cases that involved some of the most serious and grotesque crimes, and I shared the anxiety of tracking down individuals before they committed unspeakable crimes. For me, that has always made a compelling case for retaining some communications and personal data. Whether that is done by a retention notice from the Secretary of State or through the use of bulk powers, we cannot target suspects until we know that they exist and what they have been up to.

Whether we like it or not, we need the power and capability to park data and allow access to it at some later stage on strict terms. However, that is not, and should never be, the end of the story. The fact that a few individuals with experience trust such an exercise is not enough for the general public. Retaining communications and personal data is highly intrusive, and accessing that data at a later stage even more so—the clearest examples of that are bulk intercept powers and equipment interference capabilities.

There have been a number of exchanges this afternoon about the words “mass surveillance”, and I do not intend to embark on that. At best, such powers could be described as “suspicionless mass retention”, but that does not mean that they cannot be justified, or that they cannot be used. It does mean, however, that the concerns raised across the House deserve careful consideration.

The terms on which we park data, what we allow to be parked and in what circumstances, and the terms in which those data can later be accessed, matter in a modern democracy, and that puts the right to privacy in central place. Such powers must be set out in clear terms in law, and they must be necessary and proportionate. That first requirement that powers and capabilities be set out in law is not a legalistic tick-box exercise. In the wake of the Snowden revelations, it is clear that some investigatory powers in the UK have been and are being used more widely than was previously known, and without the safeguards in the Bill. If that is to be avoided in future, tightly drawn definitions of all powers and capabilities are needed in the Bill.

In that respect, I fear that the Government are moving in the wrong direction. The pre-scrutiny committees pointed to powers that they said were too broad and lacked clarity. Some of those powers have now been put into codes of practice, and there is nothing wrong with such codes of practice being available at this stage—we called for that, it is good to have them, and I applaud the Home Secretary for putting them before the House. However, there is a big difference between defining a power in a code of practice and defining it in statute. Even where powers are defined in the Bill, there is ambiguity.

A lot of the discussion this afternoon has been about internet connection records, and I urge Members to look again at clause 54, which is extremely vague and broad. As my hon. Friend the Member for Walthamstow (Stella Creasy) powerfully said, the distinction between content and contact is not as easy to make as it first appears. The necessity test in relation to some of the powers has also not yet fully been made. Of particular concern are the bulk powers, which allow the security and intelligence agencies to collect large volumes of data, including communications data and contact.

Operational cases have been published. So far, they have failed to convince. They need to be independently assessed. The Home Secretary indicated that the information has been given to the Intelligence and Security Committee, and we await the outcome of that. I do not suggest they cannot be justified, but it is important for the public at large that they are justified.

On proportionality, the principle is that the most intrusive powers should be reserved for the most serious cases. There must be clear safeguards to prevent the temptations of using them for lesser offences. There can be no doubt that when a young child goes missing or the intelligence suggests a suspected terrorist attack, access to data held by the police—and, where necessary, the
security and intelligence services—should be rapid and reliable. However, that does not justify routine resort to intrusive measures in other, less serious cases.

A lot of concern has been expressed about internet connection records. A rule that should be applied in investigatory powers cases is that the wider the set of data collected, the more careful the threshold should be and the higher the point of access. Even if the case can be made for internet connection records, that is a very, very wide dataset. This requires the threshold for access to be reconsidered and I invite the Government to consider the really serious matter of the threshold for access for internet connection records.

A fit-for-purpose 21st-century surveillance law is a prize worth fighting for and Labour will work with the Government to achieve it. For that to happen, however, the Government need to allow sufficient time for scrutiny, and, equally importantly, to shift position on a number of key issues. It is as simple as that.

6.52 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr Philip Hammond): This has been a good debate and I pay tribute to all contributors. We have heard a great deal of detail from a lot of very knowledgeable people. I am only grateful, Mr Speaker, that I do not have to pick up the bill at standard hourly rates for all the lawyers who have contributed to our debate tonight.

Amid all the admirable attention to detail, we must never lose sight of what this is all about: the first duty of Government is to keep us safe from serious crime, terrorism and hostile foreign powers. The Bill sets out a new framework for the use and oversight of investigatory powers by the law enforcement and security and intelligence agencies—not just those required to counter threats here at home but those supporting the vital outward-facing work of GCHQ and the Secret Intelligence Service, the two agencies for which I am responsible. I pay tribute tonight to the work of the secret intelligence agencies, the police, the National Crime Agency and all the other bodies that together do such a fantastic job of keeping us safe.

The purpose of the Bill is threefold: to bring together in one place all the powers already available to the agencies to obtain communications and data about communications; to equip us for a digital age by introducing a new power relating to the retention of internet connection records; and to overhaul the way the use of these powers is authorised and overseen. Our delivery of those three objectives has been underpinned by three principles: that the powers available to the agencies are necessary to tackle the serious threats we face; that they are proportionate, balancing the need to tackle threats with the rights to privacy of law-abiding people; and that they are subject to proper and effective authorisation and oversight.

To those who say that the Bill is rushed and that we have rushed into this without due consideration, I say, with the greatest respect, that that is nonsense. Our approach has been informed by the recommendations of no fewer than three independent reviews and three Committees, which scrutinised the draft proposals in detail. Indeed, few measures ever brought before the House can have been subject to such a high degree of pre-legislative scrutiny. I want to place on the record once again my and the Home Secretary’s thanks to all those involved, because their work has undoubtedly improved the Bill.

The introduction of judicial authorisation in the warrant-issuing process as part of the overarching architecture will reassure the public. I want to be clear—because concerns have been raised tonight—that the judicial commissioners will be able to consider proportionality and necessity as they exercise their double-lock function. I want to reassure hon. Members who raised this point that we are confident that this additional layer of protection can be introduced without undermining the effectiveness of the system.

This is a Second Reading debate. It is clear from remarks tonight that there is widespread acceptance across the House, including from both Opposition Front Benches, of the need for legislation, but both raised a series of points—several recurring themes arose in the debate—all of which are perfectly proper issues to raise in Committee, when a proper, detailed justification of each of the proposals in the Bill can be made and scrutinised. I am confident that all reasonable concerns and fears can be allayed as the Bill progresses.

It is important to be clear that, apart from internet connection records, all the powers in the Bill are already in use by our agencies and police forces, as they keep us remarkably safe from the myriad threats we face. Any attempt to curtail those powers, which they already have and are currently using, would make us less safe. That is something that we, on this side of the House, are simply not prepared to contemplate. I was hoping to address some of the key issues raised during the debate, but I am afraid that time does not allow it. All the issues raised, however, will be fully and exhaustively addressed in Committee.

The Bill is about backing our police and intelligence agencies with the powers they need to keep the British people safe. It is about allowing them to adapt to changing technology and the ways in which criminals and terrorists use it, but it is also about ensuring that all this is done in a proportionate way and with proper authorisation and oversight so that the British people can have absolute confidence that the powers are being appropriately used and that their privacy is being properly protected.

The Bill delivers all those objectives. The powers set out are necessary to tackle the serious threats we face, and they are proportionate, carefully balancing the need to tackle threats with people’s right to privacy. The Bill provides for a level of oversight and scrutiny that will be world leading, with the introduction of judicial oversight and the double lock—the biggest change in this area since Government avowed the very existence of the intelligence and security agencies over 20 years ago.

For too long, technological change has been moving the dial in favour of the criminal and the terrorist. The Bill is an important step in the fight back. I urge colleagues on both sides of the House to join us in taking the battle to the terrorists and the organised criminals by backing the Bill tonight.

Question put, That the Bill be now read a Second time.

The House divided: Ayes 281, Noes 15.
Division No. 220]  

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| Leadsom, Andrea |
| Lee, Dr Phillip |
| Lefroy, Jeremy |
| Leigh, Sir Edward |
| Leslie, Charlotte |
| Letwin, Rh Mr Oliver |
| Lewis, Brandon |
| Lilley, Rh Mr Peter |
| Lopresti, Jack |
| Lord, Jonathan |
| Loughton, Tim |
| Mackinlay, Craig |
| Main, Mrs Anne |
| Mak, Mr Alan |
| Malthouse, Kit |
| Mann, Scott |
| Mathias, Dr Tania |
| May, Rh Mrs Theresa |
| Maynard, Paul |
| McCartney, Jason |
| McCartney, Karl |
| McLoughlin, Rh Mr Patrick |
| Menzies, Mark |
| Merriman, Huw |
| Metcalfe, Stephen |
| Miller, Rh Mrs Maria |
| Milling, Amanda |
| Mills, Nigel |
| Milton, Rh Anne |
| Mitchell, Rh Mr Andrew |
| Mordaunt, Penny |
| Morgan, Rh Nicky |
| Morris, Anne Marie |
| Morris, David |
| Morris, James |
| Morton, Wendy |
| Mundell, Rh David |
| Murray, Mrs Sherryl |
| Morrison, Dr Andrew |
| Nokes, Caroline |
| Nuttall, Mr David |
| Offord, Dr Matthew |
| Opperman, Guy |
| Paisley, Ian |
| Parish, Neil |
| Patel, Rh Priti |
| Paterson, Rh Mr Owen |
| Pawsley, Mark |
| Penning, Rh Mike |
| Penrose, John |
| Percy, Andrew |
| Perry, Claire |
| Phillips, Stephen |
| Philp, Chris |
| Pincher, Christopher |
| Poulter, Dr Daniel |
| Pow, Rebecca |
| Prentis, Victoria |
| Prisk, Mr Mark |
| Pritchard, Mark |
| Pursglove, Tom |
| Quin, Jeremy |

| Quince, Will |
| Raab, Mr Dominic |
| Redwood, Rh John |
| Rees-Mogg, Mr Jacob |
| Robinson, Gavin |
| Robinson, Mary |
| Rosindell, Andrew |
| Rudd, Rh Amber |
| Rutley, David |
| Sandbach, Antoinette |
| Scully, Paul |
| Selous, Andrew |
| Shannon, Jim |
| Shapps, Rh Grant |
| Shelbrooke, Alec |
| Simpson, David |
| Simpson, Rh Mr Keith |
| Skidmore, Chris |
| Smith, Chloe |
| Smith, Henry |
| Smith, Julian |
| Smith, Royston |
| Solloway, Amanda |
| Soubry, Rh Anna |
| Spelman, Rh Mrs Caroline |
| Spencer, Mark |
| Stephenson, Andrew |
| Stevenson, John |
| Stewart, Iain |
| Stewart, Rory |
| Streeter, Mr Gary |
| Stride, Mel |
| Stuart, Graham |
| Sturdy, Julian |
| Sunak, Rishi |
| Swain, Rh Mr Desmond |
| Swire, Rh Mr Hugo |
| Symes, Rh Mr Robert |
| Thomas, Derek |
| Throup, Maggie |
| Timpson, Edward |
| Tolhurst, Kelly |
| Tomlinson, Justin |
| Tomlinson, Michael |
| Tracey, Craig |
| Tredinnick, David |
| Trevethan, Rh Mrs Anne-Marie |
| Tugendhat, Tom |
| Turner, Rh Mr Andrew |
| Vaizey, Rh Mr Edward |
| Vara, Rh Shailesh |
| Vickers, Martin |
| Walker, Rh Charles |
| Walker, Rh Robin |
| Wallace, Mr Ben |
| Warburton, David |
| Warman, Matt |
| Watkinson, Dame Angela |
| Wharton, James |
| Whatley, Helen |
| White, Chris |
| Whittaker, Craig |
| Whittingdale, Rh Mr John |
| Wiggin, Bill |
| Williams, Craig |
| Williamson, Rh Gavin |
| Wilson, Mr Rob |
| Wilson, Sammy |
| Wollaston, Rh Sarah |
| Wood, Mike |
| Wragg, William |
Tellers for the Ayes: Sarah Newton and Simon Kirby

NOES
Brake, rh Tom
Carmichael, rh Mr Alistair
Clegg, rh Mr Nick
Edwards, Jonathan
Farron, Tim
Lamb, rh Norman
Lucas, Caroline
Mulholland, Greg
Pugh, John
Saville Roberts, Liz
Skinner, Mr Dennis
Thomson, Michelle
Williams, Hywel
Williams, Mr Mark
Winnick, Mr David
Tellers for the Noes: Ms Margaret Ritchie and Mark Durkan

Question accordingly agreed to.

Mr Speaker: I remind the House that the programme motion in the Order Paper was published in error, a fact of which I informed the House some hours ago. The correct motion has been available from the Vote Office. I invite the Home Secretary to move the amended programme motion.

INVESTIGATORY POWERS BILL (PROGRAMME)
Motion made, and Question put forthwith (Standing Order No. 83A(7)), That the following provisions shall apply to the Investigatory Powers Bill:

Committal
(1) The Bill shall be committed to a Public Bill Committee.
Proceedings in Public Bill Committee
(2) Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 5 May 2016.
(3) The Public Bill Committee shall have leave to sit twice on the first day on which it meets.
Proceedings on Consideration and up to and including Third Reading
(4) Proceedings on Consideration and up to and including Third Reading shall be taken in two days in accordance with the following provisions of this Order.
(5) Proceedings on Consideration and any proceedings in legislative grand committee shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the second day.
(6) Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the second day.
(7) Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and up to and including Third Reading.

Other proceedings
(7) Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—(Mrs May.)

Question agreed to.

INVESTIGATORY POWERS BILL (MONEY)
Queen's recommendation signified.
Motion made, and Question put forthwith (Standing Order No. 52(1)(a)), That, for the purposes of any Act resulting from the Investigatory Powers Bill, it is expedient to authorise the payment out of money provided by Parliament of:
(1) any expenditure incurred by the Secretary of State under the Act;
(2) any other expenditure incurred by a Minister of the Crown or government department by virtue of the Act;
(3) any remuneration and allowances payable under the Act to the Judicial Commissioners; and
(4) any increase attributable to the Act in the sums payable by virtue of any other Act out of money so provided.—(Guy Opperman.)
Question agreed to.

INVESTIGATORY POWERS BILL (WAYS AND MEANS)
Motion made, and Question put forthwith (Standing Order No. 52(1)(a)), That, for the purposes of any Act resulting from the Investigatory Powers Bill, it is expedient to authorise:
(1) provision about taxation in connection with transfer schemes; and
(2) the payment of sums into the Consolidated Fund.—(Guy Opperman.)
Question agreed to.

DEFERRED DIVISIONS
Motion made, and Question put forthwith (Standing Order No. 41A(3)), That at this day's sitting, Standing Order No. 41A (Deferred divisions) shall not apply to the Motion in the name of Secretary Theresa May relating to Investigatory Powers Bill Carry-over; and the Motion relating to the Prevention and Suppression of Terrorism.—(Guy Opperman.)
Question agreed to.

INVESTIGATORY POWERS BILL (CARRY-OVER)
Motion made, and Question put forthwith (Standing Order No. 80A(1)(a)), That if, at the conclusion of this Session of Parliament, proceedings on the Investigatory Powers Bill have not been completed, they shall be resumed in the next Session.—(Guy Opperman.)
Question agreed to.

Mr Speaker: Having got comfortably through that sequence—I am most grateful to the Whip on duty—we now come to the motion on prevention and suppression of terrorism and, dare I say it, to the alluring prospect of the motion being moved by the Minister for Security, the right hon. Member for South Holland and The Deepings (Mr Hayes).
Prevention and Suppression of Terrorism

7.13 pm

The Minister for Security (Mr John Hayes): I beg to move,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2016, which was laid before this House on 22 February, be approved.

I am extremely grateful to you, Mr Speaker. Alluring though the prospect might be, and as you know, it is not my habit to disappoint the House or to abbreviate my remarks when further articulation of an argument is necessary—[Interruption.]

Mr Speaker: Order. I appreciate that Members are leaving the Chamber, but it would be appreciated if they could do so quickly and quietly. I am sure that the substantial numbers of Members who are staying will want to savour the speech by the Minister. At any rate, he deserves an attentive audience. Indeed, I am sure that he expects nothing less.

Mr Hayes: With your encouragement, Mr Speaker, I repeat that it is not my habit to disappoint the House or to be constrained by facts, believing as I do that it is a journey beyond the given in which men and women shine and soar. Nevertheless, I will be brief and factual tonight.

The International Sikh Youth Federation, a separatist movement committed to the creation of Khalistan, an independent Sikh state in the Punjab region of south Asia, was established in the 1980s. In the past, the ISYF’s attacks included assassinations, bombings and kidnappings, mainly directed against Indian officials and interests. The ISYF has been proscribed as a terrorist organisation in the UK since March 2001. The decision to proscribe the ISYF was taken after extensive consideration and in the light of a full assessment of available information and at that time, as is necessary, was approved by Parliament. It is clear that the ISYF was certainly concerned with terrorism at that time.

Having reviewed, with other countries, what information is available about the current activities of the ISYF and after careful and appropriate consideration, the Home Secretary concluded that there is not sufficient evidence to support a reasonable belief that the ISYF is currently concerned with terrorism, as defined by section 3(5) of the Terrorism Act 2000. Under section 3 of the Act, the Home Secretary has the power to remove an organisation from the list of proscribed organisations if she believes that it no longer meets the statutory test for proscription. Accordingly, the Home Secretary has brought forward this draft order, which, if approved, will mean that being a member of or providing support to this organisation will cease to be a criminal offence on the day on which the order comes into force. The decision to de-proscribe the ISYF was taken after extensive consideration and in the light of a full assessment of all the available information. The House will naturally understand that it would not be appropriate for me to discuss the specific intelligence that informed the decision-making process.

The House would also expect me to make it clear that the Government do not condone any terrorist activity or terrorism apologists. De-proscription of a proscribed group should not be interpreted as condoning the previous activities of the group. As I said, the decision to proscribe was taken on the basis of the information available then, and we take this decision on the basis of up-to-date information. Groups that do not meet the threshold for proscription are not free to spread hatred, fund terrorist activity or incite violence as they please.

Andy Burnham (Leigh) (Lab): I am grateful to the Minister for giving way, but some of the things that he has said tonight will be disputed by some in the Sikh community. I do not want to get into a debate about the organisation’s history, but the strong feeling in the Sikh community is that some decisions were based on diplomatic pressure from the Indian Government, rather than on the direct evidence of terrorism that he describes. I am not proving the case one way or the other, but can the Minister say without any contradiction that diplomatic pressure did not lead to the ban being maintained for so long?

Mr Hayes: I can say without equivocation, hesitation or obfuscation that a ban can apply only if there is compelling evidence to support it. Indeed, were there to be continuing compelling evidence, the ban would remain in place. When matters were reconsidered, it was clear that we could not make such a ban stand up against the criteria, which are appropriately tough, so we brought forward the draft order that we are briefly debating tonight. Pressure was certainly not put on me. Indeed, I received no overtures of the kind that the right hon. Gentleman described. Had I done so, I can absolutely assure him that my decision-making would not have been affected in any way.

Andy Burnham: I am grateful to the Minister for giving way again and I appreciate that he wants to get through his speech, but these are matters of great concern to many in the British Sikh community, so they will want to hear further answers from the Minister. He says that the Government changed their mind when the evidence was reconsidered, but that was only after they were taken all the way to the High Court and had resisted representatives of the Sikh community at every single stage. The Minister needs to remove any suggestion that the ban has been maintained for so long because of pressure from the Indian Government.

Mr Hayes: I did say, “without equivocation, hesitation or obfuscation.” I do not know how I could put it more clearly that no such representations influenced any decision I made on these matters. Let me see whether I can create a synthesis between our positions, as I do appreciate that there are strong feelings about this matter.

When proscription is put in place, it is done with the utmost seriousness, as these are serious matters. Banning the membership of any organisation in a free society is a very serious business indeed. Consequently, lifting such a proscription is also a serious matter, and it warrants the kind of consideration that has been given. The fact that these matters have to be brought to this Chamber at both stages is indicative of that seriousness. As the right hon. Gentleman knows, the threshold for proscription is common to both stages and applied under Governments of different colours—this was in place under Labour. It has not changed, so it is not as though the goalposts have been shifted and the criteria have altered. I can also assure him that absolute consistency...
applies; it might be argued that there had been a change of not only approach, but of the way we measure such things, and I can assure him that that has not happened either.

Keith Vaz (Leicester East) (Lab): rose—

Mr Hayes: I give way to the right hon. Gentleman, who chairs the Home Affairs Committee and is a great expert on all these matters.

Keith Vaz: I, of course, accept the Minister’s assurances that the Indian Government did not put pressure on Ministers—it would be wrong for them to have done so—as he has come to the House and said so. Will he just clarify something for me? The independent reviewer of terrorism legislation suggested that there should be an automatic trigger; once proscription is put in place, there should be a time specified that would enable the matter to be reviewed, so that organisations that are proscribed and do change would not have to wait an inordinate time—an indefinite length of time—before their proscription is reconsidered. Do the Government now support that position?

Mr Hayes: The right hon. Gentleman is right to say that the independent reviewer did make such an argument, and I was familiar with it. There has also been a continuing argument in favour of an annual check on these matters—I understand that argument and we are never a closed-minded Government, as I know he will appreciate. That is not the situation that pertains at the moment or in respect of this organisation, and one could not make the case that the shadow Home Secretary made if it were. There was no fixed time limit nor a predetermined idea that this ban would last for only a particular time and would then be lifted. This decision was therefore purely based on a re-examination of the facts, rather than on any consideration of how long the organisation had been banned or whether there should be an end point.

Keith Vaz: The shadow Home Secretary raised this point because there are members of the community who have suggested that there has been pressure put on, and that indicates the problem with an indefinite period. If it were not indefinite but was reviewable, as the independent reviewer has suggested, there would not be these suspicions that others had put pressure on Ministers. The Minister has made it clear that no pressure has been put on him, but that does not stop these rumours persisting, because we are talking about an indefinite period.

Mr Hayes: The right hon. Gentleman has a charming idealism, which I rather admire. It is idealistic to suppose that because something continues for some time there is likely to be the kind of pressure that he has described, whereas if something happened more suddenly, that pressure would not be applied. Rather, I think a fixed timetable might act as pressure valve, adding a greater degree of argument, debate and perhaps even lobbying of the kind that is being suggested. I am not sure that the length of time and the character of the overtures that might be made to Ministers can really be reconciled in the way he is describing, but, as he knows, I admire his idealism.

I say to the right hon. Gentleman and the shadow Home Secretary that the Government continue to exercise the proscription power in a proportionate manner. There has been a great deal of debate about proportionality this afternoon. In that spirit, it is important that we recognise that proscription has implications for the circumstances and entitlements of individuals and groups of individuals. It is very important that we act strictly in accordance with the law, according to those strict thresholds and proportionately.

In conclusion, we believe that it is appropriate in these circumstances to remove the ISYF from the list of proscribed organisations. I hear what the shadow Home Secretary says. These are never easy decisions, and such decisions never attract unanimity in any community, but this Government are not a Government who do what is easy—they are a Government who do what is right. We think it is right that we remove the ISYF from the list of proscribed organisations in schedule 2 to the Terrorism Act 2000. Subject to the agreement of this House and the other place, the order will come into force on 18 March.

7.26 pm

Lyn Brown (West Ham) (Lab): We support the order. As I am sure everyone will agree, proscription is a weighty matter. National security is the foremost responsibility of any Government and, indeed, of any Opposition, and we must continue to ensure that we take national security matters very seriously indeed.

The Opposition recognise that proscription is a vital part of our national security powers, which enable us to tackle and disrupt terrorist groups, but we also have to accept that proscription is a draconian power, and with that power comes great responsibility.

Proscribing a group makes it illegal to belong to or support it in any way. It is, in and of itself, a curtailing of freedom of association. It is also possible that those who have associated with a proscribed organisation will have their ability to travel or an application for citizenship disrupted. Given those civil liberties implications, any proscription order should be considered very carefully, and we also need to keep the status of proscribed groups under review.

The issue of de-proscription, however, has been fraught. It was first raised in the context of the People’s Mujahedin of Iran and a judicial review launched against its continued proscription. In 2008, the Court of Appeal found in its favour and ruled that “an organisation that has no capacity to carry on terrorist activities and is taking no steps to acquire such capacity or otherwise to promote or encourage terrorist activities cannot be said to be ‘concerned in terrorism’”.

Although the People’s Mujahedin of Iran was subsequently de-proscribed, that has not been followed by the implementation of a proper procedure for considering other groups.

That issue was raised by the independent reviewer of terrorism, David Anderson QC, in his 2011 report and it has been highlighted repeatedly since. Indeed, it was subsequently part of the focus of an excellent Home Affairs Committee report in 2012. It has been raised by
many hon. Members, particularly my predecessor in this post, my hon. Friend the Member for Kingston upon Hull North (Diana Johnson), and my right hon. Friend the Member for Leicester East (Keith Vaz), the Chair of the Home Affairs Committee, who have both addressed it in several proscription debates over the past five years.

Unfortunately, the Government have not engaged with the issue. In 2012, the then Security Minister promised the Chair of the Home Affairs Committee a response “shortly”. In 2013—a year later—the response had still not appeared. In another proscription debate, my right hon. Friend the Chair of the Home Affairs Committee made some prescient remarks about the lack of a proper de-proscription procedure. He said:

“That means, I am afraid, that the matter ends up not in this House, which is responsible for proscription, but in the courts... A Minister came before the House and said, ‘We are de-proscribing the People’s Mujahedeen, because they’ve gone to court and won their judicial review.”’—[Official Report, 10 July 2013; Vol. 566, c. 464.]

In response to that pressure, the Government did concede that 14 groups no longer met the statutory test for proscription and so proposed annual reviews to assess the status of proscribed groups, but no de-proscription orders followed. In 2014, the Government announced that they were scrapping annual reviews and replacing them with a system whereby groups could be de-proscribed.

At the same time, the Opposition raised concerns about how the system worked, because some groups had ceased to exist and it was not clear how any group could make such an application given that it was illegal to be a member of the said group.

Three members of the Sikh community applied on 4 February 2015 for the organisation to be de-proscribed, because it has not existed in the UK since March 2001 and is not concerned in terrorism. That application should have been dealt with within 90 days, but the response was not received until 31 July 2015, and when it came, it asserted that the Secretary of State maintained a reasonable belief that the International Sikh Youth Federation is concerned in terrorism. That was July last year.

The Home Secretary said in a later communication that there had been extensive consideration and a full assessment of available information. No reasons were given for the continued proscription. The applicants filed an appeal and gave as grounds the failure of the Government to give any reason for the refusal to de-proscribe, which was contrary to the rule of law, and asserted that the ISYF is not concerned in terrorism.

The Proscribed Organisations Appeal Commission directed the Home Secretary to provide reasons to support her position, but on the very day that the reasons and the evidence were due, the Home Secretary informed the commission that she would not defend the decision and would lay an order for de-proscription. The Home Secretary did not suggest that there was any change in the facts between 31 July and the day of the decision, which was just six months later.

The decision is particularly important given the special nature of proscription orders and the basis on which the Home Secretary makes her decision. Again, I want to go back to a contribution made to a previous proscription debate by my right hon. Friend the Member for Leicester East, the Chair of the Home Affairs Committee. He said:

“I can say that it is clear that when Ministers with the security portfolio come before the House to make a statement—some of it based on intelligence that cannot be shared with the House—the House always defers to them and accepts what they say.”—[Official Report, 10 July 2013; Vol. 566, c. 462.]

My right hon. Friend was highlighting the wrong tradition of accepting security statements from Ministers in good faith.

If we are to take Ministers’ statements on proscription in good faith, the House also needs to trust Ministers to act in the same good faith when it comes to de-proscription. I say gently to the Minister—and I hope that he sums up and comes back to me with some kind of answer—that I genuinely do not understand how this could have happened. I really think that he needs to give this House some kind of explanation as to how, in July 2015, the organisation was still being proscribed, but in December of that same year it was not.

This de-proscription of the International Sikh Youth Federation raises questions about the continued proscription of other groups, particularly the 14 groups that the Home Office has conceded may no longer meet the statutory tests. It risks undermining the confidence in this vital part of our security system. Can the Minister now confirm that the ISYF was one of the 14 groups identified as not meeting the “concerned in terrorism” test? Will funds frozen for the last 15 years belonging to the International Sikh Youth Federation now be unfrozen, and will the Home Secretary ensure that the International Sikh Youth Federation name is removed as soon as possible from lists issued by the United Nations and the EU on financial restrictions imposed following 9/11?

While I support today’s order, I strongly urge the Minister to reflect on this case and the damage done, and to introduce a proper system for considering de-proscription that can restore confidence in the whole proscription process. In particular, I urge the Minister to reconsider the merits of the annual reviews of proscribed organisations, and reinstate them.

I want to highlight the argument made by the independent reviewer, David Anderson, QC, that annual reviews of proscription orders should mirror the requirements of the Terrorist Asset-Freezing etc. Act 2010—to review annually the necessity of continued asset freezes, which leads to the delisting of individuals on the initiative of the Treasury. Indeed, there is a strong argument that that is already a requirement of the Terrorist Asset-Freezing etc. Act 2000. In a judgment from 2007, the Proscribed Organisations Appeal Commission, headed by High Court Judge Sir Harry Ognall, ruled:

“It cannot have been Parliament’s intent that an organisation which the Secretary of State historically had reasonable grounds for believing was ‘concerned in terrorism’ but for which there are no reasonable grounds for believing that it is currently ‘concerned in terrorism’ should remain on Schedule 2 for any longer than absolutely necessary. As such, it is incumbent on the Secretary of State to consider at regular intervals whether or not the power under section 3(3)(b) should be exercised. We were told in the course of argument that the Secretary of State does in fact adopt this practice and that the period between such reviews was around twelve months. We have seen no documentary evidence of such reviews in this case, but it is certainly a practice that the Secretary of State should continue to adopt. It serves to underline our view that such practice is a proper reflection of the Secretary of State’s statutory duty.”

In response to that pressure, the Government did concede that 14 groups no longer met the statutory test for proscription and so proposed annual reviews to assess the status of proscribed groups, but no de-proscription orders followed. In 2014, the Government announced that they were scrapping annual reviews and replacing them with a system whereby groups could be de-proscribed. At the same time, the Opposition raised concerns about how the system worked, because some groups had ceased to exist and it was not clear how any group could make such an application given that it was illegal to be a member of the said group.

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The decision is particularly important given the special nature of proscription orders and the basis on which the Home Secretary makes her decision. Again, I want to go back to a contribution made to a previous proscription
If the Minister does not agree with me that the Home Secretary’s duty requires annual reviews, I should be really grateful if he explained in his summing-up how else he intends to meet this duty.

I have met representatives of the UK Sikh Federation and they have told me about the real difficulties that have affected former members of the ISYF, such as difficulties around naturalisation and international travel. Now that the ISYF has finally been de-proscribed I hope that the Sikhs in our communities can look forward to a new relationship with Government. Sikhs celebrated new year yesterday. It is certainly time for a new beginning. I wish them all a happy new year.

Keith Vaz (Leicester East) (Lab): It is a pleasure to follow my hon. Friend the Member for West Ham (Lyn Brown), who gave an excellent speech, not least because she quoted so extensively from previous speeches that I gave to the House on proscription. She reminded the House that the issues we have raised on previous occasions are still current in the proscription debate. The Minister may have changed, but the issues remain.

The Government should be commended for raising this proscription. They will find that they have the support of the whole House. These are difficult issues for Ministers, requiring careful judgments to be made, with a great deal of thought. It is right that Ministers should think carefully before they come to the House. It is also right that the House should debate these issues at length, because when the orders are placed on organisations, they have serious implications for them. At the time when the order was imposed, the House would have been unanimous, if it had come before the House, in expressing its concern about the events that led to the proscription.

But as my hon. Friend the Member for West Ham said from the Front Bench, when a proscription order is in place, surely there should be a decent, honourable and understandable way by which organisations may apply for de-proscription. As she correctly said, in previous debates, in all of which the orders have been accepted by the House without dissent, Ministers said that they would come back to the House and to the Home Affairs Committee and indicate how they would look again at those organisations that had been proscribed.

That has not happened, and the Minister said today that he still has an open mind. I believe him when he says that. If his mind is open, I hope he will go back to the Home Secretary and other colleagues and say that the House believes that the time has come for us to remove the indefinite period that applies to proscribed organisations. The implications not just for the organisations but for the wider diaspora community are quite severe.

That is the point that we want to make today.

We welcome what the Government are doing after a very long time. It is a concession because of the success of the application, rather than the Minister or the Home Secretary deciding that it is time that the International Sikh Youth Federation had its proscription lifted. That was done because the organisation itself made the application and followed the process through. It appealed and the Home Secretary did not contest it.

There are implications wider than the particular organisation. There are colleagues here from Ealing, Wolverhampton, West Ham and other places, including Scotland and Northern Ireland, where the Sikh community is represented. At every meeting that I have attended to do with the Sikh community, members of the community ask about the issue and feel that they have been discriminated against. There are 450,000 Sikhs living in the United Kingdom, and about 150 gurdwaras in the UK. In Leicester East alone we have 12,000 members of the Sikh community, who play a full part in the way our city operates and in civic life as doctors, nurses and teachers. We even have our own Sikh school which was granted by the Education Minister. Last night I spotted members of the Sikh community at the King Power stadium when Leicester beat Newcastle 1-0. They play a full part in the life of our city. Sikhs will welcome what the Government have done. Even though it is one organisation, because it has the word “Sikh” in its name, it affects other parts of the diaspora.

Finally, why do we not accept after all these years the wise words of David Anderson, the Government’s own reviewer of counter-terrorism, who suggested that there ought to be a time limit on proscription? If there were a time limit, officials in the Minister’s Department would be able to look at these cases more carefully. Of course, we accept the Minister’s assurances that no outside force was able to influence him. He is a man of huge integrity and independence and nobody would be able to influence him from outside, but the rumours persist, and the best way to dispel them is to make sure that there is a robust, understandable and coherent method of dealing with de-proscription.

Some of the 7,000 members of the Tamil community in my constituency, for example, are concerned about the fact that the Liberation Tigers of Tamil Eelam is still proscribed. Even though that organisation was abolished and destroyed years ago, they still feel under a certain amount of pressure. It is time to review. I hope that when the Minister comes to reply, he will remind us how many organisations are currently proscribed and perhaps give us a timetable for when his open mind will deliver a result that the whole House can debate.

Rob Marris (Wolverhampton South West) (Lab): There are dozens of Sikhs in the Public Gallery tonight. In honour of that, I will, if I may, say the Sikh incantation: “Waheguru ji ka Khalsa, Waheguru ji ki Fateh”.

Roughly translated, and I hope hon. Members will forgive my translation, that means: “Glory to the Khalsa”—the Sikh brotherhood and sisterhood—“Glory to God. The Khalsa belongs to God. God always prevails.”

I am the chair of the all-party group for British Sikhs, but I must stress that I speak in a purely personal capacity to the House tonight. The issues we are discussing are very serious; they are taken very seriously by UK citizens, including hundreds of thousands of Sikhs. They are serious issues for our security, but proscription is also a serious issue for our liberty—for freedom of association and freedom of speech—which is curtailed by proscription, and, on occasions, that must be the right thing to do.

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The ban on the International Sikh Youth Federation in the UK in March 2001 led to the organisation being banned in India in December that year and in Canada in July 2003. If the Minister is now going to wind up, I hope he can reply in writing later to some of the questions I will be firing at him—it is a slightly strange procedure we have tonight, with all due respect, Madam Deputy Speaker.

The first question I would like to ask is: will the Government—assuming this statutory instrument goes through, as I am sure it will—formally notify the Governments of Canada and India of the UK’s decision to de-proscribe and of the reasons for it? To repeat a question that was asked earlier—it is an important question, and the Minister did answer it, but I am coming at it from a slightly different angle—have the Government had any communications with the Indian authorities on lifting the ban on the ISYF since the application to de-proscribe was made in February 2015? If there have been communications, when did they take place?

This issue touches on our freedoms, so I would like to ask the Minister how many organisations such as the ISYF, which are proscribed, do not currently meet the statutory definition of being concerned in terrorism, which is the core part of the test. In 2013, the Home Office identified 14 proscribed organisations that in its assessment did not meet the statutory test of being concerned in terrorism. I do not know whether the ISYF was one of those 14, but if it was, I hope the Minister can explain why the ban—the proscription—was not lifted, at the latest, when the application for de-proscription was made in February 2015. If the ISYF was one of the 14 organisations the Government were saying did not meet the test any more, the Government should have given in immediately in February 2015, when three applicants made the application to de-proscribe.

What about the other 13 organisations? If the Home Office decided nearly three years ago that 14 proscribed organisations should no longer be proscribed, that further underlines the case, made so ably by my hon. Friend the Member for West Ham, for annual reviews of these proscriptions, because they are very serious—they are serious for our security, but they are also a serious infringement of our liberties.

It is for that reason that I am concerned that the statutory time limit for the Home Secretary to respond formally and legally to the application to de-proscribe is 90 days. It is regrettable that she appears to have taken almost twice as long to respond. That is not a technical point, because these statutory provisions exist to protect our hard-won liberties, yet the statutory provisions on the time limits, which I am sure would have been enforced had the applicants not met their 42-day time limit, appear to have been ignored with impunity by the Home Secretary. That is not just a technical matter because it relates to our freedoms.

To reinforce the point made very ably by my hon. Friend the Member for West Ham, I ask the Minister to explain what troubles many hon. Members and many of the large Sikh community: that is, why the Home Secretary thinks on 31 July 2015 that the ISYF did meet the criteria—and the Minister said, they are tough criteria—and that is good, because this is about our security—and should continue to be proscribed, but four and a half months later throws her hand in. In the first instance, she succeeds. She says, “This organisation should continue to be proscribed”, and she wins. The three applicants then put in an appeal. Leaving aside the fact that the Home Office took longer than it should have done to respond to that appeal, in mid-December—I think it was 14 December—the Home Secretary said, “I’m not going to fight this appeal any more—I’m offering no evidence.” Hence the measure before us tonight, because in the four-and-a-half month period between 31 July 2015 and 14 December 2015 the Home Secretary changed her mind.

In terms of our liberties and of respect for the large Sikh community, I think there should be an explanation for this. I appreciate that there are security concerns. If the Minister said, “I’m going to lay it all out before the House”, I would be the first in a queue with 649 other MPs saying, “No, don’t do that—this is about our security.” However, there is room for him to give a little more explanation to the three applicants, on the grounds of civility, if nothing else. As far as I know, they are all here tonight in the Public Gallery—Amrik Singh Gill, Narinderjit Singh Thandi, and Dabinderjit Singh Sidhu. They deserve the civility of that explanation, because this proscription has directly and indirectly affected them.

What concerns me is that the Home Office’s lifting of the proscription was awfully grudging. Somehow the balance tipped during the four-and-a-half year period in the second half of last year. This month the Home Office put out a press statement saying: “The British Government has always been clear that the ISYF was a brutal terrorist organisation.” That may be the case, but things seem to have changed very quickly in a short period. The explanatory memorandum on the statutory instrument says at paragraph 7.4:

“An application was made to the Secretary of State for the deproscription of the International Sikh Youth Federation. The Secretary of State has now decided that there is insufficient information to conclude that the group remains concerned in terrorism.”

It may have been involved in terrorism—I do not know. There are serious questions to be asked, and serious questions were asked in March 2001 when the proscription order went through this House. However, it was awfully grudging of the Home Office to say in December, “We’re not going to provide any more evidence. We’re just going to throw our hand in and not even fight it through the legal procedures any more.”

The three applicants from the leadership of the Sikh Federation UK legally challenged the Home Secretary, risking a whole load of costs, which, I have to say to the Minister, I understand that they may not get back even though they have won their case. They persuaded the Home Secretary by the force of their argument to withdraw her appeal, because apparently the evidence she had in July was no longer there in December. That is very strange for an organisation which, by then, had not existed for over 14 years—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I appreciate that the hon. Gentleman is making a passionate speech and putting his points very well, but I urge him to be careful not to be repetitive.

Rob Marris: I thank you for that admonition, Madam Deputy Speaker.
As I was saying, the leadership of the Sikh Federation UK legally challenged the Home Secretary and persuaded her to withdraw the appeal. The federation is widely recognised as a large and prominent Sikh organisation in the UK, building democratic political engagement for the UK Sikh community. Many of its members would like a bit more information as to what suddenly changed, because it mystifies us.

When I talked to the federation again today, as I often do, it told me that it had written to, I think, every MP—certainly to many MPs—saying that the key outcome that it wanted was not only the additional information and explanation that I urged the Minister to provide, within the bounds of our national security, but a renewed and open relationship with the community, based on issues of particular importance to Sikhs living in the United Kingdom, so that we can all move forward. I hope that on behalf of the Home Secretary, the Minister will tonight make a commitment to the Sikh community and promise a fresh start for this fresh new year for Sikhs.

7.55 pm

Mr John Hayes: This short but exciting debate has fallen into three parts. First, we have had a wider debate about proscription more generally, and in particular about the process for proscribing and de-proscribing organisations. The current arrangement is, as has been said by the shadow Minister, a process of application. In this case, such an application was made and considered in the way in which I have described, which has led us to this outcome.

I am familiar with the argument that the right hon. Member for Leicester East (Keith Vaz), the Chair of the Home Affairs Committee, made about the possibility of annual reviews. That does not pertain at the moment, but I am aware that that was precisely the argument used by David Anderson, the independent reviewer. I can see the point that the right hon. Gentleman made. It is not where we are now, but I think a wider discussion about proscription might facilitate just such a conversation. That is a conversation that I am always prepared to have with him and with other hon. Members. He is right, as is the shadow Minister, to say that the seriousness of these matters means that they must be dealt with in a consistent and reasonably speedy way, as I said in my opening remarks.

To that end, I come to the second part of the trilogy, which concerns the issues raised by the hon. Member for Wolverhampton South West (Rob Marris). He dealt more particularly with the circumstances of the organisation. I am glad that he welcomed the de-proscription, as have other Members, and I know that it will be welcomed in the community. By the process I have set out, the de-proscription was completed in the timeframe he described. The application was received on 6 February 2015, as he said, but as he suggested, it was identified rather later, on 14 May, than might have been ideal. Following careful consideration by the Home Secretary, a decision to maintain the group’s proscription was made in July. However, as the shadow Minister said, a subsequent appeal was lodged with the Proscribed Organisations Appeal Commission.

In December 2015, having undertaken a further review, with all the information available—including from other countries in which the International Sikh Youth Federation is present, and about the organisation’s current activities—the Home Secretary concluded that there was not sufficient evidence reasonably to suppose that the ISYF was present, and about the organisation’s current activities—

The Minister indicated at that time that

had been removed from social media, and that nine Twitter accounts and one Facebook account had been closed. We regularly see that. I ask this question genuinely and sincerely. I would love Facebook and Twitter accounts and other social media to be closed down so that we do not see stories in the Sunday papers about someone saying: “Be a bride to a Daesh killer and monster.” The fact is that they try to glamorise the situation and make it attractive. Today we had occasion to speak to, and hear the accounts of, some of the Yazidi ethnic religious minorities and hear about the abuse that they went through at the hands of Daesh. There is no attraction in that. How do we stop that?

Although steps have been taken, people are still leaving, so more has to be done, particularly in tackling the lure of social media campaign videos. What are we doing to stop that? What has been done to address the problem directly? What has been done to tackle online groomers who are planted in the UK to encourage young men, and young women and girls in particular, to make the journey to Syria and Iraq? How do we protect vulnerable and impressionable young people from being targeted?

7.58 pm

Mr John Hayes: This short but exciting debate has fallen into three parts. First, we have had a wider debate about proscription more generally, and in particular about the process for proscribing and de-proscribing organisations. The current arrangement is, as has been said by the shadow Minister, a process of application. In this case, such an application was made and considered in the way in which I have described, which has led us to this outcome.

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In December 2015, having undertaken a further review, with all the information available—including from other countries in which the International Sikh Youth Federation is present, and about the organisation’s current activities—the Home Secretary concluded that there was not sufficient evidence reasonably to suppose that the ISYF was currently concerned in terrorism as defined by the Terrorism Act. I will not delay the House unduly, but if you will allow me to do so, Madam Deputy Speaker, I will place in the Library of the House the Act’s precise definition of terrorism. I have that definition in front of me, but it goes on at some length.
Rob Marris: Will the Minister tell the House not the content of any such new information, but whether any new information bearing on the decision in relation to proscription or de-proscription came to light between 31 July and 14 December 2015?

Mr Hayes: There was certainly further consideration, as I have made very clear, and a further up-to-date review of the organisation’s activities. Such matters are highly dynamic, as the hon. Gentleman will understand. As he says, I cannot go into the fine detail of the strategy. It is not our habit to give a running commentary on such matters, and I know he will respect that, as he said he would. It is certainly true that there was sufficient further consideration for us to conclude that we could not maintain the proscription. The Home Secretary has to consider various things—bits of information, pieces of intelligence and open source material—when determining whether a group is engaged in terrorism, as the hon. Gentleman will know. It would not be appropriate to discuss the specific material, but when I describe that variety of information, he will understand what happens when consideration is given to such matters.

The third part of our debate concerns the points made by the hon. Member for Strangford (Jim Shannon). He spoke more widely about the way in which terrorist organisations, including proscribed ones, continue to proselytise using social media. He drew attention to the information that was made available to the House. Rather than delay the House tonight, I will go the extra mile and set out, in a further note for the House, exactly what we are doing about what he described. Again, this matter is highly dynamic—it changes almost daily—and the House is warranted in asking for up-to-date information on precisely what steps we are taking to counter the activities that the hon. Gentleman set out. They are damaging and worrying, and they are very plainly part of what those who seek to do us harm are about these days: they are using every kind of method and means to proselytise their message and to radicalise people, and to do damage accordingly. I will set that out in a further note, which I will make available to the House.

Lyn Brown: May I quickly ask whether the funds for the International Sikh Youth Federation will be released, and whether the EU and the UN will be told of the de-proscription if parliamentary states that have a direct interest in this group. We will be notified, and we have obviously consulted member states. I will look again at the asset freeze—the hon. Lady did not use that term, but that is what it is—and return to her with a specific answer. It is a complex matter, as she implied, so I will come back to her, rather than delay the House tonight.

Rob Marris: I will give way to the hon. Gentleman briefly, but I do not want to detain him or others any longer than necessary.

Rob Marris: I asked the Minister a series of questions, and I hope that he will write to me about them afterwards.

Mr Hayes: Having known me for such a long time, the hon. Gentleman will know that I would not neglect to reply to him, given that he has invited me to. I will certainly write to him with those details. Moving ahead with appropriate speed, I commend this order to the House.

Question put and agreed to,

Resolved,

That the draft Terrorism Act 2000 (Proscribed Organisations) (Amendment) Order 2016, which was laid before this House on 22 February, be approved.

PETITION

Speed Limit in Southampton, Itchen

8.6 pm

Royston Smith (Southampton, Itchen) (Con): I rise to present a petition on behalf of 1,169 of my constituents who call on Southampton City Council to introduce 20-mile-an-hour speed limits in areas where residents request them.

The petition states:

The petition of residents of Southampton Itchen,

Declares that there should be a reduced speed limit in residential areas of 20 mph where local residents request it from their local authorities, in particular in Southampton Itchen; further that many residents fear someone will be seriously hurt or killed if action is not taken to reduce the speed limit; and further that the case for reducing the speed limit is even more serious on roads where there is no off-road parking and where cars cause blind spots and significantly increase the risk to pedestrians.

The petitioners therefore request that the House of Commons urges Southampton City Council to listen to the people of Southampton Itchen and implement a programme of 20 mph speed limits in residential areas where residents request them.

And the petitioners remain, etc.

[P001674]
Clydebank Blitz Anniversary

Motion made, and Question proposed, that this House do now adjourn.—(Guy Opperman.)

8.7 pm

At 9 pm on 13 March 1941, as the wireless introduced the nightly news, over 40 air-raid sirens gave the call to shelter. At that moment, on the western fringe, the small yet not insignificant town would be held in the sights of the Luftwaffe.

**Jim Shannon** (Strangford) (DUP): I commend the hon. Gentleman for bringing this debate to the House and for the service in St Mary’s Crypt today. It was a very poignant occasion. I think that starting this debate with the names of all those people really focuses attention.

We in Northern Ireland share the pain that Clydebank has suffered when it comes to remembering the blitz. Belfast was second only to London in lives lost in the blitz. Does the hon. Gentleman agree that nationally—today’s church service provides an example—we must ensure that the story of the blitz is remembered and commemorated so that future generations know the ultimate pain and sacrifice of war, and what extremism can lead to?

**Martin Docherty-Hughes**: I am grateful to the hon. Gentleman for his kind words, and I extend them to the people of Northern Ireland and particularly Belfast who suffered greatly. It was commendable when at the weekend I was joined by my close friend and colleague, the Member of the Scottish Parliament, Gil Paterson and we were indebted to the First Minister for being the first ever Head of any Government to attend the mass grave of Clydebank.

**Hannah Bardell** (Livingston) (SNP): I join others in congratulating my hon. Friend on securing this debate. I grew up as a wee girl at my granny’s knee, hearing stories of watching the blitz from Hillington where she worked at Rolls-Royce and lived in Pollok. I heard the stories of her returning to work the next day, not knowing where her friends were and then going to Clydebank and seeing the sheer destruction. Does he agree that it is so important to use the tools of this Parliament to remember those who were lost—not just in the blitz, but in other conflicts?

**Martin Docherty-Hughes**: I am grateful to my hon. Friend for that intervention, and I could not agree with her more. The community of Europe in which we now live needs to show unity in the face of fascism and oppression.

**Mhairi Black** (Paisley and Renfrewshire South) (SNP): I am grateful to my hon. Friend for giving way, especially given the fact that I am half a Bankie with my family coming from Whitecrook. I can remember my Granny Joe telling me stories about my Auntie Mary’s friends who went to the cinema. When she went home, she discovered that her entire family had been bombed and killed, leaving her all on her own. Will my hon. Friend join me not only in paying tribute to those who lost their lives, but in giving praise where it is needed for all the people who have rebuilt Clydebank into the wonderful town it is today and which I am proud to call a second home?

**Martin Docherty-Hughes**: I am grateful to my hon. Friend. Who would have known that night that Shirley Temple would have saved nearly 1,000 lives? Today, two of the survivors who sheltered under the balcony of the...
La Scala cinema in Graham Avenue joined us in St Mary Undercroft and the Speaker’s House. I am indebted to the hon. Gentleman described. They included Police themselves, under the truly horrendous conditions that they were the lucky ones—through the inferno and smoke to safety. They marched to Dumbarton and the Vale of Leven and across ancient Dumbarton. Who would have known that they would rain a blitzkrieg of fire and devastation that in the first night alone lasted over nine hours?

Over the western village of Old Kilpatrick, the incendiaries began to fall and Dante’s inferno was unleashed as high-explosive bomb after bomb set a fire of biblical proportions ablaze with the destruction of the Admiralty Oil Storage facility, then the great industrial complex of the largest sewing machine factory in the world and then one of the largest munitions complexes in the empire. With that mighty woodyard ablaze, the horror was then directed to the centre of a densely populated borough. Finally, those incendiaries generated a tryptic of fire with the whisky bond of Yoker in flames on the eastern boundary. The air was punctured by the drone of hundreds of planes, so low across the burgh that pilots and rear gunners were visible to the westerly ever target on a clear crisp March evening not so dissimilar to that of Sunday past. It turned south, heading to bonnie and innocent Loch Lomond. At its base, the planes turned left across the mighty Vale of Leven and across ancient Dumbarton. Who would have known that they would rain a blitzkrieg of fire and devastation that in the first night alone lasted over nine hours?

The all-clear sounded after the seven hours of bombardment on the second day, 14 March, and the long march of exodus continued. It was a march of 40,000 souls—mothers, fathers, children, entire families, if they were the lucky ones—through the inferno and smoke to safety. They marched to Dumbarton and the Vale of Leven, and to refuge between the Clyde and the Leven and across ancient Dumbarton. Who would have known that they would rain a blitzkrieg of fire and devastation that in the first night alone lasted over nine hours?

The hon. Gentleman spoke with enormous passion. I believe that he is the grandson of someone who worked in the docks building the great Queen Mary, which brought three quarters of a million soldiers across the Atlantic to the continent during the war, in dozens of voyages. I cannot match his personal connections, but he has given us an opportunity to reflect. I am afraid that I must rely on the statistics that we have now, because at that stage people had things to do other than compile accurate statistics, but we believe that 528 people lost their lives—the hon. Gentleman read out their names—and that a further 600 were seriously injured.

It is very hard for most of us today to imagine what it must have been like to see the picture that the hon. Gentleman vividly painted. Eighty workers died in one shipyard shelter, and 15 members of one family—the Rocks, of No. 78 Kellice Street—were wiped out. Of those who were saved, three quarters—35,000 out of 47,000—found themselves homeless. Proportionally, Clydebank lost more people and more buildings than any other major community anywhere in the United Kingdom.

I think it important, however, to remember the other side of the story. First, let me say a word about the forces themselves. I am very pleased that the hon. Gentleman mentioned the heroism of those sons of Poland, but the Air Force was also engaged, including pilots from Glasgow’s own Auxiliary Air Force 602 Squadron, which went on to do such distinguished service on the occasion of, for instance, the Normandy landings. I was privileged to visit the squadron today following its assuming a new role in Glasgow last year. Across the two nights, the RAF managed to shoot down 12 Luftwaffe aircraft including four bombers. Nor should we forget the work of the anti-aircraft gunners.

The most remarkable spirit was shown by the locals themselves, under the truly horrendous conditions that the hon. Gentleman described. They included Police...
Constable Archibald Walker, who picked himself up after being knocked down by a blast that had demolished part of a two-storey tenement. He went again and again into the building to rescue survivors as the building threatened to collapse. He was quite rightly awarded the George medal.

There are so many other stories, half remembered, half recorded, of heroism. Isa McKenzie remembers an ARP lady standing near the entrance to her close and waiting for the whistle of a bomb before shouting “duck” and eventually giving the okay to rise. She never saw that lady again. And then there were the emergency services, many of them staffed by citizen volunteers as well as professionals.

Kirsten Oswald (East Renfrewshire) (SNP): In November at our Remembrance Day service I met a firefighter who told me that he and his colleagues had cycled from Barrhead to Clydebank to help to put out the fires. He is now the only one left, and I should like to let him know that we appreciate what he and his colleagues did.

Mr Brazier: Indeed. The hon. Lady is quite right.

The emergency services and the volunteers struggled against the growing fires and explosions. Some of the craters still had unexploded bombs in them. People were straining every sinew to save lives. One man, John Woodcock, was recovered alive from under the rubble eight days later. The Glasgow Herald reported at the time:

“...The cool, unwavering courage of the people is evident, and when the full story of their heroism in the face of the Luftwaffe is told, they will take their place alongside the citizens of London and Coventry.”

In fact, their suffering was proportionately slightly higher.

Perhaps the greatest tribute of all should be paid to the way in which, despite their great suffering, the men and women of Greenock and Clyde went on to make an immense contribution to the war effort. One might have expected their spirit to be shattered. In reality, the events only stiffened their resolve. Not only did many who fled the raids soon return home, but in Clydebank just a few days after the blitz, five major firms reported that out of a force of 12,300—many of whom had been killed or wounded—around two thirds were already back in work.

Within weeks of the raids, the shipyards and ordnance factories were once again up to full production and their efforts were unceasing in the years that followed, despite further Luftwaffe attacks in subsequent months. By 1943, some five ships per week were being completed on the Clyde. We remember Winston Churchill saying that it was the battle of the Atlantic that really kept him awake at night. That was the one struggle that he really thought might result in our losing the war. It was those ships that helped to ensure that we won it.

Stephen Pound: The Minister is making some important points. Is he aware that a few months after taking part in the defence of Clydebank, Captain Eugeniusz Plawski and the ORP Piorun were part of the destroyer flotilla that was detached to hunt down and sink the Bismarck?

Mr Brazier: I was not aware of that, but it was one of the greatest privileges of my life to have had a school teacher who had been a naval reservist and a boffin who persuaded the Navy that a particular gizmo was too complicated for the Navy. He was therefore taken to sea as a naval instructor and was decorated for gallantry in that same action.

Like the hon. Member for West Dunbartonshire, I applaud the Clydebank blitz memorial group, the town and the entire community for their immense efforts in ensuring that the story is properly commemorated. Seventy-five years on, the story of what happened on the Clyde in 1941 deserves to be remembered not just in Scotland, not just here in the Commons, but across the UK. We would do a great disservice to our history if we only taught that we won the war because of great deeds by great men. (Interjection.) And women. Indeed, but it is unfortunately so easy to read history as just great deeds and great men. We won because of the heroism and fortitude of men and women like those people on the Clyde. They should remain an inspiration not just to their generation, not just to ours, but to all who follow. I congratulate the hon. Gentleman again on bringing this debate to the House.

Madam Deputy Speaker (Mrs Eleanor Laing): I commend the hon. Member for West Dunbartonshire (Martin Docherty-Hughes) for bringing to the House this evening such a moving debate and for having brought to the Crypt this morning such a moving service. Having heard first-hand accounts from members of my family about the Clydebank blitz, it is absolutely correct that it should at last be commemorated here in this House.

Question put and agreed to.

8.35 pm

House adjourned.
Oral Answers to Questions

INTERNATIONAL DEVELOPMENT

The Secretary of State was asked—

Malawi: Development Support

1. Richard Arkless (Dumfries and Galloway) (SNP): What development support her Department plans to provide to Malawi over the current spending review period.

Justine Greening: The UK continues to provide essential support to Malawi in areas including health, education and economic development as well as life-saving humanitarian assistance for food-insecure households. We support increasing access to justice for women and vulnerable groups, increasing accountability and governance reforms.

Richard Arkless: Does the Secretary of State agree that domestic resource mobilisation is one of the best ways to ensure that poorer countries can fix their own problems? What conversations has she had with the Chancellor of the Exchequer to ensure that the new tax treaty between Malawi and the UK helps the people of Malawi in that respect?

Justine Greening: The hon. Gentleman raises an important point, and the UK helped to establish the Addis tax initiative, which will see our country and many others, including in Africa, stepping up their support to develop tax systems. We do that in conjunction with Her Majesty’s Revenue and Customs. One of the first things I did in this role was establish a joint working group between the Department for International Development and HMRC to send HMRC officials out to countries such as Malawi to help with their tax systems. I can assure the hon. Gentleman that we work very closely with the Treasury.

2. Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): On the tax treaty, may I ask the Secretary of State more broadly what role DFID will play as the tax treaty with Malawi is being renegotiated, particularly as regards supporting Malawi in its efforts to reduce poverty and develop more generally?

Justine Greening: As the hon. Gentleman will be aware, HMRC leads on these negotiations, but they are progressing well and the House may be interested to know that the Government of Malawi issued a press statement on how they feel the negotiation is going. They talked about “fruitful discussions to review and modernize the existing agreement” and said that in their view:

“These discussions are progressing very well”.

I can assure the hon. Gentleman that we will continue to work alongside the Treasury to ensure that tax systems in the countries in which DFID works are developed so that in time they can self-fund their own development, releasing the UK from doing that.

Richard Arkless: Does the Secretary of State agree that domestic resource mobilisation is one of the best ways to ensure that poorer countries can fix their own problems? What conversations has she had with the Chancellor of the Exchequer to ensure that the new tax treaty between Malawi and the UK helps the people of Malawi in that respect?

Justine Greening: I do not agree at all and, perhaps most importantly, neither do the Government of Malawi, who said:

“Whilst the current agreement is admittedly aged, there is no evidence that the agreement has motivated some British investors to deprive the Malawi Government of its revenues. On the contrary, both the Malawi Government and the British Government, as well as the nationals of the two countries, have evidently acted in good faith to ensure that neither party is exploited on the basis of the current agreement.”

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): But the UK's current tax treaty with Malawi severely restricts the ability of the Government of Malawi to tax British firms operating there. Is this not a case of DFID giving with one hand while UK tax policies take away with the other?

Justine Greening: It is time that the international tax system worked more effectively so that countries such as Malawi can mobilise their own domestic resources, including tax. The hon. Lady will know that this particular treaty was last updated in 1978. The Government have taken the initiative to work with the Malawi Government to update this relatively old treaty and, as I have set out, those negotiations are going well. Of course, it sits alongside the rest of the work the Government have done on beneficial ownership and improving transparency in tax so that developing countries can get their fair share.

West Bank: Humanitarian Situation

2. Ruth Cadbury (Brentford and Isleworth) (Lab): What recent representations she has made to the Israeli government on the effect of home demolitions in the West Bank on the humanitarian situation in that region.

Justine Greening: The Israeli Government is committed to the process of peace and I regularly raise with the Government of Israel their concern about the home demolitions. They are not called for and undermine the peace process. It is important that Israel continues to make progress and take steps to ease the conditions for Palestinian residents.

The Minister of State, Department for International Development (Mr Desmond Swayne): Their increase adds to the sum of human misery, undermines any prospect of a peace process and is contrary to international law. I have left the Israeli Government in no doubt about the strength of our disapproval; our embassy continues to do so.
Ruth Cadbury: I thank the Minister for his response. The latest figures from the UN, from early this month, show that there have been 400 demolitions since the start of the year, more than four times the rate of demolitions last year. The wave of demolitions is depriving Palestinians of their homes and their livelihoods and preventing European taxpayer-funded organisations from providing essential humanitarian support. As the British Government made representations when demolitions trebled, what more effective action or sanction will the Minister impose now that demolitions have quadrupled?

Mr Swayne: The hon. Lady is right that the rate of increase is now faster than at any time since calculations began to be made, and it is essential that the occupied territories, and in particular Area C, are governed in accordance with the fourth Geneva protocol. We will continue to make these representations to the Government. I know the hon. Lady wants to push me further, and I entirely understand the strength of her frustration and anger, but jaw jaw is better than war war.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Will the Minister join me in condemning incitement to violence or glorification of violence on either side?

Mr Swayne: Absolutely. We are wholly opposed to incitement, and when instances of incitement are brought to my attention, I go straight to the telephone to raise the matter with the chief executives of those organisations and make absolutely clear our fundamental disapproval, and our requirement that things are put right.

Tom Brake (Carshalton and Wallington) (LD): With any prospect of a two-state solution fast disappearing, it is of course right that we recognise Israel’s right to self-defence, but is it not also time that we recognised Palestine as a sovereign state?

Mr Swayne: We can only recognise Palestine once. It is essential, therefore, that we do so at a moment where we will have maximum impact on any peace process. That is a fine judgment.

Mr Gregory Campbell (East Londonderry) (DUP): What recent checks have the Government made in relation to support offered in the west bank to moneys that end up in the coffers of terrorist-supporting groups on the west bank?

Mr Swayne: Absolutely none of UK British aid, multilateral or bilateral, ends up in the hands of terrorists.

Overseas Development Assistance: Definition

3. Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): What assessment she has made of the potential effect on the disbursement of UK aid of changes to the definition of overseas development assistance made by the OECD.

Justine Greening: The recent Development Assistance Committee high-level meeting on ODA modernisation was able to agree the first changes in the ODA definition in 40 years and reflect the changing nature of aid delivery. We do not expect a significant shift in the disbursement of UK aid because these changes align well with the UK’s focus on conflict, fragility and economic development.

Tom Blenkinsop: Given the changes in definition and the increasing proportion of UK aid spent by Departments other than DFID, how will the Secretary of State ensure that UK aid continues to help the poorest in the world?

Justine Greening: The hon. Gentleman will be reassured to know that the modernisation of the ODA definition had to be under consensus by a number of countries involved. In addition, the primary purpose that underpins aid—economic development and improving the welfare of the recipient country—remains in place. This was really about modernising the definition to reflect how aid is delivered today.

Mr Gary Streeter (South West Devon) (Con): Given that so much poverty and misery is caused by conflict, is it not about time that the OECD definition of ODA included peacekeeping and anti-terrorist activity at the very least, as that bears down directly on poverty?

Justine Greening: I agree with my hon. Friend. In fact, goal 16 of the sustainable development goals agreed in the UN in September 2015 was all about the need to improve not only peace but security. It is nonsensical for us to work so hard on tackling sexual violence in conflict and not be able to use our aid programmes to help work with the military to prevent that.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): Given the changes to the definition of overseas development assistance, and given that there are still some 37 million people living worldwide with HIV and AIDS, as well as 2 million new infections each year, can the Secretary of State tell the House whether her Department’s spending on HIV and AIDS will be rising or falling over the comprehensive spending review period?

Justine Greening: The hon. Gentleman will be aware that we plan to set out the results of our bilateral aid review over the coming weeks, but I can assure him that our support for multilateral mechanisms, such as the Global Fund, that do so much great work on tackling aid, will continue, and he will obviously be aware that HIV and AIDS particularly affect adolescent girls in a growing proportion, so it is important that we stay the course on this.

Patrick Grady (Glasgow North) (SNP): It is great to see the Benches so packed for DFID questions. The more money the UK spends on ODA through other Departments, the more pressure there will be on DFID to deliver on its existing commitments. What impact will the changing use of ODA have on staffing numbers and capacity at Abercorn House in East Kilbride?

Justine Greening: As I said to the hon. Member for Harrow West (Mr Thomas), we will set out the results of our bilateral aid review shortly. The point of the new aid strategy is to achieve a cross-Government approach to drive development in the countries that we work with. I did not think it was right that DFID was
Global Fund to Fight Aids, Tuberculosis and Malaria

4. Mr Virendra Sharma (Ealing, Southall) (Lab): TB is the world’s leading infectious killer. The Global Fund provides more than three quarters of international finance to fight that epidemic. As we approach World TB Day on 24 March, will the Minister call on all Governments around the world to come together to ensure that the Global Fund’s replenishment target of $13 billion is met as a minimum?

Mr Hurd: I thank the hon. Gentleman for throwing a spotlight on a huge killer, on which we are not making enough progress. We are proud that the UK is the third-largest donor to the fund that provides, as he said, 70% of the funding around the world to combat that disease. It is critical, therefore, that the replenishment of that fund is a success and that other countries step up to the mark so that we can bear down on that unacceptable death rate.

Yazidi Communities (Iraq, Turkey and Syria)

5. Anne McLaughlin (Glasgow North East) (SNP): What support her Department is providing to Yazidi communities in Iraq, Turkey and Syria.

Mr Hurd: The first thing is that we have gone to war with Daesh, and that is a very significant contributor. Equally, we are supporting the UNHCR and a number of organisations that are principally funded through the Iraqi national action plan and the Iraq pooled fund, to which we are the largest contributor.

Anne McLaughlin: Daesh is systematically targeting Yazidi children, forcing little girls into sexual slavery and conscripting young boys as child soldiers, yet there are reports from Turkey that support is not reaching some of the Yazidi refugee camps near the Syrian border. What steps is the Department taking to help ensure that children rescued from Daesh receive the support they need and that support reaches survivors in those camps?

Mr Swayne: The first thing is that we have gone to war with Daesh, and that is a very significant contributor. Equally, we are supporting the UNHCR and a number of organisations that are principally funded through the Iraqi national action plan and the Iraq pooled fund, to which we are the largest contributor.

Mrs Caroline Spelman (Meriden) (Con): Some of us met a delegation of Yazidis yesterday who explained the plight of almost 2,000 women still held captive. Would the Minister be willing to meet that delegation to hear at first hand of the difficulty they have in reaching help?

Mr Swayne: I have met a number of Yazidi delegations and, indeed, a number of representatives of other religions. I would be delighted to meet my right hon. Friend and her delegation.
Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I do not think we have actually had an answer from the Minister. Reports of thousands of Yazidi women being captured by Daesh and sold as slaves, many suffering serious sexual abuse, are harrowing. What measures are the UK Government taking to address that slave trade?

Mr Swayne: We are fighting Daesh. We are providing large sums of money to organisations that are delivering aid directly to Yazidi women and to children. I know it is frustrating—terrible things happen—but the hon. Lady cannot always blame Ministers.

Cat Smith (Lancaster and Fleetwood) (Lab): What medical and psychological services are the Government able to provide to the women referred to in the previous question, who have been held as sex slaves?

Mr Swayne: We have sent a number of experts to the region specifically to deal with violence against women. The pooled fund, to which we are the largest contributor, provides maternal and child healthcare services, protection for women and girls, and livelihoods for female heads of households. The Iraqi national action plan delivers similar services, and we are dealing specifically with the needs of women in Dohuk, Kirkuk and the northern areas through the human rights and democracy fund.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Would the Minister describe what is happening to the Yazidis as genocide?

Mr Swayne: I believe that the decision as to what constitutes genocide is properly a judicial one. The International Criminal Court correspondent, Fatou Bensouda, has decided that, as Daesh is not a state party, this does not yet constitute genocide.

Topical Questions

T1. [904141] Mr Jim Cunningham (Coventry South) (Lab): If she will make a statement on her departmental responsibilities.

The Secretary of State for International Development (Justine Greening): This morning I arrived back from heading the UK delegation at the United Nations for the Commission on the Status of Women. I also took part as a member in the first meeting of the Secretary-General’s high-level panel on women’s economic empowerment. Women’s economic empowerment is the best poverty-tackling and global economy-boosting strategy out there.

Yesterday marked the fifth anniversary of the devastating Syria conflict. Since day one, the UK has been at the forefront of the response, and that has included hosting last month’s conference. [Interruption.]

Mr Speaker: Order. I understand the sense of anticipation, but I just gently remind the House that we are discussing policy affecting some of the most vulnerable people on the face of the planet, and I think we owe them some respect.

Mr Cunningham: What assessment has the Secretary of State made of the humanitarian situation in Sri Lanka?

Justine Greening: As the hon. Gentleman will be aware, the UK has been at the forefront of ensuring that there is humanitarian support in Sri Lanka, where necessary. He will also be aware of the role that the Prime Minister played in tackling the issues faced by Tamil communities in a part of the country where there had been long-standing conflict. Under the new Government, we hope to see Sri Lanka move forward to a more peaceful, democratic future.

T4. [904144] Tom Pursglove (Corby) (Con): How much UK aid is currently given to Turkey, and are Ministers having any discussions to increase that figure?

Justine Greening: Since February 2012, DFID has allocated £35 million in Turkey. The country hosts about 2 million Syrian refugees, and we are helping it to support them, and indeed other displaced people, with food, education, and skills training. Looking ahead, we shall also contribute our share of the £3 billion EU-Turkey refugee facility.

Imran Hussain (Bradford East) (Lab): Efforts that will address education are welcomed by Labour Members. However, to make substantial progress on achieving a good standard of education for all children in developing countries, we must address the barrier of child labour. In June 2015, UNICEF found that 13% of children aged five to 14 in developing countries are involved in child labour. What progress, therefore, is DFID making to help developing countries tackle the use of child labour?

Justine Greening: The hon. Gentleman is right to mention the barriers that keep children out of school. DFID is working on many of them, not least female genital mutilation and child marriage. Many of the children he talks about are girls who often do unpaid work at home and on family farms.

T5. [904145] Fiona Bruce (Congleton) (Con): Bangladesh is a significant recipient of UK aid, yet last week the Conservative Party Human Rights Commission heard grave concerns about the shrinking civil society space there. What can Ministers do to help address this?

Justine Greening: I can assure my hon. Friend that DFID and Foreign Office officials, together with other donors, raise concerns about the space for civil society with Governments, including the Government of Bangladesh. This is an incredibly important area. Non-governmental organisations funded by UK aid are active in negotiating with Governments to protect the space for civil society to operate.

T2. [904142] Dr Philippa Whitford (Central Ayrshire) (SNP): Over 150 charities have raised concerns about the supposed anti-lobbying clause attached to new Government grants. Does the Minister not recognise that advocacy is an intrinsic duty of charities in raising issues associated with poverty and ill health across the world?
**Justine Greening:** I do not think these changes prevent charities from doing that, and they are often advocating the very same things as the UK Government in my area of international development. In fact, only yesterday I was at an event at the UN with charities combating child marriage.

**PRIME MINISTER**

*The Prime Minister was asked—*

**Engagements**

Q1. [904110] **Karen Lumley** (Redditch) (Con): If he will list his official engagements for Wednesday 16 March.

**T7.** [904147] **Bob Blackman** (Harrow East) (Con): Senior Palestinian officials have condemned peace-building initiatives between Israelis and Palestinians, with one condemning football matches between Israeli and Palestinian youths as “normalisation of the Zionist enemy”. What representations has my right hon. Friend made to the Palestinian Authority to condemn these moves, and what moves is she making to build peace between Israel and Palestine?

**Justine Greening:** As my right hon. Friend the Minister set out earlier, we deplore incitement on both sides of the Israeli-Palestinian conflict. We monitor allegations of incitement very closely and raise instances with both leaderships.

**T6.** [904146] **Mr Ronnie Campbell** (Blyth Valley) (Lab): Has the Secretary of State given, or does she envisage giving, any aid to any country in the European Union?

**Justine Greening:** The hon. Gentleman will be aware that we have played our role in supporting refugees who have fled the Syrian conflict and are now arriving in the European Union, and it is right that we do so. However, he is also perhaps right to say that we should also look to those countries to provide the support that they can, too.

**T9.** [904149] **Mike Freer** (Finchley and Golders Green) (Con): AIDS remains the No. 1 global killer of women of reproductive age. What more can DfID Ministers do to ensure that tackling this remains a priority for this Government?

**Justine Greening:** My hon. Friend is right. In fact, in 2013 statistics showed that an adolescent girl gets infected with HIV every two minutes. We very much put the empowerment of girls and women at the heart of our development agenda. We are the second largest funder of HIV prevention, care and treatment, and we have pledged up to £1 billion to the global fund.

**T8.** [904148] **Margaret Greenwood** (Wirral West) (Lab): At the weekend, we saw pictures of a new-born Syrian baby being washed with just a bottle of water outside a crowded a tent in the Idomeni refugee camp in Greece, where more than 14,000 people are trapped as a result of the latest border closures. Will the Government work with other European states to ensure that there are safe and legal routes for refugees to claim asylum?

**Justine Greening:** I assure the hon. Lady that, from an international development perspective, we are working to support people caught up in those situations, and we are, of course, playing our role in resettlement through our vulnerable persons relocation scheme.
Jeremy Corbyn: The Royal College of Physicians estimates that air pollution costs our economy £20 billion a year. The failure to deal with air pollution is killing people. Only a few days ago, London faced a severe smog warning. The Prime Minister’s friend the Mayor of London has presided over a legal breach of air quality in the capital every day since 2012, so why cannot the Prime Minister hurry up action to make us comply with international law and, above all, help the health of the people of this country?

The Prime Minister: It was the Conservative Governments of the 1950s that passed the clean air Acts, and I am sure that it will be this Conservative Government who will take further action, including the clean air zones that we have and lower car emissions. Why are we able to do that? It is not only because we care about our environment, but because we have an economy that is strong enough to pay for those improvements, as we are just about to hear.

Jeremy Corbyn: We all welcome the Clean Air Act 1956, but things have moved on a bit since. The Government are now threatened with being taken to court for their failure to comply with international law on air pollution. The Prime Minister is proposing to spend tens, possibly hundreds, of thousands of pounds of public money defending the indefensible. Why not instead invest that money in cleaner air and better air quality for everyone in this country?

The Prime Minister: We are investing money in clean air in our country. For instance, we are phasing out the use of coal-fired power stations far in advance of other European countries and blazing a trail in more renewable energy and the clean nuclear energy that we will be investing in. All those things will make a difference, but let me say again: you can only do this if you have a strong economy able to pay for these things.

Jeremy Corbyn: If the Government and the Prime Minister are so keen on renewable and clean energy, can he explain why on Monday the House approved new legislation to allow communities a veto on clean energy projects such as onshore wind? I have a question from Amanda from Lancaster. She asks the Prime Minister if he explain why on Monday the House approved new legislation to allow communities a veto on clean energy, I point out to him that 99% of the solar panels in this country have been installed since I became Prime Minister. That is the green record that we have. The Prime Minister is proposing to spend tens, possibly hundreds, of thousands of pounds of public money defending the indefensible. Why not instead invest that money in cleaner air and better air quality for everyone in this country?

The Prime Minister: We have a proper planning system for deciding these things. If the right hon. Gentleman wants to know what is happening in terms of renewable energy, I point out to him that 99% of the solar panels in this country have been installed since I became Prime Minister. That is the green record that we have. The United Kingdom now has the second largest ultra-low emission vehicle market anywhere in the European Union. We have seen one of the strongest rates of growth in renewable energy.

Is it not remarkable—five questions in, and no welcome for the fall in unemployment? No mention of the 31 million people now in work. No mention of the fact that we have got more women in work and more young people in work, and that more people are bringing home a salary—bringing home a wage—and paying less tax. Not a word from the party that I thought was meant to be the party of labour. This is the truth: the party of working people, getting people into work, is on this side of the House.

Jeremy Corbyn: The Prime Minister once boasted that he led the greenest Government ever—no husky was safe from his cuddles. So will he explain why the Select Committee on Energy and Climate Change has produced a report that is damning when it comes to green energy, saying that major investors describe his policies as “risky” as a result of cuts and changes? Why are the Government so failing the renewable energy sector, clean air, investors, consumers and those who work in that industry?

The Prime Minister: Any proper look at the figures will find that the Government have a remarkable record on green energy. Let me take the Climate Action Network, which said that Britain is the second best country in the world for tackling climate change, after Denmark. That is our record. Since 2010, we have reduced greenhouse gases by 14%. We are over-delivering against all our carbon budgets. We secured the first truly global, legally binding agreement to tackle climate change, and we have got annual support for renewables more than doubling to over £10 billion by 2020. On renewable electricity, we are on track to deliver a target of at least 30% from renewable sources by 2020. Almost all of that will have happened under a Conservative-led Government. That is our record, and we are proud of it.

West Midlands: Economy and Public Sector

Q2. [904111] Michael Fabricant (Lichfield) (Con): What assessment he has made of the (a) performance of the economy and (b) adequacy of provision of public sector services in the west midlands; and if he will make a statement.

The Prime Minister: There are some very positive things going on in the west midlands economy, and today’s figures show that employment in the region is up by 140,000 since 2010. More than 108,000 businesses were created in the region between 2010 and 2014. Thanks to our long-term economic plan for the midlands engine, we have been able to invest in our public services in the west midlands, helping to build a strong NHS, reform our education system and give our police the resources they need.

Michael Fabricant: Unemployment is down again in my beautiful Lichfield! And yesterday was an absolute first for the west midlands, when the whole region co-operated to present 33 investment schemes at an international conference in Cannes, which will create a further 178,000 jobs. What more can the Prime Minister do to support the midlands engine—apart from ensuring, of course, that we never get a Labour Government?

The Prime Minister: I am very glad my hon. Friend chose to be here rather than in Cannes. I am very relieved by that. He is right about the 33 schemes. Just last week, we had a £300 million signed between Chinese investors and CAD CAM Automotive that will create 1,000 jobs in Coventry. My right hon. Friend the Business Secretary was in Staffordshire with Nestlé to open a
new coffee factory, bringing 400 jobs. We of course got that historic deal with the west midlands, which will see significant new powers devolved to the combined authority and the directly elected mayor. We are changing the way our country is run—devolving power, building the strength of our great cities—and Birmingham is the second city of our country.

Engagements

Angus Robertson (Moray) (SNP): There is widespread reporting that the UK Government are about to commit to send ground troops to Libya to train Government forces there. Is this true, and why has Parliament not been informed about it?

The Prime Minister: If we had any plans to send conventional forces for training in Libya we would of course come to this House and discuss them. What we want to see in Libya is the formation of a unity Government. There is progress with Prime Minister Siraj, who can now lead a Government of national accord. We will want to hear from him what assistance and help should be given in Libya. Countries such as Britain, France, America and Italy will definitely try to help that new Government, because right now Libya is a people smuggling route, which is bad for Europe and bad for us, and we also have the growth of Daesh in Libya, which is bad for us and bad for the rest of Europe. If we have any plans for troop training or troop deployment in a conventional sense we will of course come to the House and discuss them.

Angus Robertson: The UK spent 13 times more bombing Libya than it did on securing the peace after the overthrow of the hated Gaddafi regime. The critics of UK policy even include President Obama of the United States. Will the Prime Minister give a commitment to bring to Parliament the issue of any potential Libyan deployment of any British forces for approval before giving the green light for that to happen? Will he give that commitment—yes or no?

The Prime Minister: I am very happy to give that commitment, as we always do. I am very clear that it was right to take action to prevent the slaughter that Colonel Gaddafi would have carried out against his people in Benghazi. I believe that was right. Of course, Libya is in a state that is very concerning right now, and everyone has to take their responsibilities for that. What I would say is that after the conflict the British Government did support the training of Libyan troops, we did bring the Libyan Prime Minister to the G8 in Northern Ireland and we went to the United Nations and passed resolutions to help that Government, but so far we have not been able to bring about a Government of national accord that can bring some semblance of stability and peace to that country. Is it in our interest to help the Government do exactly that? Yes, it is, and we should be working with others to try to deliver that.

Q3. [904112] Byron Davies (Gower) (Con): My constituency of Gower, which was won for the first time ever by the Conservatives, could be transformed, along with the rest of the region, by the Swansea Bay tidal lagoon. Having signed a £1.2 billion deal for Cardiff yesterday, will the Prime Minister give an absolute assurance that the Government review of tidal lagoons will do everything to ensure that the wider Swansea Bay tidal lagoon project fits the UK energy strategy, and does he recognise the economic potential it will bring to the Swansea bay region?

The Prime Minister: I thank my hon. Friend. I remember visiting his constituency just after his excellent victory last year. I seem to remember that we went to a brewery for a mild celebration. He is right that tidal lagoons do have potential. Last month, we launched an independent review of tidal lagoon power to understand the technology better. We will look carefully at the findings of that review and continue working closely with the developers in order to make a decision on Swansea.

Q4. [904113] Ian C. Lucas (Wrexham) (Lab): Wrexham and north Wales is a strong manufacturing and exporting region, but its growth is constrained by lack of access to airports in north-west England. The Office of Rail and Road is currently considering applications for rail paths from north Wales. Will the Prime Minister support a cross-party campaign for fairness for north Wales and for access to airports in north-west England?

The Prime Minister: The former Secretary of State for Wales, my right hon. Friend, came to see me recently about this. I think there is a very strong argument for how we can better connect north Wales with the north-west of England and make sure we build on the economic strength of both, so I will look very carefully at what the hon. Gentleman says and what my right hon. Friend says about the potential for increasing rail capacity.

Q5. [904114] Dr James Davies (Vale of Clwyd) (Con): Last week, a High Court judge ruled in favour of a compulsory purchase order for the grade II* listed former north Wales hospital in Denbigh. Years of neglect by its offshore company owner resulted in the buildings being brought to the point of collapse. Thanks to groundbreaking work carried out by Denbighshire County Council and the Prince’s Regeneration Trust, their future should now be safeguarded. What can the Prime Minister do to prevent buildings such as these, which are deemed national assets, from falling into the hands of those who are not fit and proper guardians, particularly those outside the control of our judicial system?

The Prime Minister: My hon. Friend makes an important point. I am aware of this case. While heritage is a devolved matter, it is great news that these buildings—I know how important they are—will be safeguarded. It is my understanding that they were bought way back in 1996 by a company and then left completely abandoned. As he says, that is no way to treat a grade II* listed building. That is why we have the powers in place for compulsory purchase orders. In this case, I think Denbighshire County Council was absolutely right to use them. Councils should have confidence in being prepared to use these measures when appropriate.

Q6. [904115] Kevin Barron (Rother Valley) (Lab): Two weeks ago, in front of the Education Committee, the head of Ofsted, Sir Michael Wilshaw, said that “16-19 education should be done in a school-based environment, not in an FE institution.”
He went on to say that some pupils who head off to a further education institution
"do badly. They get lost, drop out".

Does the Prime Minister agree with him?

The Prime Minister: I think we need a range of settings for A-levels and post-16 study. I would say this: there are a lot of secondary schools that would like to have a sixth form. I think there are great benefits, in particular for 11-year-olds going to secondary school who can look to the top of the school and see what girls and boys are achieving at 16, 17 and 18: what A-level choices they are making and what futures they are thinking of. For many people it is very inspiring to go to a school with a sixth form, but let us encourage both. Let us have the choice. This is why the academisation of schools is so important, because it gives schools the ability to make these choices for our children.

Q7. [904116] Richard Graham (Gloucester) (Con): In National Apprenticeship Week, I am sure the Prime Minister will join me in thanking employers who have created 6,500 apprenticeships in Gloucester since 2010, the Gloucester Citizen for its support, and all the apprentices themselves, including my first apprentice Laura Pearsall, who is now Gloucester’s youngest ever city councillor. Looking forward, will my right hon. Friend do all he can to hasten the introduction of associate nurses, who will be higher apprentices? They will make a huge difference to the NHS and our health sector more broadly.

The Prime Minister: My hon. Friend is right. The south-west has delivered more than 280,000 apprenticeships since 2010, so it is absolutely pulling its weight—and well done to his constituents for doing that. He is also right about the introduction of associate nurses. We are working with Health Education England to offer another route into nursing, which I think will see an expansion of our NHS.

Q8. [904117] Ronnie Cowan (Inverclyde) (SNP): According to the statistics provided by the House Library, there are an estimated 280,000 problem gamblers in the United Kingdom. Will the Prime Minister indicate when the Government will take forward the 2010 report prepared for the Department for Culture, Media and Sport? Does he agree that the money from dormant betting accounts should be used to support those whose lives have been destroyed by gambling?

The Prime Minister: We will study the report carefully. We did take some action in the previous Parliament in the planning system and on the way fixed odds betting terminals worked to deal with problem gambling. I am very happy to keep examining this issue and to act on the evidence. I will be discussing it with the Secretary of State for Culture, Media and Sport.

Q10. [904119] Mr Ranil Jayawardena (North East Hampshire) (Con): The systematic killing of Christians and other minority groups by the so-called Islamic State across the middle east has reached unprecedented proportions, so the action being taken by Her Majesty’s Government is just. What more will my right hon. Friend do, working with the international community, to halt this genocide being committed against Christians by what I would rather call the satanic state?

The Prime Minister: My hon. Friend is absolutely right to draw attention to Daesh’s persecution of Christians and those of other faiths, including Muslims it disagrees with. We must keep to the plan. We have shrunk the amount of territory it holds in Iraq by about 40% and we are seeing progress in Syria as well, but this will take time, and we must show the patience and persistence to make sure we rid the world of this evil death cult.

Q9. [904118] Callum McCaig (Aberdeen South) (SNP): The Prime Minister’s energy policy is a complete shambles and wholly dependent on the troubled and eye-wateringly expensive new nuclear plant at Hinkley Point. There is barely a plan A, let alone a plan B. Is the Prime Minister seeking to build the world’s most expensive power station or the world’s biggest white elephant?

The Prime Minister: We are planning to continue with a successful energy policy that is seeing cheaper and lower carbon energy at the same time. The strength of the Hinkley Point deal is that there is no payment unless the power station goes ahead and is built efficiently by EDF. That will be good for our energy supplies because, if we want low-cost, low-carbon energy, we need strong nuclear energy at the heart of the system.

Q11. [904120] Kevin Hollinrake (Thirsk and Malton) (Con): Antibiotic Research UK, situated in my constituency, is the world’s first charity to tackle antimicrobial resistance, which is a looming global danger of disaster-movie-style proportions. Will the Prime Minister agree to meet me to see how we can fund this vital research, so that this time it is not the Americans who save the world but the British?

The Prime Minister: I am very happy to meet my hon. Friend, who is absolutely right to raise this issue. Owing to the growing resistance to antibiotics, which in many cases now do not work, we face a genuine medical emergency around the world. That is why Britain must put this issue squarely on the G20’s agenda; why it was a large part of our discussions with the Chinese during their state visit last year; and why we are investing £50 million in an innovation fund, working with the Chinese Government to take it forward. I hope that the organisation in my hon. Friend’s constituency can benefit from some of this research.

Tim Farron (Westmorland and Lonsdale) (LD): The Prime Minister will know that his Home Secretary is once again trying to deport Afghan interpreters seeking sanctuary in the UK. These brave people risked their lives serving our armed forces, yet they now face being sent back, where they will be at the mercy of the Taliban or have to join hundreds of thousands of people rotting in refugee camps. Is this how Britain should repay those who put their lives on the line for us? Instead, will the Prime Minister do the right thing and do whatever is possible to ensure that they are offered safe haven here?

The Prime Minister: The last Government, in which the hon. Gentleman’s party played a role, agreed a set of conditions for Afghan interpreters to come to the UK
and be given sanctuary, but we also provided for a scheme so that those who wanted to stay and help rebuild their country could do so. I would still defend that scheme, even if his party has changed its mind.

Q12. [904121] Andrea Jenkyns (Morley and Outwood) (Con): My constituent Deborah Reid and her sister watched their mother Joan waste away in hospital due to inadequate care after a fall, as has been admitted by the consultant in charge. Last week, my right hon. Friend the Health Secretary hosted a global summit on patient safety and announced the creation of the new healthcare safety investigation branch. What more can the Government do to ensure that patient safety is at the heart of the NHS and to prevent such instances from occurring in the future?

The Prime Minister: My hon. Friend is absolutely right to raise such cases, which are obviously horrendous and should be properly investigated, but, as she said, we then need to learn the lessons from them. I think we have made some progress. The proportion of patients being harmed in the NHS has dropped by over a third in the last two years, and MRSA bloodstream infections have fallen by over half in the last five years. My right hon. Friend the Health Secretary was absolutely right to hold the conference and to examine what other industries and practices have done to ensure a zero-accident safety culture. We have seen it in other walks of life, and it is time we applied it to the NHS.

Dawn Butler (Brent Central) (Lab): Just eight days ago, Oliver Tetlow popped to the shops and was brutally shot dead. The community is shocked and saddened by the murder of an innocent young man, and has asked for more community local policing and greater youth engagement. Will the Prime Minister meet me and community champions to discuss how we can make our streets safer?

The Prime Minister: The hon. Lady raises a very important point. What we have seen in London is a reduction in gun crime. She refers to a tragic case, and our hearts go out to the family of the person she talked about, but as I say, we have seen a reduction—and more active policing in our communities and better intelligence policing for dealing with gun crimes. We must keep that active policing in our communities and better intelligence about, but as I say, we have seen a reduction—and more community local policing and greater youth engagement. Will the Prime Minister meet me and community champions to discuss how we can make our streets safer?

Q13. [904122] Stephen Metcalfe (South Basildon and East Thurrock) (Con): As my right hon. Friend will be aware, Highways England is consulting on a new lower Thames crossing, with the preferred option being so-called option C, which will divert 14% of traffic away from the existing Dartford crossing. Does my right hon. Friend agree that before spending billions on the new crossing, we should sort out the problem at the existing crossing, not only to help a greater number of motorists, but to address illegal levels of poor air quality and restore resilience to the M25 motorway network? Will he meet me to discuss these matters further?

The Prime Minister: My hon. Friend makes an important point. As we discussed earlier, we need to tackle congestion and air quality. Stationary traffic is more polluting than moving traffic, so sorting out the problems at the existing Dartford crossing is important, but I believe we have to look at the options for a new crossing. As I understand it, two locations are now on the table as a result of early detailed work, and these are the best available options. Highways England has looked in detail at both locations, taking into account economic and community impact. We look forward to seeing what it recommends. When it does, I hope we can make progress. This is a vital set of arteries for our country’s economy, and we need the traffic to be flowing smoothly.

Chris Leslie (Nottingham East) (Lab/Co-op): On reflection, was it wise of the Chancellor to bank on the theory of a £27 billion windfall when it has gone and vanished in the space of only the last three months?

The Prime Minister: We will be hearing quite a lot from the Chancellor in a minute or two. What I would say is that we have a fundamentally strong economy that is facing a very difficult set of world circumstances. Here in Britain, with unemployment at 5%, inflation at virtually 0%, unemployment figures showing a fall again today and wages growing at 2%, that is a better record than most other countries in the developed world can boast. A lot of that is down to the very clear plan set out by my right hon. Friend the Chancellor and followed these past six years.

Q14. [904123] Steve Double (St Austell and Newquay) (Con): Last week was English tourism week, and I was delighted to welcome an international delegation to the Eden Project to promote Cornwall as a destination for international tourists. Visitor numbers are up in Cornwall, but there is still more we can do to attract overseas visitors out of London and into the regions of our country. What more can the Government do to support the tourist industry and particularly to get more overseas visitors to come to Cornwall?

The Prime Minister: My hon. Friend knows that, as far as I am concerned, there is nothing finer than getting out of London and down to Cornwall. There is no better place than Polzeath beach when the sun is setting, the waves are big and my phone is working—and the Daily Mail photographer has gone home. That helps. We need to get people who come to our country to visit the wonders of London also to spend some time outside London. That is what some of the new schemes that we have announced—the £40 million Discover England fund, for instance—are all about. I urge the authorities in Cornwall to make the most of it.

Angela Smith (Penistone and Stocksbridge) (Lab): In 2014, we exported £12.8 billion-worth of food products, with 73% of the total going to other European states. It is no wonder that 71% of Food and Drink Federation members want us to avoid Brexit. Does the Prime Minister think that our prospect of further improving the export profile of food manufacturing will be strengthened by staying in the European Union?

The Prime Minister: The view from food manufacturers, farmers and indeed the wider business community, 81% of which said yesterday that they wanted to stay in a reformed Europe, is very clear. The arguments on food are particularly clear. Our farmers produce some of the...
cleanest and best food anywhere in the world, and they know that they have access to a market of 500 million consumers without tariffs, without quotas and without any problems. We should not put that at risk. When we look at some of the alternatives to being a part of the single market—a Canadian-style free trade deal, for example—we can see that there are restrictions. Quotas on beef are one example, and I do not want to see that applying to British farmers who have so much to be proud of.

Q15. [904124] Sir Simon Burns (Chelmsford) (Con): Does my right hon. Friend agree that having an inspirational mentor can give young people opportunities from which they would never have benefited before? Can he tell me how the £14 million that the Government will be putting into a new national mentoring scheme will benefit some of the most disadvantaged children in our society?

The Prime Minister: I absolutely agree with my right hon. Friend. I think that one of the most important things that our schools can seek to do in the future is encourage mentors from business, the public sector and charities into their schools to give that extra one-on-one help from which young people benefit so much. I visited a Harris academy in Southwark yesterday to see how well that is going. Every child who is studying for GCSEs who wants a mentor can have one, and I think that makes a huge difference to those children’s life chances.

The £14 million that we are putting in should allow an extra 25,000 of the most disadvantaged people in our country to have a mentor, and I urge all schools to consider that. There are so many people in business, the public sector and charities who would love to take part and help young people to achieve their potential.

Caroline Lucas (Brighton, Pavilion) (Green): The Prime Minister likes to suggest that he is the champion of localism, but today his Government are seeking to gag local communities with a crass forced academies policy that will stamp out local consultation and dissent. Can he explain to the vast majority of parents and residents in Brighton and Hove who recently roundly rejected academy status for two local schools why their views will count for nothing in the future?

The Prime Minister: I would argue that academy schools represent true devolution, because the parents, the governors and the headteacher end up having full control of the school and are able to make decisions about its future. If that does not convince the hon. Lady, I ask her to look at the results. She will see that primary sponsored academies have better records and are improving faster, and she will see that 88% of converter academy schools have been rated good or outstanding. This is true devolution: making sure that every headteacher is in charge of his or her school and providing the great education that we want for our children.

Pauline Latham (Mid Derbyshire) (Con): My constituent Jacci Woodcock has been diagnosed with terminal breast cancer. She has shown outstanding courage in her fight against the disease, but unfortunately she did not receive support or compassion from her employer, who wanted to dismiss her through capability procedures. Now her former partner, Andy Bradley, is trying to have the house that they own together repossessed, leaving her homeless while she is dying. Does the Prime Minister agree that we require better protection for working people who are diagnosed with terminal illnesses, and will he join me, and Jacci, in supporting the changes outlined in the TUC’s Dying to Work campaign?

The Prime Minister: The points my hon. Friend has made are absolutely right, and I will look very carefully at the case that she has raised. The truth, in all these things, is that as well as clear rules, we need organisations—employers, housing associations, landlords or, indeed, trade unions—to act with genuine compassion, and to think of the person, the human being, at the other end of the telephone.
Ways and Means

Financial Statement

Mr Deputy Speaker (Mr Lindsay Hoyle): Before I call the Chancellor of the Exchequer, I remind hon. Members that copies of the Budget resolutions will be available to them in the Vote Office at the end of the Chancellor’s speech. I also remind them that it is not the norm to intervene on the Chancellor of the Exchequer or the Leader of the Opposition.

12.33 pm

The First Secretary of State and Chancellor of the Exchequer (Mr George Osborne): Today I report on an economy set to grow faster than any other major advanced economy in the world. I report on a labour market delivering the highest employment in our history, and I report on a deficit down by two thirds, falling each year, and, I can confirm today, on course for a budget surplus. The British economy is stronger because we confronted our country’s problems and took the difficult decisions. The British economy is growing because we did not seek short-term fixes, but pursued a long-term economic plan. The British economy is resilient because, whatever the challenge, however strong the headwinds, we have held to the course we set out.

I must tell the House that we face such a challenge now. Financial markets are turbulent; productivity growth across the west is too low; and the outlook for the global economy is weak. It makes for a dangerous cocktail of risks, but one that Britain is well prepared to handle if we act now so we do not pay later. Britain has learned to its cost what happens when you base your economic policy on the assumption that you have abolished boom and bust. Britain is not immune to slowdowns and shocks, but nor as a nation are we powerless. We have a choice. We can choose to add to the risk and uncertainty, or we can choose to be a force for stability. In this Budget we choose to put stability first. Britain can choose short-term fixes and more stimulus, as others are, or we can lead the world with long-term solutions to long-term problems.

In this Budget we choose the long term. We choose to put the next generation first. We choose, as Conservatives should always choose, sound public finances to deliver security, lower taxes on business and enterprise to create jobs, reform to improve schools, and investment to build homes and infrastructure, because we know that that is the only way to deliver real opportunity and social mobility. And as Conservatives, we know that the best way we can help working people is to help them to save and let them keep more of the money they earn. That is the path we have followed over the past five years, and it has given us one of the strongest economies in the world; and that is the path we will follow in the years ahead. In this Budget we redouble our efforts to make Britain fit for the future.

Let me turn to the economic forecasts. I want to thank Robert Chote and his team at the Office for Budget Responsibility. To make sure that they have available to them the best statistics in the world, I am today accepting all the recommendations of Sir Charlie Bean’s excellent report. I also want to take this moment to thank another great public servant, Sir Nicholas Macpherson. He has served as permanent secretary to the Treasury for 10 years, under three very different Chancellors, and throughout he has always demonstrated the great British civil service values of integrity and impartiality. He is here today to watch the last of the 34 Budgets he has worked on, and on behalf of the House and the dedicated officials in the Treasury, I thank him for his service.

The OBR tells us today that in every year of the forecast, our economy grows and so too does our productivity. But it has revised down growth in the world economy and in world trade. In its words, the outlook is “materially weaker”. It points to the turbulence in financial markets, slower growth in emerging economies such as China, and weak growth across the developed world. Around the globe, it notes that monetary policy, instead of normalising this year as expected, has been further loosened. We have seen the Bank of Japan join Sweden, Denmark, Switzerland and the European Central Bank with unprecedented negative interest rates.

The OBR also notes that this reflects concerns across the west about low productivity growth. The secretary-general of the OECD said last month that “productivity growth...has been decelerating in a vast majority of countries”. As a result, the most significant change the OBR has made since its November forecast is its decision to revise down potential UK productivity growth. The OBR had thought that what it describes as the “drag from the financial crisis” on our productivity would have eased by now, but the latest data show that it has not. The OBR acknowledges today that this revision is, in its words, a “highly uncertain” judgment call, but I back the OBR 100%. We saw under the last Labour Government what happened when a Chancellor of the Exchequer revised up the trend growth rate, spent money the country did not have and left it to the next generation to pick up the bill. I am not going to let that happen on my watch. These days, thanks to the fact that we have established independent forecasts, our country is confronted with the truth as economic challenges emerge, and can act on them before it is too late. We fix our plans to fit the figures; we do not fix the figures to fit the plans.

The IMF has warned us this month that the global economy is “at a delicate juncture” and faces a growing “risk of economic derailment”. Eight years ago, Britain was the worst prepared of any of the major economies for the crisis we then faced. Today, Britain is among the best prepared for whatever challenges may lie ahead. That is what our long-term economic plan has been all about.

When I became Chancellor, we borrowed £1 in every £4 we spent. Next year, it will be £1 in every £14. Our banks have doubled their capital ratios, we have doubled our foreign exchange reserves, and we have a clear, consistent and accountable monetary policy framework, admired around the world.

The hard work of fixing our economy is paying off. In 2014, we were the fastest-growing major advanced economy in the world. In 2015, we were ahead of everyone but America. So let me give the OBR’s latest forecasts for our economic growth in the face of the new assessment of productivity and the slowing global economy. Last year, GDP grew by 2.2%. The OBR now
forecasts that it will grow by 2% this year, then 2.2% again in 2017, and then 2.1% in each of the three years after that. The House will want to know how this compares to other countries. I can confirm that, in these turbulent times, the latest international forecast expects Britain to grow faster this year than any other major advanced economy in the world.

The OBR is explicit today that its forecasts are predicated on Britain remaining in the European Union. Over the next few months, this country is going to debate the merits of leaving or remaining in the European Union, and I have many colleagues whom I respect greatly on both sides of this argument. The OBR correctly stays out of the political debate and does not assess the long-term costs and benefits of EU membership, but it does say this, and I quote directly:

“A vote to leave in the forthcoming referendum could usher in an extended period of uncertainty regarding the precise terms of the UK’s future relationship with the EU.”

It goes on to say:

“This could have negative implications for activity via business and consumer confidence and might result in greater volatility in financial and other asset markets”.

Citing a number of external reports, the OBR says this:

“There appears to be a greater consensus that a vote to leave would result in a period of potentially disruptive uncertainty while the precise details of the UK’s new relationship with the EU were negotiated.”

The House knows my view. Britain will be stronger, safer and better off inside a reformed European Union. I believe we should not put at risk all the hard work that the British people have done to make our economy strong again. [Interruption.]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We all want to hear what the Chancellor has to say. Some people may agree, some may disagree, but I want to hear him, the electorate want to hear him, and this country wants to hear him.

Mr Osborne: Let me turn to the OBR forecasts for the labour market. Since the autumn statement just four months ago, the businesses in our economy have created over 150,000 more jobs than the OBR expected. That is 150,000 extra families with the security of work, and that is 150,000 reasons to support our long-term economic plan. This morning, unemployment fell again, employment reached the highest level ever, and the data confirm that we have the lowest proportion of people claiming out-of-work benefits since November 1974.

Now the OBR is forecasting a million more jobs over this Parliament. We remember what our political opponents said in the last Parliament: they claimed 1 million jobs would be lost—instead, 2 million were created. When the jobs started coming, we told that they were going to be low-skilled, but today we know that almost 90% of the new jobs are in skilled occupations. We were told the jobs were going to be part-time, but three quarters are full-time. We were told the jobs would all be in London, but the unemployment rate is falling fastest in the north-east. Youth unemployment is falling fastest in the west midlands and employment is growing fastest in the north-west. And in today’s forecast, real wages continue to grow and outstrip inflation in each and every year.

The OBR forecasts lower inflation, at 0.7% this year and 1.6% next year. I am today confirming in a letter to the Governor of the Bank of England that the remit for the Monetary Policy Committee remains the symmetric consumer prices index inflation target of 2%. I am also publishing the new remit for the Financial Policy Committee, the body we created to keep an eye on emerging long-term risks in our financial system. I am asking it to be particularly vigilant in the face of current market turbulence, because in this Budget we act now so that we do not pay later.

That brings me to our approach to public spending and the OBR forecasts for our public finances. In every year since 2010, I have been told by the Opposition that now is not the right time to cut Government spending. When the economy is growing, I am told we can afford to spend more. When the economy is not growing, I am told we cannot afford not to. Today, I am publishing new analysis that shows that if we had not taken the action we did in 2010, and had listened instead to our opponents, cumulative borrowing would have been £930 billion more by the end of the decade than it is now forecast to be. If we had taken their advice, Britain would not have been one of the best-prepared economies for the current global uncertainties, we would have been one of the worst-prepared.

Now, the very same people are saying to us that we should spend more again—I reject that dangerous advice. The security of families and businesses depends on Britain living within its means. Last autumn’s spending review delivers a reduction in Government consumption that is judged by the OBR to be the most sustained undertaken in the last 100 years of British history, barring the periods of demobilisation after the first and second world wars. My spending plans in the last Parliament reduced the share of national income taken by the state from the unsustainable 45% we inherited to 40% today. My spending plans in this Parliament will see it fall to 36.9% by the end of this decade. In other words, the country will be spending no more than the country raises in taxes. And we are achieving that while at the same time increasing resources for our NHS and schools, building new infrastructure and increasing our security at home and abroad.

The OBR now tells us that the world has become more uncertain, so we have two options: we can ignore the latest information and spend more than the country can afford—that is precisely the mistake that was made a decade ago—or we can live in the world as it is, and cut our cloth accordingly. I say we act now so we do not pay later. So I am asking my right hon. Friends the Chief Secretary and the Paymaster General to undertake a further drive for efficiency and value for money. The aim is to save a further £3.5 billion in the year 2019-20. At less than half a percent of Government spending in four years’ time, that is more than achievable while maintaining the protections we have set out.

At the same time, we will continue to deliver sensible reforms to keep Britain living within its means. On welfare, last week my right hon. Friend the Secretary of State for Work and Pensions set out changes that will ensure that within the rising disability budget, support is better targeted at those who need it most.
confirm that this means the disability budget will still rise by more than £1 billion, and we will be spending more in real terms supporting disabled people than at any point under the last Labour Government.

On international aid, I am proud to be part of a Government that was the first to honour Britain’s commitment to spend 0.7% of national income on development. We will not spend more than that, so the Budget will be readjusted, saving £650 million in 2019-20.

We are also going to keep public sector pensions sustainable. We reformed them in the last Parliament, which will save more than £400 billion in the long term. To ensure that those pensions remain sustainable, we have carried out the regular revaluation of the discount rate, and the public sector employer contributions will rise as a result. This will not affect anyone’s pension, and will be affordable within spending plans that are benefiting from the fiscal windfall of lower inflation. Each of these decisions is a demonstration of our determination that the British economy will stay on course. We will not burden our children and grandchildren. This is a Budget for the next generation.

Let me now give the Office for Budget Responsibility’s forecasts for the debt and the deficit. The combination of our action to reduce borrowing this year, along with the revisions to our nominal GDP driven by lower inflation, have produced this paradoxical result. In cash terms, the national debt is lower than it was forecast to be in the autumn, but so too is the nominal size of our economy. We measure the fiscal target against debt to GDP, so that while debt as a percentage of GDP is above target and set to be higher in 2015-16 than the year before, compared with the forecast, the actual level of our national debt in cash is £9 billion lower. In the future, debt falls to 82.6% next year, then 81.3% in 2017-18, then 79.9% the year after. In 2019-20, it falls again to 77.2%, then down again the year after to 74.7%.

Let me turn to the forecast for the deficit. When I became Chancellor, the deficit that we inherited was forecast to reach 11.1% of national income—the highest level in the peacetime history of Britain. Thanks to our sustained action, the deficit is forecast to fall next year to just over a quarter of that, at 2.9%. In 2017-18, it falls to 1.9%. Then it falls again to 1% in 2018-19. In cash terms, in 2010, British borrowing was a totally unsustainable £150 billion a year. This year we are expected to borrow less than half that, at £72.2 billion. Indeed, our borrowing this year is actually lower than the OBR forecast at the autumn statement. Borrowing continues to fall—but not by as much as before—to £55.5 billion next year, £38.8 billion the year after, and £21.4 billion in 2018-19.

I know that there has been concern that the challenging economic times mean we would lose our surplus the following year, and that would have been the case if we had not taken further action today to control spending and make savings. But because we have acted decisively, in 2018-19, Britain is set to have a surplus of £10.4 billion. That surplus is then set to rise to £11 billion the year after. That is 0.5% of GDP in both years.

We said that we would take the action necessary to give Britain’s families economic security. We said that our country would not repeat the mistakes of the past and instead live within our means. Today, we maintain that commitment to long-term stability in challenging times. We have taken decisive action to achieve a £10 billion surplus. We act now, so that we do not pay later. We put the next generation first.

In every Budget I have given, action against tax avoidance and evasion has contributed to the repair of our public finances, and this Budget is no different. In the Red Book, we have set out in detail the action that we will take to: shut down disguised remuneration schemes; ensure that UK tax will be paid on UK property development; change the treatment of free plays for remote gaming providers; limit capital gains tax treatment on performance rewards; and cap exempt gains in the employee shareholder status.

Public sector organisations will have a new duty to ensure that those working for them pay the correct tax rather than giving a tax advantage to those who choose to contract their work through personal service companies. Loans to participants will be taxed at 32.5% to prevent tax avoidance, and we will tighten rules around the use of termination payments. Termination payments over £30,000 are already subject to income tax. From 2018, they will also attract employer national insurance. Taken altogether, the further steps in this Budget to stop tax evasion, prevent tax avoidance and tackle imbalances in the system will raise £12 billion for our country over this Parliament.

The Labour party talked about social justice, but left enormous loopholes in our tax system for the very richest to exploit. The independent statistics confirm that, under this Prime Minister, child poverty is down; pensioner poverty is down; inequality is down; and the gender pay gap has never been smaller.

The distributional analysis published today shows that the proportion of welfare and public services going to the poorest has been protected. I can report that the latest figures confirm that the richest 1% paid 28% of all income tax revenue—a higher proportion than in any single year of the previous Labour Government and proof that we are all in this together. [Interruption.]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. It is strange that we cannot hear your Chancellor of the Exchequer. I want to hear him, and I am sure that you do as well.

Mr Osborne: I can report solid steady growth; more jobs; lower inflation; and an economy on course for a surplus—and all done in a fair way. This is a Britain that is prepared for whatever the world throws at us, because we have stuck to our long-term economic plan.

Credible fiscal policy and effective monetary policy have only ever been part of our plan. A crucial ingredient has always been the lasting structural reforms needed to make our economy fit for the future. With new risks on the horizon, and with all western countries looking for ways to increase living standards, now is not the time to go easy on our structural reforms. It is time to redouble our efforts. My Budgets last year delivered key improvements to productivity, such as the apprenticeship levy, lower corporation tax and the national living wage.

My Budget this year sets out the further bold steps that we need to take: first, fundamental reform of the business tax system, with loopholes closed and reliefs and rates reduced, and the result a huge boost for small business and enterprise; secondly, a radical devolution
of power so that more of the responsibility and the rewards of economic growth are in the hands of local communities; thirdly, major new commitments to the national infrastructure projects of the future; fourthly, confronting the obstacles that stand in the way of important improvements to education and our children’s future; and, fifthly, backing people who work hard and save. In short, this Budget puts the next generation first, and I will take each step in turn.

In the last Parliament I cut corporation tax dramatically, but I also introduced the diverted profits tax to catch those trying to shift profits overseas. As a result, Britain went from one of the least competitive business tax regimes to one of the most competitive—and we raised much more money for our public services. Today, the Financial Secretary and I are publishing a road map to make Britain’s business tax system fit for the future. It will deliver a low-tax regime that will attract the multinational businesses that we want to see in Britain, but ensure that they pay taxes here too—something that never happened under a Labour Government. It will level the playing field, which has been tilted against our small firms. The approach that we take is guided by the best practice set out by the OECD. This is work that Britain called for, Britain paid for and Britain will be among the very first to implement.

First, some multinationals deliberately over-borrow in the UK to fund activities abroad, and then deduct the interest bills against their UK profits. From April next year, we will restrict interest deductibility for the largest companies at 30% of UK earnings, while making sure that firms whose activities justify higher borrowing are protected with a group ratio rule.

Next, we are setting new hybrid mismatch rules to stop the complex structures that allow some multinationals to avoid paying any tax anywhere, or to deduct the same expenses in more than one country. Then, we are going to strengthen our withholding tax on the royalty payments that allow some firms to shift money to tax havens, and, lastly, we are going to modernise the way that we treat losses. We are going to allow firms to use losses more flexibly in a way that will help over 70,000 mostly British companies, but, with these new flexibilities in place, we will do what other countries do and restrict the maximum amount of profits that can be offset using past losses to 50%. This will apply only to the less than 1% of firms making profits over £5 million, and the existing rules for historic losses in the banking sector will be tightened to 25%.

We will maintain our plans to align tax payment dates for the largest companies more closely when profits are earned, but we will give firms longer to adjust to these changes, which will now come into effect in April 2019. All these reforms to corporation tax will help create a modern tax code that better reflects the reality of the global economy. Together, they raise £9 billion in extra revenue for the Exchequer. But our policy is not to raise taxes on business. Our policy is to lower taxes on business. So, everything we collect from the largest companies at 30% UK earnings, while making sure that they pay taxes here too—something that never happened under a Labour Government. It will level the playing field, which has been tilted against our small firms. The approach that we take is guided by the best practice set out by the OECD. This is work that Britain called for, Britain paid for and Britain will be among the very first to implement.

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I can confirm today that we are going to reduce the rate of corporation tax even further. That is the rate Britain’s profit-making companies, large and small, have to pay, and all the evidence shows that it is one of the most distortive and unproductive taxes there is. Corporation tax was 28% at the start of the last Parliament and we reduced it to 20% at the start of this one. Last summer, I set out a plan to cut it to 18% in the coming years. Today I am going further. By April 2020, it will fall to 17%. Britain is blazing a trail; let the rest of the world catch up.

Cutting corporation tax is only part of our plan for the future. I also want to address the great unfairness that many small businessmen and women feel when they compete against companies on the internet. Sites such as eBay and Amazon have provided an incredible platform for many new small British start-ups to reach large numbers of customers, but there has been a big rise in overseas suppliers storing goods in Britain and selling them online without paying VAT. That unfairly undercuts British businesses both on the internet and on the high street, and today I can announce that we are taking action to stop it.

That is the first thing we are doing to help our small firms. Secondly, we are going to help the new world of micro-entrepreneurs who sell services online or rent out their homes through the internet. Our tax system should be helping these people so I am introducing two new tax-free allowances, each worth £1,000 a year, for both trading and property income. There will be no forms to fill in, no tax to pay—it is a tax break for the digital age and at least half a million people will benefit.

On top of the two measures comes the biggest tax cut for business in this Budget. Business rates are the fixed cost that weigh down on many small enterprises. At present, small business rate relief is only permanently available to firms with a rateable value of less than £6,000. In the past, I have been able to double it for one year only. Today I am more than doubling it, and more than doubling it permanently. The new threshold for small business rate relief will rise from £6,000 to a maximum threshold of £15,000. I am also going to raise the threshold for the higher rate from £18,000 to £51,000.

Let me explain to the House what that means. From April next year, 600,000 small businesses will pay no business rates at all. That is an annual saving for them of up to nearly £6,000, forever. A further quarter of a million businesses will see their rates cut. In total, half of all British properties will see their business rates fall or be abolished altogether. To support all ratepayers, including larger stores who face tough competition and who employ so many people, we will radically simplify the administration of business rates, and from 2020, switch the uprating from the higher retail prices index to the lower consumer prices index. That is a permanent long-term saving for all businesses in Britain. A typical corner shop in Barnstaple will pay no business rates. A typical hairdresser in Leeds will pay no business rates. A typical newsagent in Nuneaton will pay no business rates.

This is a Budget which gets rid of loopholes for multinationals and gets rid of tax for small businesses. A £7 billion tax cut for our nation of shopkeepers. A tax system that says to the world: we are open for business. This is a Conservative Government that are on your side.

Just over a year ago, I reformed residential stamp duty. We moved from a distortive slab system to a much simpler slice system, and as a result 98% of homebuyers are paying the same or less and revenues from the
Scotland had broken away from the rest of the UK, as have been remotely affordable if, in just eight days’ time, of the United Kingdom. None of this support would jobs right across Britain—too, backing this key Scottish industry and supporting and I am effectively abolishing petroleum revenue tax supplementary charge on oil and gas from 20% to 10% but the oil price has continued to fall, so we need to act Budget a year ago, I made major reductions to its taxes people in Scotland and around our country. In my oil and gas sector employs hundreds of thousands of which has been severely affected by global events. The important and valued industries in our United Kingdom, reactors. We are also going to help one of the most bids to help develop the next generation of small modular energy intensive industries, such as steel, remain completely protected, and I am extending the climate change levy will rise from 2019. The most abolish it altogether. To make good the lost revenue, the complex of the carbon reduction commitment. It is not a commitment; it is a tax. I can tell the House that retailers have complained bitterly to me about the Her Majesty’s Revenue and Customs offers them. Many make the tax system work better for small firms and I asked Angela Knight and John Whiting at the Office of Tax Simplification to look at what more we can do to make the tax system work better for small firms and I am funding a dramatic improvement in the service that Her Majesty’s Revenue and Customs offers them. Many businesses also want a simpler tax system. I have retailers have complained bitterly to me about the complexity of the carbon reduction commitment. It is not a commitment; it is a tax. I can tell the House that we are not going to reform it. Instead, I have decided to abolish it altogether. To make good the lost revenue, the climate change levy will rise from 2019. The most energy intensive industries, such as steel, remain completely protected, and I am extending the climate change agreements that help many others. The Secretary of State for Energy and Climate Change and I are announcing £730 million in further auctions to back renewable technologies, and we are now inviting bids to help develop the next generation of small modular reactors. We are also going to help one of the most important and valued industries in our United Kingdom, which has been severely affected by global events. The oil and gas sector employs hundreds of thousands of people in Scotland and around our country. In my Budget a year ago, I made major reductions to its taxes but the oil price has continued to fall, so we need to act now for the long term. I am today cutting in half the supplementary charge on oil and gas from 20% to 10% and I am effectively abolishing petroleum revenue tax too, backing this key Scottish industry and supporting jobs right across Britain. Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Mr Ellis, Mr Sheelbrooke, just relax. There is more to come. Mr Osborne: Both those major tax cuts will be backdated so that they are effective from 1 January this year and my hon. Friend the Exchequer Secretary will work with the industry to give them our full support. We are only able to provide this kind of support to our oil and gas industry because of the broad shoulders of the United Kingdom. None of this support would have been remotely affordable if, in just eight days’ time, Scotland had broken away from the rest of the UK, as the nationalists wanted. Their own audit of Scotland’s public finances confirms that they would have struggled from the start with a fiscal crisis under the burden of the highest budget deficit in the western world. Thankfully, the Scottish people decided that we are better together in one United Kingdom. Believing in our United Kingdom is not the same as believing that every decision should be taken here in Westminster and Whitehall, and that is the next step in this Budget’s plan to make Britain fit for the future. Because as Conservatives we know that if we want local communities to take responsibility for local growth, they have to be able to reap the rewards. This Government are delivering the most radical devolution of power in modern British history. We are devolving power to our nations. The Secretary of State for Scotland and I have agreed the new fiscal framework with the Scottish Government. We are also opening negotiations on a city deal with Edinburgh; we back the new V&A museum in Dundee; and in response to the powerful case made to me by Ruth Davidson we are providing new community facilities for local people in Helensburgh and the Royal Navy personnel nearby at Faslane, paid for by our LIBOR fines. In Wales, we are committed to devolving new powers to the Assembly and yesterday the Secretary of State for Wales and the Chief Secretary to the Treasury signed a new billion-pound deal for the Cardiff region. We are opening a discussion on a city deal for Swansea and a growth deal for north Wales, so it is better connected to our northern powerhouse. I have listened to the case made by Welsh Conservative colleagues and I can announce today that from 2018 we are going to halve the price of the tolls on the Severn crossings. The Secretary of State for Northern Ireland and I are working towards the devolution of corporation tax. I am also extending enhanced capital allowances to the enterprise zone in Coleraine and we will use over £4 million from LIBOR fines to help establish the first air ambulance service for Northern Ireland. In this Budget we make major further advances in the devolution of power within England too. It was less than two years ago that I called for the creation of strong elected Mayors to help us build a northern powerhouse. Since then, powerful elected Mayors have been agreed for Manchester, Liverpool, Tees Valley, Newcastle and Sheffield. Over half the population of the northern powerhouse will be able to elect a Mayor accountable to them next year. We will have an elected Mayor for the West Midlands too. These new devolution arrangements evolve and grow stronger. Today I can tell the House that the Secretary of State for Justice and I are transferring new powers over the criminal justice system to Greater Manchester. This is the kind of progressive social policy that this Government are proud to pioneer. I can also announce to the House that today, for the first time, we have reached agreement to establish new elected Mayors in our English counties and southern cities too. I want to thank my right hon. Friend the Secretary of State for Communities and Local Government and my Treasury colleague Jim O’Neill for their superhuman efforts. We have agreed a single powerful East Anglia combined authority, headed by an elected Mayor and almost a billion pounds of new investment. We have also agreed a new West of England mayoral authority—and they
too will see almost a billion pounds invested locally. The authorities of Greater Lincolnshire will have new powers, new funding and a new Mayor. North, south, east and west—the devolution revolution is taking hold.

When I became Chancellor, 80% of local government funding came in largely ring-fenced grants from central Government. It was the illusion of local democracy. By the end of this Parliament, 100% of local government resources will come from local government—raised locally, spent locally, invested locally. Our great capital city wants to lead the way. My friend the Mayor of London and my hon. Friend the Member for Richmond Park (Zac Goldsmith) passionately argue for the devolution of business rates. I can confirm today that the Greater London Authority will move towards full retention of its business rates from next April, three years early. Michael Heseltine has accepted our invitation to lead a Thames estuary growth commission and he will report to me with its ideas next year.

In every international survey of our country, our failure for a generation to build new housing and new transport has been identified as a major problem. But in this Government we are the builders. So today we are setting out measures to speed up our planning system, zone housing development and prepare the country for the arrival of 5G technology. My right hon. Friend the Business Secretary will be bringing forward our innovation proposals. And because we make savings in day-to-day spending we can accelerate capital investment and increase it as a share of GDP. All these are things that a country focused on its long-term future should be doing.

Our new stamp duty rates on additional properties will come into effect next month. I have listened to colleagues and the rates will apply to larger investors too. We are going to use receipts to support community housing trusts, including £20 million to help young families on to the housing ladder in the south-west of England. This is a brilliant idea from my hon. Friend the Member for Truro and Falmouth (Sarah Newton) and many other colleagues. And it is proof that when the south-west votes blue, their voice is heard loud here in Westminster.

Because under this Government we are not prepared to let people be left behind, I am also announcing a major new package of support worth over £115 million to support those who are homeless and to reduce rough sleeping.

Last year, I established a new National Infrastructure Commission to advise us all on the big long-term decisions we need to boost our productivity. I am sure everyone in the House will want to thank Andrew Adonis and his fellow commissioners for getting off to such a strong start. They have already produced three impressive reports. They recommend much stronger links across northern England. So we are giving the green light to High Speed 3 between Manchester and Leeds; we are finding new money to create a four-lane M62; and we will develop the case for a new tunnelled road from Manchester to Sheffield. My hon. Friends the Members for Carlisle (John Stevenson), for Penrith and The Border (Rory Stewart) and for Hexham (Guy Opperman) have told us not to neglect the north Pennines. So we will upgrade the A66 and the A69 too.

I said we would build the northern powerhouse. We have put in place the Mayors. We are building the roads. We are laying the track. We are making the northern powerhouse a reality and rebalancing our country.

I am also accepting the National Infrastructure Commission’s recommendations on energy and on London transport. The Government who are delivering Crossrail 1 will now commission Crossrail 2. I know this commitment to Crossrail 2 will be warmly welcomed by the Leader of the Opposition, the right hon. Member for Islington North (Jeremy Corbyn). It could have been designed just for him, because it is good for all those who live in north London and are heading south.

Across Britain this Budget invests in infrastructure—from a more resilient train line in the south-west, to the crossings at Ipswich and Lowestoft in the east that we promised—we are making our country stronger.

To respond to the increasing extreme weather events our country is facing I am today proposing further substantial increases in flood defences. That would not be affordable within existing budgets. So I am going to increase the standard rate of insurance premium tax by just half a per cent., and commit all the extra money we raise to flood defence spending. That is a £700 million boost to our resilience and flood defences. The urgent review already under way by the Secretary of State for Environment, Food and Rural Affairs and the Chancellor of the Duchy of Lancaster will determine how the money is best spent. But we can get started now. I have had many representations from colleagues across the House, including my hon. Friends the Members for Morley and Outwood (Andrea Jenkyns) and for Calder Valley (Craig Whittaker). So we are giving the go-ahead to the schemes for York, Leeds, Calder Valley, Carlisle and across Cumbria.

In this Budget we invest in our physical infrastructure and we invest in our cultural infrastructure too. I am supporting specific projects from the Hall for Cornwall in Truro, to £13 million for Hull to make a success as city of culture. Our cathedral repairs fund has been enormously successful so I am extending it with an additional £20 million, because there is one thing that is pretty clear these days—the Conservative party is a broad church. In the 400th anniversary of the great playwright’s death, I have heard the sonnets from the right hon. Member for Knowsley (Mr Howarth) and we commit to a new Shakespeare North theatre, on the site of the first indoor theatre outside our capital. My hon. Friend the Member for Newark (Robert Jenrick) has proposed that we introduce a new tax break for museums that develop exhibitions and take those exhibitions on tour. It is a great idea and we add that to our collection today.

We cut taxes for business. We devolve power. We develop our infrastructure. The next part of our plan to make Britain fit for the future is to improve the quality of our children’s education. Providing great schooling is the single most important thing we can do to help any child from a disadvantaged background succeed. It is also the single most important thing we can do to boost the long-term productivity of our economy, because our nation’s productivity is no more and no less than the combined talents and efforts of the people of these islands. That is why education reform has been so central to our mission since we came to office five years ago. Today we take these further steps.
First, I can announce that we are going to complete the task of setting schools free from local education bureaucracy, and we are going to do it in this Parliament. I am today providing extra funding so that by 2020 every primary and secondary school in England will be, or be in the process of becoming, an academy. Secondly, we are going to focus on the performance of schools in the north, where results have not been as strong as we would like. London's school system has been turned around; we can do the same in the northern powerhouse and I have asked the outstanding Bradford headteacher, Sir Nick Weller, to provide us with a plan. Thirdly, we are going to look at teaching maths to 18 for all pupils.

Fourthly, we are going to introduce a fair national funding formula, and I am today committing £500 million to speed up its introduction. We will consult, and our objective is to get over 90% of the schools that will benefit on to the new formula by the end of this Parliament. The Conservative Government are delivering on their promise of fair funding for our schools. Tomorrow my right hon. Friend the Education Secretary will publish a White Paper setting out further improvements that we will make to the quality of education, because we will put the next generation first.

Doing the right thing for the next generation is what this Government and this Budget are about, no matter how difficult and controversial that is. We cannot have a long-term plan for the country unless we have a long-term plan for our children's healthcare. Here are the facts that we know: five-year-old children are consuming their body weight in sugar every year. Experts predict that within a generation more than half of all boys and 70% of girls could be overweight or obese. Here is another fact that we all know: obesity drives disease. It increases the risk of cancer, diabetes and heart disease, and it costs our economy £27 billion a year. That is more than half the entire NHS pay-bill.

Here is another truth we all know: one of the biggest contributors to childhood obesity is sugary drinks. A can of cola typically has nine teaspoons of sugar in it. Some popular drinks have as many as 13 teaspoons. That can be more than double a child's recommended added sugar intake. Let me give credit where credit is due. Many in the soft drinks industry recognise that there is a problem and have started to reformulate their products. Robinsons recently removed added sugar from many of its cordials and squashes. Sainsbury's, Tesco and the Co-op have all committed to reduce sugar across their ranges. So industry can act, and with the right incentives I am sure it will.

I am not prepared to look back at my time here in this Parliament, doing this job, and say to my children's generation, “I'm sorry. We knew there was a problem with sugary drinks. We knew it caused disease, but we ducked the difficult decisions and we did nothing.” So today I can announce that we will introduce a new sugar levy on the soft drinks industry. Let me explain how it will work. It will be levied on the companies. It will be introduced in two years' time to give companies plenty of space to change their product mix. It will be assessed on the volume of the sugar-sweetened drinks they produce or import. There will be two bands—one for total sugar content above 5 grams per 100 millilitres, and a second, higher band for the most sugary drinks with more than 8 grams per 100 millilitres. Pure fruit juices and milk-based drinks will be excluded, and we will ensure that the smallest producers are kept out of scope.

We will, of course, consult on implementation. We are introducing the levy on the industry which means that companies can reduce the sugar content of their products, as many already do. It means that they can promote low-sugar or no-sugar brands, as many already are. They can take these perfectly reasonable steps to help with children's health. Of course, some may choose to pass the price on to consumers, and that will be their decision, and this would have an impact on consumption too. We as Conservatives understand that tax affects behaviour. So let us tax the things we want to reduce, not the things we want to encourage. The Office for Budget Responsibility estimates that this levy will raise £520 million, and that is tied directly to the second thing we are going to do today to help children's health and wellbeing.

We are going to use the money from this new levy to double the amount of funding we dedicate to sport in every primary school. For secondary schools, we are going to fund longer school days for those that want to offer their pupils a wider range of activities, including extra sport. It will be voluntary for schools but compulsory for the pupils. There will be enough resources for a quarter of secondary schools to take part, but that is just the start. The devolved Administrations will receive equivalent funding through the Barnett formula and I hope they spend it on the next generation too.

I am also using the LIBOR funds specifically to help with children's hospital services. Members across the House have asked for resources for children's care in Manchester, Sheffield, Birmingham and Southampton, and we provide those funds today. We have a determination to improve the health of our children, a new levy on excessive sugar in soft drinks, the money used to double sport in our schools—a Britain fit for the future, a Government not afraid to put the next generation first.

Let me now turn to indirect taxes. Last autumn I said that we would use all the VAT we collect from sanitary products to support women's charities. I want to thank the many Members here on all sides, in all parties, for the impressive proposals they have put forward. Today we allocate £12 million from the tampon tax to these charities across the UK, from Breast Cancer Care to the White Ribbon Campaign and many other causes. We will make substantial donations to the Rosa fund and to Comic Relief so that we reach many more grassroots causes.

I now turn to excise duties. When we took office, we inherited plans that would have seen fuel duty rise above inflation every year and cost motorists 18p extra a litre. We wholeheartedly rejected those plans and instead we took action to help working people. We froze fuel duty throughout the last Parliament—a tax cut worth nearly £7 billion a year. In the past 12 months, petrol prices have plummeted. That is why we pencilled in an inflation rise. But I know that fuel costs still make up a significant part of household budgets and weigh heavily on small firms. Families paid the cost when oil prices rocketed: they should not be penalised when oil prices fall. We are the party for working people, so I can announce that fuel duty will be frozen for the sixth year
in a row. That is a saving of £75 a year to the average driver and £270 a year to a small business with a van. It is the tax boost that keeps Britain on the move.

Tobacco duty will continue to rise, as set out in previous Budgets, by 2% above inflation from 6 pm tonight and hand-rolling tobacco will rise by an additional 3%. To continue our drive to improve public health, we will reform our tobacco regime to introduce an effective floor on the price of cigarettes and consult on increased sanctions for fraud.

I have always been clear that I want to support responsible drinkers and our nation’s pubs. Five years ago we inherited tax plans that would have ruined that industry. Instead, prompted by my hon. Friend the Member for Burton (Andrew Griffiths) and others, the action we took in the last Parliament on beer duty saved hundreds of pubs and thousands of jobs. Today I back our pubs again. I am freezing beer duty, and cider duty too. Scotch whisky accounts for a fifth of all the UK’s food and drink exports. So we back Scotland and back that vital industry too, with a freeze on whisky and other spirits duty this year. All other alcohol duties will rise by inflation, as planned.

There are some final measures that we need to take to boost enterprise, back the next generation, and help working people keep more of the money they earn. All these have been themes of this Budget. Let me start with enterprise. We Conservatives know that when it comes to growing the economy, alongside good infrastructure and great education we need to light the fires of enterprise, and our tax system can do more. To help the self-employed I am going to fulfil the manifesto commitment we made, and from 2018 abolish class 2 national insurance contributions altogether. That is a simpler tax system and a tax cut of over £130 for each of Britain’s 3 million-strong army of the self-employed.

Next, we want to help people to invest in our businesses and help them to create jobs. The best way to encourage that is to let them keep more of the rewards when that investment is successful. Our capital gains tax is now one of the highest in the developed world, when we want our taxes to be among the lowest. The headline rate of capital gains tax currently stands at 28%. Today I am cutting it to 20%, and I am cutting the capital gains tax paid by basic rate taxpayers from 18% to just 10%. The rates will come into effect in just three weeks’ time. The old rates will be kept in place for gains on residential property and carried interest. I am also introducing a brand-new 10% rate on long-term external investment in unlisted companies, up to a separate maximum £10 million of lifetime gains. In this Budget, we are putting rocket boosters on the backs of enterprise and productive investment.

In this Budget, I also want to help the next generation build up assets and save. The fundamental problem is that far too many young people in their 20s and 30s have no pension and few savings. Ask them and they will tell you why. It is because they find pensions too complicated and inflexible, and most young people face an agonising choice of either saving to buy a home or saving for their retirement. We can help by providing people with more information about the multiple pensions many have, and providing more tax relief on financial advice, and the Economic Secretary and I do both today.

We can also help those on the lowest incomes to save, and the Prime Minister announced our Help to Save plan on Monday. Over the past year, we have consulted widely on whether we should make compulsory changes to the pension tax system. But it was clear that there was no consensus. Indeed, the former Pensions Minister, the Liberal Democrat Steve Webb, said I was trying to abolish the lump sum. Instead, we are going to keep the lump sum and abolish the Liberal Democrats. [Laughter.] I am tempted to say it will take effect from midnight tonight.

My pension reforms have always been about giving people more—[Interruption.]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Mr Opperman, you may have been an amateur jockey, but I do not want you to fall short on this Budget.

Mr Osborne: My pension reforms have always been about giving people more freedom and more choice. So, faced with the truth that young people are not saving enough, I am today providing a different answer to the same problem. We know people like ISAs—because they are simple. You save out of taxed income, everything you earn on your savings is tax-free, and it is tax-free when you withdraw it too. From April next year, I am going to increase the ISA limit from just over £15,000 to £20,000 a year for everyone.

For those under 40, many of whom have not had such a good deal from the pension system, I am introducing a completely new, flexible way for the next generation to save. It is called the lifetime ISA. Young people can put money in, get a Government bonus, and use it to either buy their first home or save for their retirement.

Here is how it will work. From April 2017, anyone under the age of 40 will be able to open a lifetime ISA and save up to £4,000 each year. For every £4 you save, the Government will give you £1. So put in £4,000 and the Government will give you £1,000. Every year. Until you are 50. You do not have to choose between saving for your first home or saving for your retirement.

With the new lifetime ISA, the Government are giving you money to do both.

For the basic rate taxpayer, that is the equivalent of tax-free savings into a pension, and unlike a pension, you will not pay tax when you come to take the money out in retirement. For the self-employed, it is the kind of support they simply cannot get from the pensions system today.

Unlike a pension, you can access your money anytime without the bonus and with a small charge. And we are going to consult the industry on whether, like the American 401(k), you can return the money to the account to reclalm the bonus—so it is both generous and completely flexible. Those who have already taken out our enormously popular Help to Buy ISA will be able to roll it into the new lifetime ISA—and keep the Government match. A £20,000 ISA limit for everyone. A new lifetime ISA. A Budget that puts the next generation first.

I turn now to my final measures. This Government were elected to back working people. The best way to help working people is to let them keep more of the
money they earn. When I became Chancellor, the tax-free personal allowance was less than £6,500. In two weeks’ time, it will rise to £11,000. We committed in our manifesto that it would reach £12,500 by the end of this Parliament. Today we take a major step towards that goal. From April next year, I am raising the tax-free personal allowance to £11,500. That is a tax cut for 31 million people. It means a typical basic rate taxpayer will be paying over £1,000 less income tax than when we came into government five years ago. And it means another 1.3 million of the lowest paid taken out of tax altogether—social justice delivered by Conservative means.

We made another commitment in our manifesto, and that was to increase the threshold at which people pay the higher rate of tax. That threshold stands at £42,385 today. I can tell the House that from April next year I am going to increase the higher rate threshold to £45,000. That is a tax cut of over £400 a year. It is going to lift over half a million people who should never have been paying the higher rate out of that higher rate band altogether. It is the biggest above-inflation cash increase since Nigel Lawson introduced the 40p rate over 30 years ago. A personal tax free allowance of £11,500. No one paying the 40p rate under £45,000. We were elected as a Government for working people. And we have delivered a Budget for working people.

Five years ago, we set out a long-term plan because we wanted to make sure that Britain never again was powerless in the face of global storms. We said then that we would do the hard work to take control of our destiny and put our own house in order. Five years later, our economy is strong, but the storm clouds are gathering again. Our response to this new challenge is clear. We act now so we do not pay later.

This is our Conservative Budget. One that reaches a surplus so the next generation does not have to pay our debts. One that reforms our tax system so the next generation inherits a strong economy. One that takes the imaginative steps so the next generation is better educated. One that takes bold decisions so that our children grow up fit and healthy.

This is a Budget that gets the investors investing, savers saving, businesses doing business, so that we build for working people a low-tax, enterprise Britain, secure at home, strong in the world. I commend to the House a Budget that puts the next generation first.

Hon. Members: Hear, hear.

PROVISIONAL COLLECTION OF TAXES
Motion made, and Question put forthwith (Standing order No. 51(2)).

That, pursuant to section 5 of the Provisional Collection of Taxes Act 1968, provisional statutory effect shall be given to the following motions:—

(a) Stamp duty land tax (calculating tax on non-residential and mixed transactions) (Motion no. 45.)
(b) Tobacco products duty (rates) (Motion no. 62.)
(c) Alcoholic liquor duties (rates) (Motion no. 63.)—(Mr Osborne.)

Question agreed to.

Mr Deputy Speaker (Mr Lindsay Hoyle): I shall now call upon the Chancellor of the Exchequer to move the motion entitled “Amendment of the Law”, and it is on this motion that the debate will take place today and on succeeding days. The Questions on this motion, and on the remaining motions, will be put at the end of Budget debate, on Tuesday 22 March.
Budget Resolutions and Economic Situation

AMENDMENT OF THE LAW

Motion made, and Question proposed,
That,—
(1) It is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.
(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—
(a) for zero-rating or exempting a supply, acquisition or importation;
(b) for refunding an amount of tax;
(c) for any relief, other than a relief that—
(i) so far as it is applicable to goods, applies to goods of every description, and
(ii) so far as it is applicable to services, applies to services of every description.—[Mr Osborne.]

1.39 pm

Jeremy Corbyn (Islington North) (Lab): The Budget the Chancellor has just delivered is actually the culmination of six years of his failures. It is a Budget—[Interruption.]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. This corner of the Chamber by the Chair is not some kind of fairground attraction. We expect courtesy from both sides of the House whoever is speaking. I want to hear the Leader of the Opposition and, as I said before, I know that the public in this country want to hear what the Opposition have to say as well.

Jeremy Corbyn: Thank you, Mr Deputy Speaker.

It is a recovery built on sand and a Budget of failure. The Chancellor has failed on the budget deficit, failed on debt, failed on investment, failed on productivity, failed on the trade deficit, failed on the welfare cap and failed to tackle inequality in this country. Today he has announced that growth is revised down last year, this year and every year he has forecast. Business investment is revised down and Government investment is revised down. It is a very good thing that the Chancellor is blaming the last Government—he was the Chancellor in the last Government.

This Budget has unfairness at its very core, paid for by those who can least afford it. The Chancellor could not have made his priorities clearer. While half a million people with disabilities are losing over £1 billion in personal independence payments, corporation tax is being cut and billions handed out in tax cuts to the very wealthy.

The Chancellor has said that he has to be judged on his record and by the tests he set himself. Six years ago, he promised a balanced structural current budget by 2015. It is now 2016—there is still no balanced budget. In 2010, he and the Prime Minister claimed, “We’re all in it together.” The Chancellor promised this House that the richest would “pay more than the poorest, not just in terms of cash but as a proportion of income as well.”—[Official Report, 22 June 2010; Vol. 512, c. 179.]

So let me tell him how that has turned out. The Institute for Fiscal Studies—an independent organisation—found that “the poorest have” suffered “the greatest proportionate losses.” The Prime Minister told us recently that he was delivering “a strong economy” and “a sound plan”—but strong for who? Strong to support who, and sound for who, when 80% of the public spending cuts have fallen on women in our society? This Budget could have been a chance to demonstrate a real commitment to fairness and equality; yet again, the Chancellor has failed.

Five years ago—they were great words—the Chancellor promised “a Britain carried aloft by the march of the makers”—[Official Report, 22 March 2011; Vol. 525, c. 966.]

Soaring rhetoric, yet despite the resilience, ingenuity and hard work of manufacturers, the manufacturing sector is now smaller that it was eight years ago. Last year, he told the Conservative conference, “We are the builders”, but ever since then the construction industry has been stagnating. This is the record of a Conservative Chancellor who has failed to balance the books, failed to balance out the pain and failed to rebalance our economy. It is no wonder that his close friend, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), is complaining that “we were told for the next seven years things were looking great. Within one month of that forecast, we’re now being told that things are difficult”.

The gulf between what the Conservative Government expect from the wealthiest and what they demand from ordinary British taxpayers could not be greater. The “mate’s rates” deals for big corporations on tax deals is something they will be for ever remembered for. This is a Chancellor who has produced a Budget for hedge fund managers more than for small businesses. This is a Government—[Interruption.]

Mr Deputy Speaker: Mr Williamson—I do not know what it is but you always want to catch my attention. Let me assure you—you have got my attention, so let us make sure you do not get it again.

Jeremy Corbyn: Thank you, Mr Deputy Speaker.

This is a Government who stood by as the steel industry bled. Skills, output and thousands of very skilled jobs have been lost, and communities ruined and damaged, by the inaction of the Government. The Chancellor set himself a £1 trillion export target; it is going to be missed by a lot more than a country mile. Instead of trade fuelling growth, as he promised, it is now holding back growth. He talked of the northern powerhouse, the north-east accounts for less than 1% of Government infrastructure pipeline projects in construction.

For all his rhetoric, there has been systematic under-investment in the north.

Across the country, local authorities—councils—are facing massive problems, with a 79% cut in their funding. Every library that has been closed, every elderly person left without proper care, and every swimming pool with reduced opening hours or closed altogether is a direct result of the Government underfunding our local authorities and councils.

Far from presiding over good-quality employment, he is the Chancellor who has presided over under-employment and insecurity, with nearly—[Interruption.]
Mr Deputy Speaker: Order. Certain people are testing my patience, so just think what your constituents are thinking out there as well. I want to hear the Leader of the Opposition and I expect you to hear the Leader of the Opposition. If you do not want to hear him, I am sure the Tea Room awaits. Perhaps there will be a phone call for Mr Hoare if he keeps shouting.

Jeremy Corbyn: Thank you, Mr Deputy Speaker.

Security comes from knowing what your income is and knowing where your job is. If you are one of those nearly 1 million people on a zero-hours contract, you do not know what your income is: you do not have that security. We have the highest levels of in-work poverty on record and the largest number of people without security. They need regular wages that can end poverty and can bring about real security in their lives. Logically, low-paid jobs do not bring in the tax revenues that the Chancellor tells us he needs to balance his books. Household borrowing is once again being relied on to drive growth. Risky unsecured lending is growing at its fastest rate for the past eight years, and that is clearly not sustainable.

The renewables industry is vital to the future of our economy and our planet—indeed, our whole existence. It has been targeted for cuts, with thousands of jobs lost in the solar panel production industry. The Prime Minister, as we discussed earlier at Prime Minister’s Question Time, promised “the greenest Government ever”—here again, an abject failure. Science spending is also down, by £1 billion compared with 2010.

Home ownership is down under this Conservative Government. A whole generation is locked out of any prospect of owning their own home. This is the Chancellor who believes that a starter home costing £450,000 is affordable. It might be for some of his friends and for some Conservative Members, but not for those people who are trying to save for a deposit because they cannot get any other kind of house.

We have heard promises of garden cities before. Two years ago, the Chancellor pledged a garden city of 15,000 homes in Ebbsfleet, and many cheered that. His Ministers have been very busy ever since then—they have made 30 Ebbsfleet announcements, and they have managed to build 368 homes in Ebbsfleet. That is 12 homes for every press release. We obviously need a vast increase in press releases in order to get any homes built in Ebbsfleet, or indeed anywhere else.

While we welcome the money that will be put forward to tackle homelessness, it is the product of under-investment, underfunding of local authorities, not building enough council housing and not regulating the private rented sector. That is what has led to this crisis. We need to tackle the issue of homelessness by saying that everybody in our society deserves a safe roof over their head.

Child poverty is forecast to rise every year in this Parliament. What a damning indictment of this Government, and what a contrast to the last Labour Government, who managed to lift almost 1 million children out of poverty.

Eighty-one per cent of the tax increases and benefit cuts are falling on women, and that 19% gender pay gap persists. Despite the Chancellor’s protestations, it is a serious indictment that women are generally paid less than men for doing broadly similar work. It will require a Labour Government to address that.

The Government’s own social mobility commissioner said that “there is a growing sense...that Britain’s best days are behind us rather than ahead”, as the next generation expects to be worse off than the last. The Chancellor might have said a great deal about young people, but he failed to say anything about the debt levels that so many former students have; the high rents that young people have to pay; the lower levels of wages that young people get; and the sense of injustice and insecurity that so many young people in this country face and feel every day. It will again require a Labour Government to harness the enthusiasms, talent and energy of the young people of this country.

Investing in public services is vital to people’s wellbeing—I think we are all agreed on that, or at least I hope we are—yet every time the Chancellor fails, he cuts services, cuts jobs, sells assets and further privatises. That was very clear when we looked at the effects of the floods last year. Flood defences were cut by 27%. People’s homes in Yorkshire, Lancashire and Cumbria were ruined because of his Government’s neglect of river basin management and the flood defences that are so necessary.

Obviously, we welcome any money that is now going into flood defences, but I hope that that money will also be accompanied by a reversal of the cuts in the fire service that make it so difficult for our brilliant firefighters to protect people in their homes, and a reversal of the cuts in the Environment Agency that make it so hard for those brilliant engineers to protect our towns and cities, and for those local government workers who performed so brilliantly during the crisis in December and January in those areas that were flooded.

Our education service invests in people. It is a vital motor for the future wealth of this country, so why has there been a 35% drop in the adult skills budget under this Government? People surely need the opportunity to learn, and they should not have to go into debt in order to develop skills from which we as a community entirely benefit.

On the Chancellor’s announcement yesterday, there is not a shred of evidence to suggest that turning schools into academies boosts performance. There is nothing in the Budget to deal with the real issues of teacher shortages, the school place crisis and ballooning class sizes.

The Chancellor spoke at length about the issue of ill health among young children and the way in which sugar is consumed at such grotesque levels in society. I agree with him and welcome what he said. I am sure he will join me in welcoming the work done by many Members, including my right hon. Friend the Member for Leicester East (Keith Vaz), and by Jamie Oliver in helping to deal with the dreadful situation with children’s health. If we as a society cannot protect our children from high levels of sugar and all that goes with that, including later health crises of cancer and diabetes, we as a House will have failed the nation. I support the Chancellor’s proposals on sugar, and I hope all other Members do, too.

There is an issue, however, that faces the national health service: the deficit has widened to its highest level on record, waiting times are up and the NHS is in a critical condition. Hospital after hospital faces serious
financial problems and is working out what to sell in order to balance its books. Our NHS should have the resources to concentrate on the health needs of the people; it should not have to get rid of resources in order to survive. The Public Accounts Committee reported only yesterday that NHS finances have “deteriorated at a severe and rapid pace”. I did not detect much in this Budget that is going to do much to resolve that crisis. The Chancellor has also cut public health budgets, mental health budgets and adult social care.

Earlier this month the Government forced through a £30 per week cut to disabled employment and support allowance claimants—[Interruption.]

Mr Deputy Speaker: Order. There are people having conversations on the Front Bench. If you need to have a conversation, I am sure there is plenty of room in the Tea Room for you.

Jeremy Corbyn: Last week we learned that 500,000 people will lose up to £150 per week due to cuts to personal independence payments. I simply ask the Chancellor: if he can finance his Budget giveaways to different sectors, why can he not fund the need for dignity for the disabled people of this country?

The Chancellor said in the autumn statement that he had protected police budgets, but Sir Andrew Dilnot confirms that there has been a decrease in the police grant, while 18,000 police officers have lost their jobs. As my hon. Friend the Member for Brent Central (Dawn Butler) pointed out in her question to the Prime Minister earlier, in order to cut down on dangerous crime against vulnerable individuals we need community policing and community police officers. Eighteen thousand of them losing their jobs does not help. This Government have failed on the police, the national health service, social care, housing and education.

Public investment lays the foundations for future growth, as the OECD, the International Monetary Fund and the G20 all recognise. The CBI and the TUC are crying out for more infrastructure investment. It is Labour that will invest in the future—in a high-technology, high-skill, high-wage economy.

The investment commitments that the Chancellor has made today are, of course, welcome, but they are belated and nowhere near the scale this country needs. People will rightly fear that this is just another press release on the road to the non-delivery of crucial projects.

The chronic under-investment—both public and private—presided over by this Chancellor means that the productivity gap between Britain and the rest of the G7 is the widest it has been for a generation. Without productivity growth, which has been revised down further today, we cannot hope to improve living standards. The Labour party backs a strategic state that understands that businesses, public services, innovators and workers combine together to create wealth and drive sustainable growth.

The Chancellor adopted a counter productive fiscal rule. The Treasury Committee responded by saying that it was “not convinced that the surplus rule is credible”, and it is right. The Chancellor is locking Britain into an even deeper cycle of low investment, low productivity and low ambition. We will be making the positive case for Britain to remain in the European Union and all the solidarity that can bring.

Over the past six years, the Chancellor has set targets on the deficit, on debt, on productivity, on manufacturing and construction, and on exports. He has failed them all and he is failing Britain.

There are huge opportunities for this country to build on the talent and efforts of everyone, but the Chancellor is more concerned about protecting vested interests. The price of failure is being borne by some of the most vulnerable in our society. The disabled are being robbed of up to £150 a week. Those are not the actions of a responsible statesperson; they are the actions of a cruel and callous Government who side with the wrong people and punish the most vulnerable and the poorest in our society.

The Chancellor was defeated when he tried to make tax credit cuts from next month by the House opposing them, and by Labour Members and Cross Benchers in the Lords. The continuation of austerity that he has confirmed today, particularly in the area of local government spending, is a political choice, not an economic necessity. It locks us into a continued cycle of economic failure and personal misery. The Labour party will not stand by while more poverty and inequality blight this country. We will oppose those damaging choices and make the case for an economy in which prosperity is shared by all.

Let us harness the optimism, the enthusiasm, the hope and the energy of young people. Let us not burden them with debts and unaffordable housing, low-wage jobs and zero-hours contracts, but instead act in an intergenerational way to give young people the opportunities and the chances they want to build a better, freer, more equal and more content Britain. The Chancellor has proved that he is utterly incapable of doing so with his Budget today.

Mr Andrew Tyrie (Chichester) (Con): The Leader of the Opposition has made the most difficult speech of the parliamentary year. He is responding to a Budget that he has not seen. I have not seen it either, as a matter of fact. I would be interested to know whether he feels that he has not seen. I have not seen it either, as a matter of fact. I would be interested to know whether he feels that was the speech of a democratic socialist; I think it was. It was certainly spoken with great sincerity, but I wonder whether—he can nod and tell me whether he agrees or disagrees—he now accepts, as John Smith and Tony Blair did, that a capitalist economy, properly regulated, is the most powerful source of prosperity and growth yet invented.

Mark Garnier (Wyre Forest) (Con): Feel free to nod.

Mr Tyrie: I am not going to put the right hon. Gentleman under any pressure.

The Chancellor deserves a great deal of credit for the recovery, and I have said so but I do so does the Prime Minister—he has just slipped out of the Chamber—who has backed the Chancellor, I think, for the most part. The last six years have been extremely difficult at times, and it is a defining achievement for the Government
that they have led the country out of the worst crisis in modern history and that they are now stabilising the public finances, which looked, and indeed were, completely out of control in 2010. We should not exaggerate the severity of the challenge that beset the then coalition Government.

The Chancellor has talked about storm clouds gathering. I think he called it a “cocktail of risks”, coming particularly from abroad. He is certainly right about that. Emerging markets are slowing down, capital markets are faltering and the eurozone is edging back towards a serious crisis. If all that is sustained, the UK economy is going to take a hit. Of course, as the Office for Budget Responsibility has pointed out, the uncertainty in the short term about the EU referendum will not help either. We have seen all that reflected in the OBR’s forecasts, particularly on productivity. The Chancellor is right to be extremely cautious.

If I get time, I will say something briefly about the fiscal rules, and their merits or otherwise; there are some problems with the fiscal rules. I will also say whether fiscal policy should be so frequently adjusted to take account of forecasts as a consequence. I might say something, if I get time, about the way in which Budget measures are advertised so far in advance, which I am not sure is at all helpful.

First, I want to answer one central criticism of the recovery that is now under way—we did not hear so much of that from the Leader of the Opposition, although there were hints of it from time to time—and that is the assertion that the UK is in the grip of an unsustainable debt-driven, consumption-led recovery. Frankly, the statistics do not support that. Of course, one might say that the statistics are not worth much, because they have come from the Office for National Statistics and other sources, and we have discovered that they are of very little merit. Sir Charlie Bean is trying to improve statistics. They are the only figures we have got, however, and on the basis of the figures we have got, that claim, which is certainly widely made, does not hold up.

Investment has contributed a third of the total growth since the depths of the recession in the middle of 2009, despite accounting for only one seventh of GDP in recent years; that is the figure for the past five years. Debt as a proportion of household income has remained well below crisis levels, and recently productivity and real wage growth, which are the hallmarks of a sustainable recovery, are also showing signs of a pick up—something that the Chancellor did not emphasise in his speech—so I do not think that that argument holds up. Even if it were true that the recovery was very uneven as a consequence, that is what I would expect. The bigger the shock—this was a very big shock, the biggest in modern economic history—the more uneven the recovery is likely to be. Growth returns only a result of a fundamental reallocation of capital after a major crisis and more efficient use of that capital in the places to which it goes.

That process, this time, has been made particularly difficult by a profound weakness of the banking system. Firms, especially small and medium-sized enterprises, appear unable to obtain the capital they need to invest and grow even now. Again, that is something that the Chancellor did not emphasise. Although it is true that the average rate of interest for new advances is not very high—around 4%—the total stock of outstanding loans to SMEs tells its own story. It is falling, and has been falling pretty steadily for several years, even though the economy is recovering. That suggests that SMEs are not able, perhaps because of some form of rationing, to get the money that they need to grow and to sustain economic activity. That is a question that we need to come back to in the context of banking reform. Above all, we need desperately to get much more banking competition into the SME market and into the retail banking market.

I said that I would query the fiscal rules, and I am going to do so, as indeed has the Treasury Committee in an earlier report. The Chancellor was able to show a good deal of flexibility when it mattered in the last Parliament. His fiscal rules provided him with a good deal of leeway to adjust policy in response to the euro crisis, which was a heck of a shock to adjust to. He recently imposed three new restrictions on himself. First, there is this new surplus rule. Then there is the ring-fencing of three quarters of public spending. Now we also have the tax lock, which prevents rises in VAT, national insurance and income tax, which collectively account for three quarters of tax revenue.

Making fiscal rules all began with the efforts of Tony Blair and the former right hon. Member for Kirkcaldy and Cowdenbeath to restore credibility to Labour’s economic policy in the 1990s. Since 1997—I have taken a look at the fiscal rules and if somebody wants me to go through them all, I will, but that will only delay the House—I have worked out that we have had six, so the average life of those fiscal rules has been three and a half years. I am afraid that the record of this Government and the coalition Government is no better than that of their predecessors; actually, it is somewhat worse. There is some merit in the Government’s giving guidance to markets and the public about their intentions, particularly their long-term and strategic intentions, but the rules have been presented, as their names suggest, as something far more permanent. They are called guarantees, rules, mandates, charters or pledges. Of course, as each one has been broken, it has not done much for the quality of politics and political discourse, and it has not done anything for economic credibility. The Government’s fiscal credibility does not derive from the rules or the mandates; it comes from the fact that they have tackled the deficit and have got it down from 10% to about 3% or a bit more.

Parties on both sides of the House now have fiscal rules. The new Labour shadow Chancellor—I do not think he is new Labour himself, but he is the recently appointed shadow Chancellor—has recently come up with one of his own. Both parties are at it, but I do not think the rules of either of them are offering much.

John Redwood (Wokingham) (Con): Is not one of the problems faced by any Government the fact that the so-called independent forecasts by the OBR and the Bank of England are always wrong and that they are always changing them? Those forecasts can have more of an impact on the Budget than common-sense judgments about where the economy is going, because we are always dealing with the errors of the OBR.

Mr Tyrie: That is exactly the point I was coming on to make. We have just seen that the Chancellor has been forced to adjust his short-term policy to take account of what the OBR is now saying. He has altered his plans of only four months ago, and so long as the rule remains in place, he will have to do so again after the next fiscal
event. That is mainly why the Treasury Committee concluded—the Leader of the Opposition did not give the whole quote—that it was “not convinced that the surplus rule is credible in its current form.”

There is merit in something that can give some guidance, but it must be something less than one of these cast-iron rules that turn out to be so brittle they get smashed the first time there is a problem.

There are the public expenditure rules. On public expenditure, the Government have ring-fenced about three quarters of public spending—health, schools, defence, international aid, pensions and child benefit. That is a heck of a lot. I will give an illustration of the effect of doing that. The Chancellor said that he needs to find only 50p in every £100, which I think he said will come mainly from value-for-money savings across the public spending framework. In fact, of course, three quarters of that framework is ring-fenced, so he really needs to get £2 in every £100 from the quarter from which he can raise it.

Then there is the tax rule. It says that the Government are committed, in law, not to increase VAT, income tax or national insurance contributions, which collectively amount to three quarters of Government revenue. I voted for that piece of declaratory legislation. I am not very keen on declaratory legislation, but I went through the Lobby for it. I must say, speaking personally—not on behalf of the Treasury Committee—that I would much rather have voted for legislation that prohibited Chancellors from tying their hands behind their backs in such a way, and I would like to limit hypothecation at the same time.

I will not detain the House for very much longer, except to say that the Budget measures will need very careful examination by the Treasury Committee. There is certainly quite a bit to examine, as there usually is every year. As the son of a shopkeeper, I cannot be anything but delighted to hear what has been said about class 2 national insurance contributions and small business rate relief. Although I will take a close look at that, it sounds as though that is exactly what is required. The reduction in corporation tax to 17% should not be underestimated. I would not mind betting that we will get some more revenue from that, quite independently of the anti-avoidance measures that are being pushed through.

The sugar tax has been limited to fizzy drinks and soft drinks. Speaking personally, if we are going to have a tax based on sugar, I wonder whether we should not consider widening that base in the longer run. After all, it is not just the sugar in drinks that is held to be harmful. Whether we always want to define tax bases on health grounds is another matter, but that bridge has been crossed now that such a levy has been introduced.

There are the cuts to the capital gains tax rates, the lifetime ISAs—they look very interesting and are certainly worth examining carefully—and of course the changes to income tax thresholds. There are quite a few other things, but those are the main ones for now. There is a lot for the Treasury Committee to examine with all this. We will get at it in the coming weeks and produce a report for consideration during the passage of the Finance Bill. There are quite a number of colleagues from the Committee in the Chamber at the moment.

We will score all the tax measures against whether they make the tax system simpler or more complex. We will reduce that assessment, on the basis of technical advice from the leading authorities in the field, to a number. Simplification is a mantra: everybody says we must have a simpler tax system, and every year Tolley’s tax guide expands. We must now, much more rigorously, start to create the conditions in which we can reverse that process. One of them is to flag up just how much more complex the tax system is becoming.

We will look carefully at the distributional impact of the measures. I regret that the Chancellor decided to change the basis of the assessment that the Government agreed to produce on the distributional effects. He originally, and very helpfully, published that in 2010, but he changed it in 2015, which I regret. We will look at that issue. Continuity of method, which he agreed to in evidence to us, is absolutely crucial.

Mr Tyrie: I am about to wind up, but I will give way because the hon. Gentleman is a member of the Treasury Committee.

Wes Streeting: I am grateful to the Chairman of my Committee for giving way. He is talking about the distributional impact of the Budget. Does he not see it as a source of regret and deep concern that the biggest revenue raiser in this Red Book will be the cuts to personal independence payments for disabled people?

Mr Tyrie: The hon. Gentleman has had a chance to look at the Red Book, but I have not. We will certainly examine the merits or otherwise of that important remark. I will make sure that he gets an opportunity to make his points when we cross-examine witnesses during our evidence sessions.

We will take a close look at the remit letters for the Bank of England. It is often taken for granted, but a very great deal of power has been transferred from the Treasury to the Bank of England on key questions. It is not just about interest rates, but about much more than that, particularly with quantitative easing in place and the financial stability aspect as well. We will examine that very carefully, and it is extremely important that we do so. With that, and of course the work we are doing on the economic and financial costs and benefits of membership of the EU prior to the referendum, there will be a very great deal for the Treasury Committee to do.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the SNP Front-Bench spokesman, I should tell everybody that the time limit after his speech will be 10 minutes.

2.17 pm

Stewart Hosie (Dundee East) (SNP): As with every Budget, there are some things to welcome. I welcome what the Chancellor said about the European Union. He will not be surprised to get help on that from SNP Members, because we also believe that we are better off
in. I also welcome some of what he said about tax evasion and avoidance, and the abolition of class 2 NICs.

When it comes to the self-employed and contractors—people who, in many cases, are taking their first step in forming a new business—I would make the point that the Red Book suggests that there will be £765 million in extra tax due to travel and subsistence changes. It would have been far better to review that regime entirely rather than simply going ahead and doing that.

I welcome the oil and gas changes. The changes to the supplementary charge and petroleum revenue tax are very welcome. I was slightly disappointed by the lack of strategic direction, with no mention of exploration or production allowances, but I am sure discussions are ongoing. Likewise, I welcome the freeze on whisky duty and the freeze on fuel duty, for which we have been calling.

It is one of the small measures, but may I say that we very much welcome the additional money for school sports? I do not know what the Barnett consequentials of that will be, but it provides a useful opportunity for SNP Members to welcome the creation, in the past week, of the 150th school sport hub in Scotland, delivering the necessary additional sport for children.

I have a small point of disagreement with the Chancellor. He prayed in aid the leader of the Scottish branch of the Tory party, to cheers from many Members on his side of the House. It is probably worth noting that, last May, she led the Conservatives to their worst UK election result in 150 years.

The Chancellor rather skipped over his record in the last Parliament on debt, deficit and borrowing. We know he did not meet a single one of his targets. He told us that debt would fall as a share of GDP by 2014-15, that the current account would be in balance this year and that public sector net borrowing would be barely £20 billion. That, of course, did not happen. We warned at the time that debt would not begin to fall as a share of GDP until later, that the current account would not be back in the black until 2017-18, and that public sector net borrowing for this year would be about four times what he promised.

Our judgment is that much of the Chancellor’s failure came about because he strangled the lifeblood from the recovery by cutting too much too quickly, with little or no regard to the consequences—an error he set in stone with the fiscal charter, with its requirement to run a permanent surplus almost irrespective of economic conditions or the effect that cutting more than necessary would have on the prospects for the economy. We have had a very quick look, and we listened to what the Chancellor said, and the current account will not now be back in the black until 2018-19. The targets keep relaying promises. Borrowing will still be higher in four years’ time than he promised it would be this year. That is the scale of the failure on the key economic metrics. Even in this Parliament, when he has continually been warned about repeating the mistakes of the past, he has done the same today—in many ways with a vengeance.

Capital expenditure is a mixed bag, and I will come on to that. I do not expect the Chancellor to listen to me, but he should listen to the IMF and the OECD. The IMF said that he had done enough to stabilise the Government’s finances—that is questionable—for them to embark on extra investment spending should GDP growth slow. He should take that advice. Only in February, the OECD told him it was revising down its GDP forecast for this year and recommended a commitment to raising public investment, which would boost demand while remaining on a fiscally sustainable path. We would have expected him to listen. We are glad that there is a very modest rise in capital expenditure over the forecast period, but it is actually marked down this year compared with the forecast we got in the autumn statement last winter. That is not consistent with what needs to be done, or with the advice received from others.

It is not all about broken promises on debt, deficit and borrowing. We now have a Chancellor who has done this many times—he has set about replicating the errors he made with his borrowing figures in his trade and export figures for this Parliament. He said previously that he expected to be able to deliver an almost certainly unachievable doubling of exports by 2020, but the OBR told him last year, at the time of the autumn statement, that he would fall short by £350 billion. We looked at the autumn statement, and the impact of net trade on GDP growth will be negative from 2016 through to 2020, and there will be a deficit in the balance of trade current account for the entire period. I am disappointed, because action can be taken. The impact of net trade on GDP growth is no better or worse in every single year of the new forecast period, and the balance of payments current account is actually worse in every single year, even compared with last autumn’s forecast. In the past week or so, we had confirmation of a £92 billion trade deficit and a £125 billion deficit in the trade in goods.

To be fair, those failings are not all the fault of the Chancellor. Some have been embedded in the UK economy for decades, whether on exports, support for innovation and manufacturing, or boosting productivity. They are all inextricably linked. In many ways Labour is the biggest culprit, having lost more than 1 million manufacturing jobs during its time in office—and that was before the recession. But it is the current Government’s failure to address those problems that is really troubling.

We would have expected concerted action today on innovation, manufacturing, productivity and work with academia—all the things we are falling behind on internationally, which has led to decline. Manufacturing was 30% of the economy in the 1970s, and today it is 10%; it provided more than 20% of all jobs in the 1980s, and today it is 8%; and it went from more than a quarter of all business investment in the 1990s to barely 15% today.

The Chancellor will argue that some of the tax cuts will allow businesses to keep and invest more of their own money, and I hope that is true, but if he were serious, we should have seen an increase in the budget of the Department for Business, Innovation and Skills. Instead, we have seen the Department’s budget being marked down every single year. We would have seen an announcement on support for innovation, because we know that since 2010 the science budget has been frozen in cash terms, with a real-terms drop of 10%. By 2012, publicly funded science fell to less than 0.5% of GDP, and we can see nothing today that will take us off the bottom of the G8 heap.

John Redwood: Will the hon. Gentleman give way?
Stewart Hosie: There are no interventions in this speech.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The hon. Gentleman is able to give way if he wishes to do so. The rule is for the first two speeches, after which it is up to the Member speaking. It is up to Stewart Hosie whether he gives way.

Stewart Hosie: In that case, because it is the right hon. Gentleman, I will happily take the intervention.

John Redwood: I am very grateful. Is not the British problem not that we lack great universities, great ideas, great innovation, a large number of patents and a lot of start-ups, but a problem of getting smaller businesses to grow sufficiently and become big businesses that can export to France and Germany? How would the hon. Gentleman tackle that problem?

Stewart Hosie: That is indeed one of the substantial issues, which is why our Government in Scotland have delivered the small business pledge. In return for assistance from Scottish Government agencies, the pledge requires those businesses to seek out and take export opportunities, and to innovate. We have delivered a £78 million fund for innovation to encourage 1,000 new inventions and to allow 1,200 businesses to liaise and work directly with academia. There are many practical ways to solve the problem that the right hon. Gentleman rightly identifies.

We will have to check the fine print about businesses that want to export, but in the Blue Book in the autumn, UKTI’s budget, after a slight rise for 2016-17, was cut by more than £20 million a year. Between 2018-19 and 2019-20, it will be flattening in cash terms and falling again in real terms. We need to begin to tackle properly the underlying issue of poor productivity. From our perspective, that means delivering inclusive growth—essentially, a fairer and more equal society. We have seen the numbers, and we understand that it is not enough simply to grow the economy to fund public services. We must squeeze inequality out of the system to get the growth we need in the first place.

The Tories have never believed in that, and Labour failed on it for 13 years, and we have seen some of the mistakes repeated today. In the previous Parliament, discretionary consolidation—the balance of cuts and tax rises—went from a ratio of 4:1 to 9:1. What did we see today? Billions taken from people with disabilities, through changes to the personal independence payment, to fund an above-inflation increase in the 40p threshold. The 40p threshold did need to be addressed—I have said it for years—but to have an above-inflation rise while taking billions from the most disabled people in the country is disgraceful and economically wrong. The UK lost 9% of GDP growth due to rising inequality in the country.

Some of the business measures that the Chancellor announced are to be welcomed. It was good that the Chancellor mentioned apprenticeships, but what he did not mention, of course, is that many firms—he should know this by now—already pay a 1.5% levy on payroll to the Engineering Construction Industry Training Board for training. The apprenticeship levy was simply an additional tax on jobs. I had hoped the Chancellor would reflect on the comments made following its introduction last year.

Likewise, the Chancellor told us last year that he was counting on a windfall of about £31 billion from the sale of banking, financial and commercial assets, but the OBR told us last year that it would be £24 billion, and there has been little change since then. Clearly, the Lloyds stock will still be privatised, and the Red Book refers, I think, to other sales, but there was absolutely nothing about an anticipated windfall, so it will be interesting to see whether he intends to sell off the family silver in a way that has gone unannounced today.

The Scottish Government’s ability to re-energise the Scottish economy cannot be hamstringed and hampered by decisions taken here. Before today’s statement, we expected that our discretionary budget this Parliament, taking into account the cuts already imposed, would be about £3.9 billion, or 12.5%, lower in real terms than it was in 2010. No matter what has been said, we expected capital spending to be £600 million lower in real terms than in 2010-11, and, based on the autumn statement, we expected that the departmental expenditure limits—DEL—budget would be increased by about 0.7% in cash terms, or a 1% real-terms reduction. We wait with interest to see what the number crunchers tell us the implications of the Budget will be.

This is all about political choices. We said at the election—and we hold to it—that a very modest, 0.5% real-terms increase in expenditure but to make sure that those on benefits did not fall any further behind. That would have been a sensible, humane and productive thing to do, but the Chancellor and the Government have gone against that one more time. He might be able to sell it to some of his Back Benchers, but he has been unable to sell it in Scotland. I fear that that will continue to be the case.

2.31 pm

Nigel Mills (Amber Valley) (Con): It is a pleasure to be called so early in the debate. As I am trying to respond to a Budget without having as long to read it as I would normally expect, I now know how the Leader of the Opposition feels.

I welcome the many measures in the Budget that help hard-working people in Amber Valley. The further rise in the personal allowance is a welcome measure for which I have been campaigning for several years. We want someone living on the minimum wage—or the living wage, as it will be—to pay no income tax on their wages. The rise in the 40p tax band is also welcome and will help people who should never have been caught by that band—I think especially of one-earner families. I think we should aspire to increase the band still further.

I am happy about the slightly unexpected freeze in fuel duty. Many of us have been slow to prepare our constituents for a rise. I have been telling mine that perhaps the freezes are coming to an end, that it will have to increase and that this might be the year, so I welcome the freeze being continued, as fuel duty is a significant cost. The freeze will help families and small businesses to meet what is a significant bill.

I also welcome the measures targeted at the east Midlands: the aerospace grants worth £15 million for the east Midlands, including £7 million for Rolls-Royce
in Derby; the changes to Midlands Connect to place it on a statutory footing; the funding for the M1 improvements so we get a smart motorway right through the east midlands up to Yorkshire; and an investment fund for the midlands of up to £250 million to help small businesses grow. Those welcome measures show that the Government recognise the importance of the midlands and the east midlands to the UK economy. The east midlands had the highest productivity growth throughout the last Parliament.

I also welcome the changes to business rates, especially for small businesses, which will help the high street in my constituency. Business rates are a significant cost for small businesses, and the long-term certainty of a permanent lower rate, rather than the annual uncertainty—"Will this be the last time we benefit from an exemption?"—will really help.

One thing that was not announced in the Budget, of course, was a devolution deal for the east midlands, the north midlands—or whatever we have been calling it in recent weeks. The deals announced today are a model for how the east midlands can go forward. I want to see a powerful voice in the east midlands to ensure we get our fair share of spending investment, to make the case for the east midlands as a great place to invest and to show that we can compete with the west midlands and south Yorkshire. To those disappointed that the deal has not been announced, I say that we should rethink our proposals. It would make for a far better bid, if Nottinghamshire, Leicestershire and Derbyshire could join together and come up with a three-county proposal, much like the East Anglian one. It would be more coherent economically, have a better chance of getting buy-in from people across the east midlands and be more likely to succeed, because the area would be based around the airport and the new HS2 station and would have the M1 running through the middle, and it would fit the great synergies between three big cities and the surrounding areas. I urge those in local government trying to negotiate a deal to rethink what they are asking for and to go for a three-county proposal.

Mr Mark Prisk (Hertford and Stortford) (Con): Is my hon. Friend's concern the lack of collaboration—or the weakness of collaboration—between the constituent areas or the lack of ambition? As we have seen in Birmingham and elsewhere, bold decisions are welcomed by Ministers.

Nigel Mills: The leaders of Nottinghamshire and Derbyshire have shown ambition in trying to find a deal that works outside the core cities, but there are always challenges, in areas where people do not all look to one city, in working out whether closer working or more competition is the right way forward. I think there is also a lack of trust in Derbyshire and a feeling that a Greater Nottingham bid would centralise too much in Nottinghamshire. A bid that covers three cities and three counties would look less focused on the biggest city and take a more strategic and sensible approach that could help the whole region to compete with neighbouring regions. To be fair, however, there has been a lot of ambition already to bring the counties together. We just need to find a situation that works. That we had to change the name from D2N2 to East Midlands and then to North Midlands suggests we have not got the geography right.

I come to a couple of areas on which major changes have been announced. The first is the pensions system. The Chancellor announced some welcome changes in the Budget. I like the idea of the Help to Save scheme—we appear to have help for everything now—to give people on low incomes a 50% bonus if they can save a certain amount for two years or longer, and I like the idea of the lifetime ISA and making pension saving a bit more flexible so that people can save when they can and then, if they need to—if they want to buy a house or need to do some repairs, or if they fall out of work and want to live on their savings—draw down the money and put it back later. That sort of system is more flexible, is better suited to how people live and can help people to manage the ebbs and flows in their financial situation.

We need to stand back and ask, “What are we trying to do in using taxpayers’ money to help people save?” We are in the slightly strange situation of compelling people—generally those on low incomes—to enrol on to a pension scheme, hoping they do not opt out and then giving them a 25% bonus from the Exchequer on what goes into that scheme. We have now produced another savings vehicle—Help to Save—whereby we give them a 50% bonus if they save a certain amount for a certain period. For some people on low incomes, it might be better to be enrolled on to the latter—they would have a more flexible savings pot with a bigger taxpayer-funded bonus—than a pension scheme that locks the money away for a long time, which has high charges and which they cannot use flexibly when they need to.

We ought to consider giving employers the choice of auto-enrolling people on to the lifetime ISA, which might be a more flexible and attractive solution for people on low wages—the ones generally in auto-enrolment—who we are trying to help to save and have the right savings at the right time in their lives. We are going in the right direction, but we need to make sure that what we are strongly encouraging—not compelling—people to do makes sense now that there are different vehicles on the market.

The pensions dashboard, which is hidden away in the Red Book, will be of great use in getting the industry to produce one place where people can go to see what they have in their pensions and savings. It will mean they can see what they can have in their retirement and what more they need. I welcome the move to make that happen. It has long been talked about, and we have to assume it can be done, given how IT is used these days. I look forward to seeing it happen.

I want to make a few remarks about the corporation tax changes. There are some welcome measures here to crack down on tax avoidance and evasion, and I hope they can all be made to work as effectively as they can. We can do more to give the public confidence that our large businesses are complying with tax requirements. My sense is that most of them do, and it is only a small proportion that go in for the aggressive avoidance that we cannot accept. I urge the Government to look at the idea of making large companies publish their corporation tax returns when they file their statutory accounts, so that we can actually see in some high-level way how much tax each company says it owes and how they have got from what is in their accounts to the cash tax bill.
Given the amount of disclosures of their actual accounts we require from companies, this would not put much sensitive information in the public domain. The principle of taxpayer confidentiality applies to individuals but should not apply to large companies, which might disclose their income in any case. I believe this would bring greater confidence and it would show, I hope, that most of those companies are not doing anything that is not acceptable.

I welcome the changes to try to expand how withholding tax works on royalties. Our rules in that area have been somewhat outdated and they do not apply to all forms of royalty. Extending them to certain other payments and trying to ensure that we actually collect the tax has to make sense. We should be careful to draw this wide enough to ensure that we catch things such as know-how payments or payments for access to recipes or whatever else companies will try to say their payments are. If it is not a payment for a tangible service or product, it probably ought to fall in the royalty regime and the withholding tax ought to apply.

I am not entirely sure how we will get this through our tax treaty network or the EU interest in royalties directive without having to give zero rates to nearly everyone we pay royalties to. I guess the measures announced for how we deal with situations where royalties have flowed through a regime that we would accept into one about which we have concerns, particularly about how to ensure we collect the tax in those situations need to be worked through.

I welcome, too, the proposals to simplify loss release for companies that are having to spread them across a group of companies. Five years ago, I tabled an amendment to the Finance Bill to try to argue that the Government should look at a group tax return so that large groups would file one tax return for all their companies, rather than having to file many dozens. I thought that would help to tackle tax avoidance by taking away the scope for funding arrangements between those companies that do not have any economic effect. If we are to simplify how companies use losses, it would be easier to let them file one tax return to show their group profit, and have one loss offset, rather than try to find a way for a group to calculate these things in a strange way further confusing HMRC. I think HMRC will benefit from knowing exactly how much profit a group is declaring in one return, so that it can then be compared with real turnover.

The announced interest restrictions are a sensible idea. We have moved past a situation in which we can justify allowing large companies to borrow in the UK, claim tax relief for profits not earned here without paying tax and dividends that come back. We have to be careful to do this right. We have attracted a lot of head offices here by the generous exemption we chose to give. We do not want to lose them all, but we also do not want to make infrastructure spending far more expensive than it needs to be. That can justify high levels of interest; there is generally no income in the early days. I hope we can find an exemption to get right and for the private equity industry as well.

ROYAL ASSENT

Mr Deputy Speaker (Mr Lindsay Hoyle): I have to notify the House, in accordance with the Royal Assent Act 1967 that Her Majesty has signified her Royal Assent to the following Acts and Measures:
- Supply and Appropriation (Anticipation and Adjustments) Act 2016
- Charities (Protection of Social Investment) Act 2016
- Childcare Act 2016
- Education and Adoption Act 2016
- Welfare Reform and Work Act 2016
- Safeguarding and Clergy Discipline Measure 2016
- Diocesan Stipends Funds (Amendment) Measure 2016
- Budget Resolutions and Economic Situation
Michael Dugher (Barnsley East) (Lab): We all look forward to poring over the details of today's Budget, particularly to see the distributional analysis and to wait to hear from the IFS. Experience has taught us that, when it comes to this Chancellor, the devil is almost certainly in the detail. The Chancellor spoke a lot in his statement today about his record, on which I would like to focus the majority of my remarks.

I welcome today's overall fall in unemployment—we all do—but unemployment in my Barnsley East constituency is actually going up. It rose again today for the second month in a row, which is a matter of huge concern locally. It highlights the weakness of the economic recovery, the fundamental variations that are taking place in different parts of the country and it shows once again why more jobs are needed in areas such as mine.

In former coalfields, including my own area, there are still not enough jobs. The recent report of the Centre for Regional Economic and Social Research, “The state of the coalfields”, highlighted that there are approximately 50 jobs for every 100 residents of working age across the former coalfields. The Government's own figures show that the employment rate in my Barnsley East constituency remains lower than the national average.

Indeed, the picture that the Chancellor painted today about what is happening in our economy will seem like a million miles away from the day-to-day realities of life for very many people, including in my constituency. Despite all the Chancellor's boasts about the employment rate, and for all the palpable nonsense about a "northern powerhouse", there are still huge discrepancies across the country.

According to the Resolution Foundation, in Yorkshire and Humber the employment rate increased by just 0.2% from the financial crash to 2015. That compares with 3.3% in London. Young people have been left behind, with the same figures showing that nationally the employment rate for 18 to 24-year-olds actually decreased by 3.5% over the same period.

What about the jobs that have come? Let us look at the reality behind some of the headline figures. The truth is the jobs that have come are too often insecure and are low paid. The number of zero-hours contracts is now at a record high, with more than 800,000 workers on a zero-hours contract for their main job. In 2010, there were 168,000 people on zero-hours contracts. The percentage of people on a zero-hours contracts with no guaranteed hours is higher in Yorkshire and the Humber than it is across the rest of the UK. Again, young people are hit hardest, with 38% of all 16 to 24-year-olds employed on a zero-hours contract. It is no wonder that this age group is not saving: they cannot get the hours, so they cannot get the money in to pay the bills. They are struggling because of that.

Mr Prisk: Will the hon. Gentleman give way?
own local government finance settlements—verified by SIGOMA, the special interest group of municipal authorities, a cross-party body that represents local authorities in urban areas—shows that from 2011-12 to 2016-17, Barnsley council’s spending power will be cut by more than 26%, whereas that of the Prime Minister’s local authority, Oxfordshire County Council, will be cut by only 10%, and that of the Chancellor’s local authority, Cheshire East Council, by only 9%. Why should people in my constituency, an area with greater needs that is only a few miles from the south Yorkshire pit village where I was born, suffer bigger cuts than some of the most affluent areas in the country?

Why should women be hardest hit—women with children, and those who act as carers? Why should young people be held back? That is the reality, regardless of what the Chancellor said today. Does he not understand that every time he lets a young person down by allowing a children’s centre to close, it is not just a disaster for those young people and their working parents, but a disaster for the whole country? An opportunity denied to a young person means a talent wasted for the country. But of course the Chancellor does not understand that; if he did, he would have done something about it.

We heard a self-congratulatory victory roll from the Chancellor today, but it is clear that he is completely out of touch. This is a Chancellor who does not understand, or simply does not care about, the impact that his policies have on many people in very many parts of the country. The Chancellor talked a great deal about his record today, so let us be clear about it. His record is one of promises broken, his own targets missed, the lowest-paid working families worse off, the deliberate targeting of disabled people, young people let down, women hit hardest, the poorest parts of the country suffering the most, poverty deepening, and inequality widening. How on earth can that possibly accord with the nonsensical claim that this is a Government for working people?

If the picture that the Chancellor has painted in his Budget today seems a million miles away from the realities that many people face, that is because we have a Chancellor who lives in a world that is a million miles away from the realities that many people face.

2.53 pm

John Redwood (Wokingham) (Con): I remind the House that, in the Register of Members’ Financial Interests, I have declared that I advise an industrial and an investment company.

I support the main measures in the Budget, and the thrust of the Budget statement. I strongly welcome the tax reductions. I am very pleased that the Chancellor is making progress in implementing our promises to take more people out of income tax altogether, and to take people out of 40% tax when they are on relatively modest incomes in comparison with the costs of housing and living in many parts of the country. The more progress we can make in that regard, the better.

I am delighted that I, and others, made representations on behalf of the North sea oil industry, that those representations have been well heard, and that substantial changes have been made. It is important for us to do all that we can to give that industry, which has been hit by the very low oil price, some momentum and some hope for the future. I am also very pleased about the capital gains tax changes, because I have campaigned for them for some time. I think we will find that they bring in more revenue, not less.

It is interesting to read the forecast in the Red Book that, by 2019-20, there will be a substantial increase in revenues from CGT at the lower rate, but there will be a period of no increases for two or three years. I find that a surprising profile, and I think it draws attention to an underlying problem. I do not think that the economic models and the tax forecasting system used by the Office for Budget Responsibility are fit for purpose. The OBR was obviously very wrong about the impact of the reduction in the 50p rate to 45p: there was a big surge in revenues which was not in the original forecast figures.

This is the background against which we meet today. Many of the changes that the Chancellor has had to make are simply a result of the OBR changing its mind over the very short period between the autumn statement and today, and deciding that the economic outlook is not as good as it thought it was at the end of last year. We have to ask why it has reached that conclusion.

John Pugh (Southport) (LD): Does the right hon. Gentleman think that the OBR has been any better at predicting the economy than the Treasury was before?

John Redwood: I do not think that there is very much difference. All economic forecasters experience difficulties in getting their forecasts right, but some of us are more humble about our expectations than these official forecasters. I think that the danger of having an official forecast is that too much credibility is given to it, and big decisions are then made on the back of it. When official forecasters are zinging the forecasts around every three or four months, it becomes difficult for any Chancellor to run a stable medium-term policy involving, for example, important spending items that matter a great deal to our constituents.

I urge the Chancellor to be a little more sceptical about the wisdom and virtue of the OBR forecasts. The most obvious of which we are now in the period during which we have had the OBR, it has always been wrong, but what is stunning is the degree of the error. The OBR itself kindly points that out to us on page 234 of its very readable book, saying that, on average, it has revised the underlying borrowing forecast by £46 billion for the review period in question on each occasion. Given that the figure is an average, it is clear that the forecast revision has been considerably higher. The OBR tends to make its biggest revisions in autumn statements, but it has given us quite a whopper on this occasion. When a Chancellor must face a £46 billion revision every time he has to do the sums, it makes the task of stable economic management much more difficult. This is one of those instances in which an idea that was intended to produce more stability has proved to be destabilising.

The same can be said, I am afraid, of the current Governor of the Bank of England. The Governor of the Bank of England is meant to provide stability and wisdom, but we have now heard four different mantra from this Governor about when interest rates are going to rise. That is a very important statistic, which informs the forecasts of the OBR.
First of all, the Governor said that interest rates would probably go up when unemployment fell below 7%. When it tumbled rapidly below 7%, the Governor changed his mind. I am glad that he did, but the fact remains that he changed his mind. He then said that when real wages started to go up, interest rates would probably go up as well, and I am pleased to say that almost as soon as he had said it, they started to go up. Then he changed his mind, in that he had apparently not meant what he said.

The Governor then said that the turn of the year, 2015-16, would be a witching hour, when interest rates might have to go up. Well, we roared through the end of the year and the beginning of the new year, and they did not go up. Again, I was pleased about that, because I think it might have been unhelpful if they had. However, that shows that people and institutions who should be good at providing stability can be very destabilising and very misleading, and it is all noise that the Chancellor has to deal with.

The one good thing about all this is that when these ridiculous forecasts are made by the OBR and the Governor of the Bank of England that we would be worse off if we left the European Union, we can completely ignore them. We know that those people are always wrong about the things in which they are meant to specialise, so why should we believe what they say about something that is more important?

Graham Jones (Hyndburn) (Lab): Will the right hon. Gentleman illuminate us on the section of the Chancellor's speech that dealt with the European Union? Will he share his thoughts with us?

John Redwood: I think that I am doing that now. The Chancellor quoted the OBR, and the one thing that I disagreed with profoundly in a very good Budget was the OBR’s forecast on what would happen with Brexit. [Laughter.] It is not funny. Labour Members might learn something if they listened. They have obviously closed their ears to any idea that an independent Britain could be rich, prosperous and free, but many of us think that we will be more rich, prosperous and free if we leave the EU.

Sammy Wilson (East Antrim) (DUP): Will the right hon. Gentleman give way?

John Redwood: I want to develop the argument a little more. As has already been pointed out, the forecast contains very worrying figures about the balance of payments deficit. And of course, were we to leave the EU, we would immediately have £10 billion at our disposal that we would no longer have to send abroad to be spent in rich countries on the continent. That is the net amount that goes to the continent. So our balance of payments would immediately improve by £10 billion, and of course, were we to leave the EU, we would immediately have £10 billion at our disposal that we would no longer have to send abroad to the rest of the European Union. That is the damage that is being done.

On the balance of payments, I would urge my right hon. Friends on the Front Bench to do more work on getting the balance of payments deficit down. Obviously, they will not all agree with me about taking the quick easy hit of getting our £10 billion back to make a big reduction in the deficit, but we need to understand that that deficit is entirely the result of an adverse goods trade with the rest of the European Union. We are in profit with the rest of the world and we are in profit in services, but we have a colossal manufacturing deficit with the rest of the EU. Some of that relates to the way in which France and Germany get round the EU rules to make sure that they can buy French or German products, whereas we in Britain apply the EU rules extremely fairly and end up buying a lot of foreign products from the continent.

It is also the case that the very dear energy that European policies require and enforce is doing a lot of damage to our steel industry, our ceramics industry and other high energy-using industries. It is a great tragedy that, despite higher domestic demand for steel, we are still unable always to use British steel in British public sector contracts. Surely we ought to have a fix to create more demand for our own domestic industries.

We also import massive amounts of timber, despite having a big state sector involvement in the timber industry in this country. Why cannot more be done to cut more of the timber we already have as a state resource to meet our domestic demand, along with replanting and extending the planting, given that many people would like more forests? Why cannot we have more managed timber, with the state having an influence over it? We could also do more with the tax system to encourage more private forestry. We have rather good growing conditions here, compared with some of the colder Nordic climates from which we import timber at the moment.

We also import energy, but we have no need to do so. We are an island of coal, oil and gas set in a sea of coal, oil and gas. We also have lots of natural renewables, particularly lots of potential water power. Why cannot we create an energy policy in which we do not need to want it to be spent here. That £10 billion a year could more than banish the austerity that Opposition Members claim has done some damage to our country. Looking at the figures, we can see that real public spending has gone up all the time under the coalition and the Conservative Government, but not by as much as it went up under previous Governments. If we had that £10 billion back to spend in the United Kingdom, we would have a better profile on public spending and on tax reductions.

Neil Carmichael (Stroud) (Con): Can my right hon. Friend be sure that any figure he quotes is accurate, given that he has just rubbish the OBR and the Bank of England? Presumably he has a list of other British institutions to which he would give the same treatment.

John Redwood: But of course. I have checked the Government’s very own net contribution figures, and it is very likely that they have got those figures right, because even the Government can count how much they have spent and how much they have had to give away to the rest of the European Union. That is the damage that is being done.

We are an island of coal, oil and gas set in a sea of coal, oil and gas. We also have lots of natural renewables, particularly lots of potential water power. Why cannot we create an energy policy in which we do not need to
rely on importing timber from Canada, electricity from France and energy from Norway.

I am pleased that the Budget is starting to tackle the issue of the oil industry offshore through tax changes. We need to do other work on that, and we also need to get on with gas extraction onshore. We will probably find further oil resources when we are prospecting for shale gas in the shale sands. We need to start bridging the gap on energy before it becomes even more damaging to our balance of payments.

Mr Prisk: On encouraging greater exports, would my right hon. Friend acknowledge that one of the challenges that small and medium-sized firms face is the availability and pricing of mid-sized capital to enable them to pursue longer-term export plans?

John Redwood: I am not sure that the cost of capital is a problem. The Government have already done certain things to try to deal with that through the investment bank and so forth. It is often the case that medium-sized companies probably need equity investment but are reluctant to give away control. That is a cultural issue that we have to deal with. Certainly for bigger companies there is nothing wrong with the long-term cost of borrowing if they have access to the bond market, because we have exceptionally low interest rates at the moment.

I am all in favour of the Government pressing on with large infrastructure projects if they make economic sense. The main ones that we need to reinforce are broadband and extra energy capacity. We are short not only of affordable energy but of energy of any kind. We do not want our economic recovery—which we have rightly been told is the fastest in the advanced world, on the historical and prospective figures—suddenly to come up against the constraint that there is not enough energy available to fuel the recovery.

3.5 pm

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): I expect the Chancellor had great hopes for today's Budget announcement, but the backdrop to the Budget has not been good for him, with growth forecasts going down. Today he has set out a Budget that bets the bank on an uplift in 2019. I have not yet had a chance to go through the Red Book, but I bet that there is more hidden pain for many of my constituents in the depths of this Budget.

I want to touch on a couple of the Chancellor's points that I broadly welcome. On tax changes, the Public Accounts Committee, which I chair, has looked closely at the issue of multinational tax avoidance. Only recently, we were looking at the issue of VAT avoidance on marketplace platforms. I therefore welcome the Chancellor's announcement that these issues are finally going to be tackled. He has also announced that he is reducing corporation tax to attract more multinationals to this country. Despite his promises, however, it is not at all clear that multinationals will pay more tax.

What we really need is tax transparency, and I echo the comments by the hon. Member for Amber Valley (Nigel Mills) on that point. I also commend to the Chancellor the 10-minute rule Bill unveiled yesterday by my right hon. Friend the Member for Don Valley (Caroline Flint). We as citizens and Members of Parliament cannot tell whether we will secure more tax from multinationals unless we have more information. I commend Bill to the House, not just because the Chancellor should, if he has any sense, be listening to my right hon. Friend, but because the whole of the cross-party Public Accounts Committee has looked into this matter in great detail and supports her proposal. The Bill proposes a small change that would be well worth implementing.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): Does the hon. Lady agree that the Chancellor's decision to reduce the ability for debt interest to be taken off corporation tax bills from 100% to 30%, which is the German level of interest reduction, is a good thing and should help us to make some of our larger multinationals and British companies pay more corporation tax?

Meg Hillier: That certainly looks like a step in the right direction, but my point is that we need to be able to see exactly what companies are doing. Transparency is the other side of that coin. I know that the hon. Lady broadly agrees with that position.

One thing that the Chancellor did not mention in his speech today was the national health service, which we know is in financial crisis. Only yesterday, the Public Accounts Committee's report on acute hospital trusts was published, but two other inquiries have taken place since we held that hearing and they show the real deep-seated financial problems in the NHS. There is a £22 billion black hole ahead, and the financing of our health service is all the wrong way round. In our hearing, we uncovered the fact that hospitals are setting their structures, budgets and staffing to meet the financial settlement that is passed down to them by the Department of Health. Then, inevitably, they have to backfill to meet the growing needs of patients by, for example, employing far more temporary staff on higher rates. They are therefore struggling to maintain their budgets.

That is being exacerbated by the push five years ago by the Chancellor—the self-same man who was at the Dispatch Box today—for 4% efficiency savings year on year in the NHS which has now come home to roost. In 2014-15, our acute trusts had a net deficit of £843 million. More than three quarters of our acute trusts are in deficit this year. Great work is being done to try to bring that figure down, but promises that NHS Improvement will bring in efficiencies to resolve the problems within a year are over-optimistic. Even the head of NHS England told our Committee that that was too steep an efficiency saving. He said that around 1½ to 2½% might be the right amount.

It is time that we had a national conversation and reached an agreement about how we are to fund our NHS. It is not good enough for Chancellors to treat it as a political football. The matter must be resolved. Demand is growing, and yet we are expecting so-called efficiency savings, which are undeliverable. I am unconvinced that the NHS is on a secure footing for the future. My Committee will continue to look rigorously at that and will provide reports to the Chancellor and the Secretary of State for Health so that they get the message. I hope that they take our comments as seriously as we mean them.
On education, we heard in a leak or trail for the Budget, which seems to be the common approach nowadays, that all schools in England will become academies. My borough of Hackney is no stranger to academies. When they were first unveiled, Hackney’s schools were among the worst in the country. I pay tribute to the Mayor of Hackney, Jules Pipe, who took what was on offer from the Government and turned it into something that realises the ambitions of Hackney’s young people. With the huge work of Hackney’s heads and teachers, our schools are now among the very best in the country.

In spite of our embracing academies, among other school models, they are not a simple solution. The structure is not what makes education good. We need good teaching and good leadership. That is what gets results. The constant recent changes to schools—curriculum change, structural change, funding change—mean more upheaval. Academy status is unsustainable in practice for small primary schools, which will force them into chains. That is a concern of not only the Public Accounts Committee, but the chief inspector of schools, Sir Michael Wilshaw, who has warned that academy chains are not a solution to the problem in their own right and can actually mask problems.

The Committee is also concerned about the many risks involved, particularly around accountability. For example, the Durand Academy has become a cause célèbre for how a lack of accountability can lead to bad management of the taxpayer pound. If a chain goes bust, that has a wider ripple effect. Even at this late stage, I ask the Secretary of State for Education to abandon this monolithic approach to school provision. It sounds like freedom of choice, but the Government are imposing a model that will absorb energy and take time away from the real issue: educating children for the future.

The Chancellor paraded his devolution credentials. I started my time in politics believing and have always believed that power should be devolved to and exercised by the most appropriate level. This is another area of concern for the Public Accounts Committee and I offer the Chancellor a word of caution. We need to follow the taxpayers’ money to ensure that they and Parliament know how it is being spent. As the money is devolved down the system, unless there are clear accountability frameworks and assurances from Government about how it is spent, that can provide a cover for waste and mismanagement. It can also be a cover for the Government’s underfunding of major regions of the country and major policy areas. For example, as health funding is devolved through devo-Manc, how do we know that the Government are giving enough money to Manchester to deliver healthcare for its people? How can we know that in any area of the UK? That is the problem, and it presents a challenge to the National Audit Office, a servant of Parliament, in helping us to do our job.

As for accountability, I visited Bristol with my hon. Friend the Member for Bristol South (Karin Smyth) and met the local enterprise partnership, an interesting body made up of many private sector individuals doing many good things in Bristol. The LEP covers five local authority areas, so if any projects fail in delivery, where does that risk fall? It falls on the council tax payers of each authority, not on the private sector partners who give up their time to try to support economic development in that area. I am not knocking people who want to contribute to the growth of their area, be they from the private sector, the public sector or wherever, but it is important to remember that taxpayers’ money is being spent and that it must be followed and well spent. Risk and accountability must be combined.

That brings me on to infrastructure. Again, the Chancellor paraded several measures, including Crossrail 2, which will be coming to my borough. I welcome the fact that the Hackney to Chelsea line will finally be delivered. However, on 1 January the Major Projects Authority merged with Infrastructure UK to create the Infrastructure and Projects Authority. The Public Accounts Committee has long been a champion of major project management, which is vital in the delivery of our future infrastructure. The MPA began to do a job on that, but if we do not have someone watching how projects are delivered, there is a big risk of waste along the way, particularly with long-running projects that can stretch across many Parliaments. The Public Accounts Committee has expressed its concern about the merger and worries that it represents a down-grading of project management over the importance of infrastructure development. While I want such development, I look to the Chief Secretary to the Treasury and urge him to watch the merger closely, because the MPA was an ally of the Treasury, the taxpayer and those of us with an interest in watching taxpayers’ money.

It does not pay to be poor under this Government. I represent one of the most divided authorities in the country. There is some great wealth, but a high level of poverty too. In reality, the Chancellor’s jobs growth relates to far too much low-wage, part-time work, which is just not enough to live on in Hackney, where the average house price is £500,000 and where private sector rents are soaring through the roof. Thanks to Government policy, even social housing will be out of the reach of many following the imposition of pay to stay and the bedroom tax on households that may have no financial resilience and uncertain work patterns, meaning that they may be in and out of claiming housing benefit. Such households can suddenly be hit by a tax on their extra bedroom of £14 a week, which can accumulate over time and cause real problems. On childcare, many local childminders are finding that providing the places that the Government are requiring them to supply is unaffordable on the money that they are paying. Even when the Government say that they are helping, they are not helping many households in my borough.

Returning to education, the national funding review is important, but we must not cut funding to London schools and their pupils because those schools will then decline. We have seen success and must not jeopardise it. Bursaries for nursing students have been lost and we now have loans for further education, so the next rung of the ladder for the aspirant people at the bottom—they are aspirant in Hackney—has been knocked out by the Government, making getting on in life harder to do. The Government must start ruling for the entire nation. It is a tale of two nations and this Budget simply underlines that.

3.17 pm

Geoffrey Clifton-Brown (The Cotswolds) (Con): I am delighted to have caught your eye, Madam Deputy Speaker, and to welcome my right hon. Friend the Chancellor’s Budget and some of the excellent things it contains. I want to pick out important two statistics,
First, as of today, we have a record number of people in employment. Contrary to what is often said, 62.66% of that has come from the high-skilled sector, so we are creating high-skilled jobs in this country. Secondly, I welcome the fact that in this tax year we will again become the highest-growth country of all the world’s major economies. That is a significant achievement by my right hon. Friend.

Having spent many hours on the Select Committee on the High Speed Rail (London—West Midlands) Bill over the past year, I have become something of a convert to the Chancellor’s way of thinking about the merit of transport infrastructure projects that are good value for money. I welcome to the Front Bench the Minister of State, Department for Transport, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill), who is in charge of the HS2 project and who will no doubt pilot the Bill through the House in an excellent manner next week.

If this country is to compete in the 21st century, it needs a 21st-century system of transport. Through HS2 and other transport infrastructure projects, such as Crossrail 2, which the hon. Member for Hackney South and Shoreditch (Meg Hillier) mentioned, and the trans-Pennine rail tunnel, we are easing the burden on our congested roads and building some serious national expertise in areas such as tunnelling. That has enabled us to undertake some projects that we would not have been able to do just a year or two ago. As we have seen with the Thames tideway project in London, we have been able to bring the cost of such major projects down considerably. Competitiveness is the key to a successful economy. We are constantly competing in the global marketplace, whether we like it or not, and the economic decisions that the Chancellor has taken today reflect that reality.

I welcome some of the announcements to simplify our tax system, although we could go further. I particularly welcome the measures to abolish class 2 national insurance contributions. However, as income tax and national insurance revenues are slightly larger than the sum required to pay the entire benefits bill, national insurance is still a big burden, particularly for the low-paid. I welcome my right hon. Friend’s measures today to accelerate taking the low-paid out of the tax system, moving the threshold from £11,000 to £11,500 and then to our goal of £12,000.

I come to a slightly discordant note, so I hope my colleagues on the Front Bench will bear with me on it. The VAT system that the Government have inherited is overly complicated. We zero-rate flapsacks but not cereal bars. We zero-rate paper books but not e-books. It was considered a productive use of somebody’s energy to write into the Government’s VAT guidelines—this is true, as hon. Members will see if they go online—that VAT must be applied to gingerbread men covered in chocolate at the standard rate unless “this amounts to no more than a couple of dots for eyes”.

As some Members in the Chamber will be old enough to recall, the standard rate when VAT was introduced, following the introduction of the zero-rate, was 8%. It has not then increased to 25% for certain items under Denis Healey, and today we find it at 20%. I say to my Front-Bench colleagues that the whole VAT situation needs a thorough review. The problem is that we are governed by the rules of the EU, believe it or not, and the VAT sixth directive, which makes this very clear. I wonder if we could have a conversation with those in Europe if the British people vote to remain in the EU, which I hope they will not.

I sincerely welcome measures in the Budget to make us more competitive, particularly the fact that the Chancellor is going to accelerate the reduction of corporation tax so that it will be reduced to 17% by 2020. That is a really useful measure. Interestingly, chart 1.11 in the Red Book shows that America’s corporation tax is 40%, so it is amazing that its businesses are as competitive as they are. However, it is clear that our corporation tax is not moving quickly enough to keep up with the rapidly changing global nature of modern corporations, and that is leading to perverse outcomes that generate public concern, such as Google’s recent announcement that it was paying only £130 million in back tax. I hope that the newly announced diverted profits tax will improve the situation. As has been said, a number of other measures in the Budget are there to improve the tax generated by some of our big corporations, and I hope that my right hon. Friend the Chancellor is right that these measures will generate £9 billion by the end of this Parliament.

We need to invest more to support small and medium-sized enterprises and encourage them to start exporting. The balance of payments figures in the Red Book are worrying. We could rethink how the Government support companies that want to export for the first time, especially given that we are reducing corporation tax. Bearing in mind that it probably costs a minimum of £50,000 for a company to consider exporting to a new market, we could give companies a complete break on corporation tax for any activity that relates to exporting for the first time. We need to rethink the role of UK Trade & Investment, as our approach is clearly not working. We are not getting enough small and medium-sized companies exporting, so we need to rethink its role under the new chief executive. In some years UKTI’s budget has increased whereas in other years it has reduced, and we need to give it a stable environment in which to operate.

I welcome the Chancellor’s announcement on broadband. The Government plan to invest so that superfast broadband covers 90% of the UK by early 2016 and 95% by December 2017. The trouble is that those are national averages, and rural constituencies such as mine have a service obligation, which has been committed to but struggle to see that commitment met. We need to continue to push the Chancellor and the Treasury to understand that a commitment will be required to make sure that every household in the UK has superfast broadband.

Mrs Trevelyan: We face a challenge on the universal service obligation, which has been committed to but which is currently weakly defined, and those of us who have constituents in very rural parts of England will struggle to see that commitment met. We need to continue to push the Chancellor and the Treasury to understand that a commitment will be required to make sure that every household in the UK has superfast broadband.

Geoffrey Clifton-Brown: My hon. Friend has an even more rural constituency than I do, but we both have very rural constituencies, and she is spot on in what she says. We need to make sure that every house and every business gets a reasonable broadband speed as quickly as possible. I was coming on to say that we need to provide support for bespoke solutions, and I am sure
that applies in her constituency, as it does in mine, where the Gigaclear contract, which was the first such contract in the country, will enable another 6,495 homes to have a reasonable broadband speed by 2017.

The Chancellor had a free shot about the EU, so I feel that I, as a humble Back Bencher, am entitled to have one, too. While I am talking about competitiveness, I must briefly mention our EU membership, as the issue has been receiving a small amount of attention lately. As a nation, we face a choice between remaining part of an institution that is fundamentally anti-competitive and is collapsing under the weight of its own bureaucracy, and seizing our own destiny and becoming a great trading nation once again, being fleet of foot, free of excessively burdensome regulation and able to make our own deals around the world.

As my right hon. Friend the Member for Wokingham (John Redwood) said, we will have an additional £10 billion net to spend if we leave. We will be part of a free and fair immigration system that allows us—this country, this Parliament—to attract and retain the best and brightest from countries such as India and China, without having to put in place arbitrary caps and restrictions simply to counteract the number of people coming from Europe, over which we currently have no control. Britain should be a place of equal opportunity for anyone who wants to come here with something to contribute, not simply a place for anyone who happens to reside in the EU. The recent EU deal with Turkey threatens to exacerbate the situation.

We live in uncertain times, as the OBR’s growth forecasts clearly show. The Chancellor has said that there are storm clouds gathering, both at home and abroad. The Government are right to push ahead with reducing the deficit. There are naysayers who tell us that a national deficit at 4% of GDP is sustainable, but I say to them that a national debt at 82% of GDP certainly is not. We inherited from the previous Government a rate that was higher than it had been at any time since the 1960s, so I welcome the measures taken in this Budget to reduce it to 74% of GDP by the end of this Parliament. Our debt interest payments alone are equal to the annual budget of the Ministry of Justice and the Home Office combined. Just imagine how much extra we would have to spend, or we could save on taxes, if we did not have to pay that debt. The high level of debt leaves us extremely vulnerable to global shocks that could put up interest rates. Serious efforts to tackle the deficit, so that we can start to bring down our debt, must be accompanied by a sustained effort to continue to reduce regulation, to simplify our outdated tax system, to reduce public expenditure, to get the best possible value for money, and to give us infrastructure fit for the 21st century and for one of the world’s best performing economies, if not the best performing.

3.28 pm

Chris Leslie (Nottingham East) (Lab/Co-op): I welcome the Chancellor’s steps today to discourage child sugar consumption. As there is a cross-party consensus on the need to take measures to prevent ill health, it is important that we welcome those steps.

As the stir in the media begins to dissolve over the next few hours, I suspect that many members of the public will spot some of the uglier measures and scarier facts in the Office for Budget Responsibility’s analysis and in the Red Book. The Chancellor clouded many of his announcements in jargon—he goes a little bit faster over some passages in his Budgets. It is the downgrading of economic growth, though, that will be of the most profound importance to many of those commenting on the Budget today. To downgrade expected growth this year from 2.4% to just 2% is a real blow to the Chancellor’s credibility when it comes to delivering economic performance. He has downgraded those figures not only for this year, but for every single year of this Parliament, which has a major effect on a whole series of Budget assumptions.

We already know that the Chancellor took a gamble in the spending review before Christmas. He found £27 billion down the back of a sofa through a series of ONS reclassifications, and he banked on that money, spent a lot of it and committed it in a number of different ways. Now that the money has not materialised, he has had to make a series of adjustments, which we are only just managing to spot in the fine print of the Red Book. I have not had a chance to go through the full details, but it is interesting to make a note of those adjustments.

The Chief Secretary to the Treasury (Greg Hands): I thank the former shadow Chancellor for giving way. I wonder whether he is remembering his days as a senior adviser to Gordon Brown. Surely he must know that the forecasts are now all done independently by the OBR. It is only sensible for the Treasury and the Chancellor to react to those independent forecasts, but to try to shoot the forecaster is fundamentally to misunderstand the nature of the Office for Budget Responsibility.

Chris Leslie: Oh dear, oh dear—a bad workman always blames his tools. It is interesting that the Chief Secretary to the Treasury does not fess up to the big changes that have been made with the raids on public sector pensions. Some £2 billion will be taken from public service workers across this country—that was not really emphasised in the Chancellor’s speech. A whopping £6 billion, or 60% of the £10 billion surplus that the Chancellor is still claiming will be achieved, will go on all sorts of shuffles in when corporation tax is paid. That will potentially be very disruptive to businesses and firms across the country.

On the economic forecast, there is a problem not just with growth but with productivity. Despite the fact that the Chancellor has published productivity plans, it is stark to see how productivity has been significantly downgraded in the OBR document. On page 46, we see that, whereas in 2010 real productivity had 21.9% of potential, it has now fallen to 14.4% of potential—a massive faltering of Britain’s performance on productivity. Although the Chancellor has paid lip service to that issue, he has consistently failed to orientate his Budget measures around those economic needs.

We also need to look at what has been happening to earnings in this country. Again, the growth in average earnings is downgraded not just this year but for every year of this Parliament. Page 91 of the OBR document paints a gory picture of what is happening to average earnings. Of course, that economic outlook has an effect on the numbers in the tax and spending decisions that the Chancellor has to make.

Let us look at what the Chancellor has had to do to try to keep his promises. He is trying his best to stay on course to deliver a surplus at end of this Parliament,
but he has already had to admit that he has broken his promise on the welfare cap, and today he has admitted that he is breaking his promise on the national debt. Public sector net debt is up every year in the forecast for this Parliament—a theme that runs through the whole Budget statement. The heroic assumption that the Chancellor is still going to get that £10 billion surplus at the end of the Parliament feels implausible not just to me but to many of the economic commentators who are analysing the Budget statement. As I have said, that surplus is predicated on a £2 billion raid on public service pensions and the £6 billion shuffle in when corporation tax will be realised.

Then we get to some of the other changes that the Chancellor has decided to make. He did not really dwell on this very much, but cutting capital gains tax from 28% to 20% is a phenomenal giveaway to the very wealthiest people in this country. It applies not to residential properties but to those who have an accretion of capital wealth. Their tax will come down significantly, with a giveaway next year of £630 million. In the same year, he will take £590 million—from where? From the disabled—from the personal independence payment section of the social security budget. That is a straight transfer of the social security budget. That is a straight transfer from those in most need to the very wealthiest in society—a tycoon tax cut, as I think it will be known as the days go by and people realise what has been announced in the Budget.

There are other spending cuts in the small print of the Red Book. Poor old local government services, particularly in areas where not a lot of Conservative party members reside—you might be surprised at my cynicism, Madam Deputy Speaker. Local government services received £10.8 billion of funding this year, but that will be cut by a third to just £6.2 billion in the last year of this Parliament. Just imagine the effect on libraries, leisure services, housing, social services and social care. Of course the Government will say that local councils can put up council tax, but they should not think that local residents will not place that council tax increase entirely on the Chancellor’s shoulders. They are the ones who have to pay the price for the cut in local services.

The transport budget will be cut from £2 billion to £1.8 billion by the end of this Parliament. How on earth will that help with the productivity issues we have to address? I have talked about the clear problems that emerge from the OBR Blue Book, and transport is one of the most important areas of infrastructure spend, ensuring that people can get from A to B and that goods and services can flow to markets. All those obstacles and impediments to business will be made worse by the Chancellor’s attitude to transport.

The OBR goes on to say that this era of cuts and Tory austerity will continue not only for this Parliament—never mind the previous Parliament—but will bleed well into the next Parliament. The OBR says that to achieve the surplus they want, the Government need a much bigger cut in current departmental spending of £8.1 billion in 2020-21, compared with the £1.8 billion that they have to cut in 2019-20. There are all sorts of statistical shifts and shuffles going on, all revolving around the Chancellor’s target, and what is that about? Not just the Chancellor’s European referendum anxieties but the leadership challenge from the Mayor of London. Everything in this Budget has revolved around the Chancellor’s political predicament.

We have a Budget that exposes many of the anxieties people have had about this Chancellor’s attitude. It is eminently political, with all sorts of shuffles that do not really have anything to do with the best interests of the economy. With growth down, debt up, productivity faltering, implausible surplus forecasts and a tycoon tax cut—a capital gains tax giveaway paid for by disability independence payments—it is not a Budget of which Government Members should be proud.

3.37 pm

Andrea Jenkyns (Morley and Outwood) (Con): With today’s Budget, the Chancellor has shown once again that this Government are on the side of the people of the United Kingdom. This is a Budget that puts the next generation first. It is a Budget of opportunity. We are creating a climate that allows our businesses to thrive, our children to have the best education and reach their potential, and people to keep more of their own money and plan for their own future.

The Budget brings excellent news for small businesses, which are the bedrock of our economy and our communities. The businesses in my constituency will be thrilled to hear that we are cutting their taxes. Thanks to the announcements made by the Chancellor this afternoon, small business rate relief has doubled, and the maximum threshold for relief has been increased from £12,000 to £15,000. This means that many businesses in Morley and Outwood will now never pay business rates ever again. The Government will also raise the threshold for the higher rate of business rates from £18,000 to £51,000, meaning that 250,000 small businesses in the UK will get a tax cut on their business rates bill.

We are cutting corporation tax further to 17% from 2020, which will support job creation, benefiting more than 1 million firms across the country, many of which will be located in my constituency. To boost enterprise, we have announced that we are also cutting the basic rate of capital gains tax to 10% and the higher rate to 20%, which will improve investment in business. We are reforming stamp duty on commercial properties, resulting in a tax break for small firms. This will remove the distortions in the property market and make it easier for small firms that want to move to bigger premises. As a result, 90% of transactions will have their tax bill cut or stay the same. It is excellent news that the Chancellor has decided to simplify and modernise business taxes, and that is essential in ensuring that we have a tax system that is competitive but fair. I am certain that my constituents will be pleased to hear that we are also modernising our tax rules, to close loopholes that have allowed far too many international companies to reduce their tax burdens to close to zero.

Karin Smyth (Bristol South) (Lab): Will the hon. Lady give way?

Andrea Jenkyns: I am sorry; I will move on.

I have worked in schools as a music teacher, so education is very important to me. Improving our schools so that our children get the best education in life is essential, and the opening up of opportunities for young people is a subject that is close to my heart. The reforms announced today are excellent and will give every young
person the chance to succeed. In my constituency we have some excellent academies—Morley, Outwood and Woodkirk, to name but a few. That is why I am delighted to hear that we are providing more money, so that by 2020 every school in England will have become an academy or be in the process of conversion. We are going to shine a particular focus on performance in the north and look at the case for teaching some form of maths to 18 for all pupils. We are introducing a national fair funding formula, from which 90% of schools will benefit, and ensuring that we will see those benefits by the end of this Parliament.

What is important to me is that we will invest £20 million a year into new funding of the northern powerhouse schools strategy. That new funding will ensure that rapid action is taken to tackle unacceptable divides that have seen educational progress in some parts of the north lag behind the rest of the country for too long. In support of that, Sir Nick Weller will lead the preparation of a report into transforming education across the northern powerhouse.

The difficult choices made by this Government mean that we are now able to make decisions that benefit everybody, beginning by raising the tax-free allowance so that more people can keep what they earn. For the sixth consecutive year, drivers will see historically low prices at the pumps maintained, thanks to the Chancellor’s decision to continue the freeze on fuel duty, which has done so much to relieve the burden on families and businesses. As the Chancellor said, that landmark decision will save the average motorist £70 a year, which is a significant amount for families. In constituencies like mine, which have seen an historical under-investment in public transport, cars are a vital lifeline. This cut in duty will make it easy for my constituents to get around, to go to work and to shop, and I welcome it wholeheartedly.

For far too long, previous Governments neglected investment in the north. By contrast, under this Government, this Chancellor is making good on his promises to pump investment into the northern powerhouse, which will see historic improvements to our transport links. The M62, which passes through the heart of my constituency, is to be upgraded to a four-lane smart motorway. So often I talk to constituents who get stuck in the horrendous traffic that builds up on the M62, and my team commute down the road every day. I am totally behind the measures to unclog that vital link.

It is not just the roads that are being kick-started. The new High Speed 3 link from Manchester to Leeds will cut journey times for people from my constituency to travel between the two cities. I look forward to seeing more detailed proposals for the route and stations for that link, which will be a welcome boost to the economy in Yorkshire and the north-west. Britain is a nation of builders. The north is the beating heart of Britain’s industry and I am proud that the north will be building once more.

The Chancellor is also supporting our communities through the landmark decision to freeze duty on beers, spirits and most ciders. I know that residents in my constituency will welcome that this weekend, when they visit the annual Morley Cricket club beer festival. As the Budget document tells us, changes to beer duty have already protected 19,000 jobs, and these further changes will continue to support our brilliant breweries.

That will protect our local pubs, which are so often the heart of the community, and support the Scotch whisky industry.

Whereas some Members on the Opposition side of the House want to divide us along our internal borders, this Government are committed to supporting one nation, with measures that will benefit the whole country.

Andrea Jenkyns: A very good question. I am very supportive of what the Government have done. After all, it is the first time in 40 years that we are getting this referendum. I think that is all that matters. We have put it in the British public’s hands to decide on the future.

The floods over Christmas and at the start of the year were devastating to so many people, homes and businesses across the country. My constituency was lucky; we escaped major damage, with most of the affected areas being farmers’ fields. However, I am delighted that the Government have committed more money to our flood defences, including £35 million of new funding for phase 2 of the Leeds flood alleviation scheme. Leeds was hard hit in the recent floods. Many of my residents commute there every day, so that is welcome news. Thanks to our strong economic recovery, we have the tools available to help those affected by the floods.

We found out yesterday that the shadow Chancellor had previously listed his great influences as Marx, Lenin and Trotsky. With a new musical about the Leader of the Opposition coming out next month, I hoped he would not be singing the same tune. Unfortunately, it looks as though the Opposition are more of a tragedy than a comedy. The response from the Leader of the Opposition to the Chancellor’s statement confirmed that the Labour party should never be trusted with the nation’s finances. He said that we were not on the side of small businesses, yet we delivered tax cuts. He criticised the reduction of corporate tax rates, yet that will help businesses to grow and invest more into the economy, helping working people and the country as a whole and creating more jobs. Where the Government are setting out a clear plan for the future of the British economy, the Opposition are stuck in a Marxist dream-world where economic realities do not apply. They should never be given the opportunity to hold the levers of power again.

This is a Budget of opportunity—[Interruption.]

Madam Deputy Speaker (Mrs Eleanor Laing): Order. There seems to be a lot of noise for no apparent reason. If people are having conversations, they should not be having them here in the Chamber. If they want to intervene on the hon. Lady or challenge her, they should do that. This is about the debate, not about other things.

Andrea Jenkyns: Thank you, Madam Deputy Speaker.

This is a Budget of opportunity, giving young people in our schools the opportunity to succeed, and giving businesses the opportunity to grow and prosper. The northern powerhouse and investment in the region will help us provide new jobs. Our planning laws will be reformed, which will give people the opportunity to own their own home. The Conservatives are the right party to take us into a positive future, with a strong
economy and a budget surplus. For the first time in over four decades we are letting the British people decide on our future through the EU referendum. I am proud to be a Conservative and I commend the Chancellor on his Budget.

3.46 pm

Pat Glass (North West Durham) (Lab): I want to speak today about tax avoidance and its impact on the UK economy and on the economies of the developing world. In this I follow the hon. Member for Amber Valley (Nigel Mills), who spoke earlier, and my hon. Friend the Member for Hackney South and Shoreditch (Meg Hillier). I hope that between us we will be the beginning of a chorus that is so loud that the Chancellor will not be able to ignore it.

I welcome the Chancellor’s announcement today about closing tax loopholes for big companies, but without transparency this will make little difference to a tax avoidance industry that is out of control here and across the globe. This Government and other western Governments around the world are presiding over a global economy in which inequality has reached crisis point, and today’s Budget will not make that any better.

Oxfam’s “An Economy For the 1%” report tells us that the richest 1% now have more wealth than the rest of the world combined, that power and privilege are being used to skew the economic system to increase the gap between the richest and the rest, and that a global network of tax havens across the world, including here in the UK and in our Crown dependencies and overseas territories, contributes to the richest being able to hide $7.6 trillion, which is contributing to cuts in public expenditure here and across the world. Here in the UK that means longer NHS waiting lists, teacher shortages and decreasing levels of care for the elderly and frail, and it means that the poorest living in the developing world see every penny of international development funding wiped out by what is, in effect, stolen from them in tax avoidance.

Meg Hillier: Does my hon. Friend think it is an interesting contrast that the US chief executive of Google was paid a salary package of bonuses, shares and so on worth about £130 million, and Google’s tax settlement with HMRC for a 10-year period was around the same amount?

Pat Glass: Yes, and I doubt whether he even sees the irony. I watched that session of the Select Committee. What I recall is that he could not even tell us what his salary was—it was so large, and it was made up of so many different kinds of dividends and so on, that he had no idea what his salary was.

There are 62 individuals who now have the same wealth as the poorest 3.5 billion people in the world. Those same 62 people have seen their wealth increase by $542 billion since 2010, while the poorest 3.5 billion people have seen their wealth fall by $1 trillion over the same period. Those in the poorest 10% of the world’s population have seen their income rise by just $3 a year over five years, whereas 62 of the world’s richest people have seen their income rise by $500 billion over the same period.

As is always the case when we are talking about who is rich or poor, it is women who are at the bottom. Some 53 of the world’s richest people are men, and the countries with the largest inequalities have seen the gender gap widen in terms of not only income, but health, education, labour market participation and representation.

The current system of tax havens, with what has become an industry of tax avoidance across the globe, damages our economy in this country and economies across the world, and it needs to be addressed and closed down. It is absolutely clear that trickle-down economics does not work, except for the richest 1%, in which case it works beautifully for them and their mega-rich pals.

The Government’s view that low taxes for the richest individuals and for companies are somehow good for the rest of us is just plain wrong. If the Googles of this world, and the Vodafones, Starbuckses, Amazons and the rest, paid their taxes properly, like the millions of hard-working people who understand that paying taxes is the cost of living in a civilised society, we could wipe out the deficit in the UK, and the poorest across the world could begin to see improvements in their grindingly poor lives.

Channel 4 revealed this year that Barclays, which had signed up to the banking code on taxation and therefore promised not to engage in tax avoidance, actually employed a range of tax avoidance schemes to dodge an estimated half a billion pounds in tax in the UK alone last year. That is the worst kind of hypocrisy.

When the bank’s tax avoidance practices were reported on by Channel 4, Barclays responded that it had “voluntarily disclosed to HMRC in a spirit of…transparency that it had repurchased some of its debt in a tax efficient manner.” Will the Chancellor’s announcements today change that? Without transparency in the system, I doubt it. Presumably, Barclays made that declaration fully understanding that its actions would result in fewer doctors, fewer nurses, fewer teachers and cuts for the poorest and most vulnerable in this country.

Boots the chemist, which earns every penny of its income in the UK, moved its headquarters from Nottingham to Zurich to avoid paying any tax in this country. Quite frankly, that should be illegal. I doubt very much whether, without transparency in the system, anything the Chancellor said today will change that, bring the Boots headquarters back to this country or make Boots pay its tax here.

Companies that are household names in the UK now routinely use a technique called transfer pricing, trading goods and services internally—within a network of the same multinational company’s subsidiaries, each of which is in a different jurisdiction—to avoid paying tax. Without transparency and routine, mandatory reporting, that will not change, even after what we have seen in today’s Budget.

When companies are caught out and their practices are highlighted, as happened recently with Facebook, they simply reach a sweetheart deal with HMRC, paying tiny, tiny proportion of the tax they owe, while announcing to the world what good citizens they are because they now pay their tax.

Yesterday, Oxfam published a report called “Ending the Era of Tax Havens: Why the UK government must lead the way”, which pointed out that tax havens are at the heart of the inequality crisis, enabling corporations and wealthy individuals to dodge paying their share of tax. Oxfam analysed 200 of the world’s biggest companies
and found that nine out of 10 have a presence in at least one tax haven, with corporate investment in those tax havens in 2014 almost four times bigger than it was 10 years ago. Tax avoidance in our largest companies has become routine and obscene, and it is growing.

Tax havens are estimated to cost poor countries at least $170 billion in lost tax revenues every year. They fuel the inequality crisis, leaving poor countries without the funds they need and effectively wiping out the benefits of any international development funding those countries receive. If we are to address that, the Government must require multinational companies to make country-by-country reports publicly available for each country in which they operate. The Government must also support efforts at European and international level to achieve that standard globally. That has not happened in today’s Budget.

**Geoffrey Clifton-Brown:** I have great sympathy, as I mentioned in my speech, with the point about the avoidance of corporation tax by large corporations. Does the hon. Lady not agree that the real damage is in poor countries, where these corporations get away with paying no corporation tax whatever, while we are, at the same time, giving these countries foreign aid? We need to tackle this issue internationally, through the OECD, the G7 and the G20, which is exactly what the Chancellor has been trying to do.

**Pat Glass:** I agreed with everything the hon. Gentleman said until he said that this is “exactly what the Chancellor has been trying to do”, because unless there is mandatory reporting, and it is transparent, it will not make any difference.

The Government need to ensure that the mechanisms for public country-by-country reporting benefit developing countries as well as the UK. We did not see that in today’s Budget. The Government must require the UK Crown dependencies and overseas territories to set clear timetables for public registries of beneficial ownership. After all, the Prime Minister promised this three years ago at the UK’s G7 summit in Lough Erne and has failed to deliver it, and again it is not in today’s Budget.

We cannot call ourselves decent people and cannot claim to be a decent country if we stand by and allow the inequalities that exist between the rich and the poor to grow. The British people understand the unfairness of the current situation, and they want it to change. They understand that despite opportunities such as today’s Budget to address some of this, the Chancellor has chosen not to do so. This country, and this world, is not short of wealth, and it makes no economic, political or moral sense to allow the current obscene situation to continue. It is wrong that 62 people have more wealth than the poorest 3.5 billion people on this planet, wrong that companies operating in the UK routinely avoid paying the tax they owe, and wrong that the Government and the Chancellor seem content to allow this to continue.

3.56 pm

**Neil Carmichael (Stroud) (Con):** It is a great pleasure to speak in this important debate, not least because it covers two important subjects that I find of great interest—Europe and education. I intend to address them both.

First, let us canter through some of the statistics in the context of the changes that the Chancellor announced. The global economy is going through a very problematic period of adjustment. That has significant impacts on our own performance, and those are driving down some of the more ambitious assumptions made previously. That is why the OBR is so important. My right hon. Friend the Member for Wokingham (John Redwood) said that the OBR had been wrong on a scale of about £45 billion per year on anticipated debt. If we contrast that with the £8.5 billion that we pay to the European Union in net contributions, we see that it is a different scale of issue. However, that does not undermine the function of the OBR because it has to measure changes over a wide variety of different statistics, and does so remarkably well. We should salute that. We should also note that the Office for National Statistics is just as good at making predictions.

The Chancellor mentioned productivity—rightly, because that goes to the heart of the issue. He said that productivity growth is slackening. In this country we need even more productivity growth than we are seeing now because our deficit with other countries who are our competitors is quite significant. For example, the OECD says that we are 28% less productive than the Germans. That makes a difference when we set about exporting. If we are that different from the German economy in terms of productivity, then we are going to struggle with being competitive. We have to stop complaining about UKTI and stop worrying about what people are doing to us, and start recognising that we have to narrow this productivity gap.

The second point about productivity is that it matters in relation to life fulfilment, tackling poverty and so on, because the brutal fact is that if we are more productive through having greater skills and better deployment of training, we will get higher salaries and better wages. Through driving productivity increases in our economy, we will end poverty on the scale that has been mentioned today. That is our challenge, and it is a must-do. I am really pleased that the Chancellor is embedding it in this Budget. He has done so by addressing education, which I will turn to now.

More academies equals better schools. That is something that I believe and, I think, something that we will easily prove.

**Meg Hillier:** As the hon. Gentleman is probably aware, the Public Accounts Committee recently held a hearing on teacher training. We discovered that, after an eight-week course—sometimes it did not even last eight weeks—a staggering number of teachers who had not been qualified to teach certain subjects to a higher level qualified to teach them to our students and young people. Does he not think it is more important to sort out having qualified teachers in the classroom than to force every school into academy status?

**Neil Carmichael:** I could not agree more with my fellow Select Committee Chair. That is obviously a priority, but that does not mean that it is not also important to have good schools that are led well by headteachers who are focused on the right culture, standards and quality staff. We should have more academies and make sure that they operate in a well-structured multi-academy trust.

**Pat Glass rose—**
Neil Carmichael: I think I have set the cat among the pigeons. Go for it.

Pat Glass: The hon. Gentleman knows as well as I do that, when we both sat on the Education Committee, we saw no evidence whatsoever—believe me, we looked for it—that academies improved standards more than maintained schools.

Neil Carmichael: That was a year ago, when there were fewer academies. Now, 80% of academies are good people. That is how we can really make a difference, and make sure that the planning system is consistent with harnessing business, education and other public services, with a suitable governance structure. That is the way to governance system in place. That is what the Government must ensure that it has the right accountability and is the way forward. Any structure considering devolution thing and I am really pleased that so many cities and to Europe. First, I think that devolution is a really good tax will go towards encouraging more sports participation. I am also very pleased that the money from that to tackling that.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): Will the hon. Gentleman give way?

Neil Carmichael: No, I will keep going now. I am really excited about the idea of including university technology colleges in MATs, because that will give greater choice. The Government have already allowed sixth-form colleges to be included in MATs. We need economies of scale in sixth-form provision, and increasing the number of MATs will do just that.

It is a scandal that, according to a national mathematics charity, 78% of our adult population do not reach level 2 maths. That is not acceptable and it is absolutely right that maths should be taught as a compulsory subject up to the age of 18. I have frequently said that we should have a national baccalaureate to do just that, and I urge the Government to point out to Sir Adrian Smith that that would be at least one way of making sure that 16 to 18-year-olds are taught maths. I remind the House that we are the only country in the western world in which maths is not a statutory subject up to the age of 18. That is not acceptable.

I know that this is of no interest to the Scottish nationalists, but the Government have rightly decided to make sure that our schools have fairer funding. When I was a member of the all-party parliamentary group on Yorkshire and northern Lincolnshire, I was not surprised that there were concerns about Yorkshire schools and that people wanted a commission to improve them, because there are a large number of coastal and rural schools. Such schools often suffer most with regard to funding, so it is absolutely right for the Government to tackle that.

I salute and welcome the decision taken on sugary drinks. I am also very pleased that the money from that will get somewhere if they are given a proper chance. The changes in business rates are really very good.

We should also remind ourselves that proportionally, Norway pays about the same as we do to be in the single market, with no control over anything and no special dispensation over any aspect of the single market. We complain about paying the same amount, per ratio, as Norway, yet right now we have influence. What does that influence do? It effectively created the single market in the 1980s and has expanded it now, and it will continue to ensure that Britain has a leadership role in the European Union, where we can forge a stronger, better place for trade and extend beyond the European Union. The idea that we are in the European Union and that therefore export to India. We, not Europe, really have to think about where we export and how we do it, and about the productivity issue that I have raised.

Those are the economic reasons for staying in Europe, and I will largely confine myself to them. I am interested, too, in the fact that Mark Carney, the Governor of the Bank of England, has taken the time to consider the implications if we decide to leave. He has recognised that there would be difficulties in our banking system if that were to be the case, and he has taken pre-emptive action. That is a signal that we are taking a risk by considering leaving the European Union. Instead, we should make up our minds and stay in. From then on, we should use our power in the European Union and beyond to shape a Union that represents our interests, deals with more competition, forges more trade links and gives people in Europe as a whole more security—for their own safety and national safety—and economic opportunities. That is why it is important to remain in the European Union, and that is why the OBR, the Bank of England, the CBI and, plainly, the Chancellor of the Exchequer think that we should do so.
Madam Deputy Speaker (Mrs Eleanor Laing): Order. We have plenty of time for this debate, but, to make sure that everyone has a fair chance to speak, I am going to reduce the time limit to nine minutes.

Sammy Wilson (East Antrim) (DUP): May I first welcome a number of measures in the Budget? The rise in income tax thresholds is important for those in work who wish to keep their income and spend it as they, rather than the Government, see fit. The changes for savers are also important, especially for those on lower incomes and perhaps those who are self-employed, given the incentives. I would however point out that although the Government have presented some of the changes as important, especially the lifetime ISAs and the help for low-income savers, many people will still struggle to put aside the money for such initiatives. The change in business rates is important for small businesses that are struggling, especially in town centres, as are the promises to deal with tax avoidance. However, we have heard such promises before, and, very often, nothing has come of them.

Chris Stephens (Glasgow South West) (SNP): Is the hon. Gentleman not concerned, as I am, that the whole tax-avoidance strategy is rhetoric, rather than reality, given that HMRC wants to close 90% of its offices, some of which are in Northern Ireland?

Sammy Wilson: There has to be a connect between the promises that the Government make and the ability to deliver on them, whether through legislative changes or, indeed, through having the resources to deal with the issues.

The Northern Ireland Executive will benefit, from Barnett consequentials, to the tune of about £220 million over the comprehensive spending review period. Many people will welcome the fact that £5 million has been set aside to establish an air ambulance in Northern Ireland, for which we have called for a long time.

I want to deal with two areas. I will start where the hon. Member for Stroud (Neil Carmichael) finished, with the Chancellor’s references to the European Union. I notice that the Chancellor made fairly scant reference to it in his statement. Indeed, I think many people were probably surprised about that, given the way in which the Government have tried to drive this issue. On the other hand, I am not surprised, because what does he really have to say about retaining membership of the EU?

The Chancellor talks about struggling with the budget deficit and with the public finances, yet he is quite happy to give £10 billion a year to the EU. In the EU, the money is often so badly spent that its accounts are qualified every year. Such money goes on fraudulent activities; it disappears into black holes; it goes on vanity projects. I notice that some of the most vociferous supporters of giving public funds to the EU are from the Labour party, while its Members are complaining about cuts in services for their own constituents.

The other point that the Chancellor has to address is that, although he will give £6 billion to companies in corporation tax cuts, he will, over the same period, take £7 billion more off them in environmental levies, most of which are driven by European directives. On the one hand he is giving money to businesses, and on the other, European directives ensure that he has to take it from them.

The hon. Member for Stroud got it wrong when he mentioned what the OBR has said about leaving the EU. The OBR has not been definite that certain things would happen. Indeed, its report says that leaving the EU “could usher in” uncertainty, “could have negative impacts and “might result in greater volatility in financial...markets”.

That is also what the Chancellor said. The ironic thing is that he had no sooner uttered his comments about threatening and slaughtering jobs, investment and everything else than, in his very next sentence, he pointed out that since the autumn statement—we have had all the uncertainty about the referendum and the fact that the United Kingdom might vote to leave the EU—the Government had “created...150,000 more jobs than the OBR expected.”

There is all this volatility and uncertainty, yet in the face of a referendum businesses are not reflecting uncertainty or fear. Indeed, according to the Chancellor they are creating 150,000 more jobs than the OBR expected.

Neil Carmichael: I just wondered whether the hon. Gentleman was aware that 80% of businesses in Northern Ireland want to stay in the European Union.

Sammy Wilson: Of course, it depends on what survey we look at. Large firms benefit from the lobbying power they have to restrict innovation and the entry of small firms into markets. Small businesses are buried under regulations and strangled by the red tape that emanates from Europe.

The Chancellor carefully avoided talking too much about our membership of the EU, because there is not a good story to tell on that in budgetary terms. I notice that, so intent is he in ensuring that attention is not drawn to it, EU transactions are included with others in chart 1 of the executive summary—he does not want to highlight the exact amount of money we pay into the EU.

The second issue I want to deal with is inequality across the United Kingdom and across sectors of the population. Growth forecasts have been reduced for a whole range of reasons. Some of those reasons are outside the control of the Chancellor, but some are not. One way to improve growth is to borrow money for infrastructure projects. I find it inconceivable that the Government talk about not letting the level of debt go up when there are good infrastructure projects that would give a good rate of return. They are quite happy for debt to go up to finance consumer spending, which has been the main driver of growth. I would rather see growth driven by spending on infrastructure projects that increase productivity and give a return that generates tax revenues in the future, rather than putting individuals in jeopardy if there happens to be an increase in interest rates.

Greg Mulholland (Leeds North West) (LD): Will the hon. Gentleman give way?

Sammy Wilson: I will not give way, if the hon. Gentleman does not mind, because I do not think I will get an extra minute.
We know from experience that when the growth forecast goes down the regions of the United Kingdom—Northern Ireland, the north-east, the north-west and Scotland—tend to experience the greatest impact. The figures in the Budget statement show growth rates for Northern Ireland to be half of those for London. Indeed, there are only two regions of the United Kingdom that exceeded the average growth in the past four years: London and the south-east. All other areas did not experience the same rate of growth. There is a strong case for saying that infrastructure investment could help to stimulate the economy in those other areas, so I am disappointed that not more infrastructure projects were announced in the Budget.

When funding is made available for research and innovation, I hope places such as Northern Ireland will not be excluded. Belfast’s Queen’s University’s excellent research has been a driver of growth and innovation for many businesses, helping them to get into export markets.

On inequality within income groups, the Government cannot ignore the fact that we are increasingly in danger of becoming a two-nation state. At the bottom of society, there are those without hope. Even the tax cut that means some of them will pay no income tax at all will benefit me as well as lower income groups. There needs to be a greater focus on people who find themselves without the skills, hope or income they need to do the day-to-day things they are required to do.

When I see the resources being devoted to a cut in capital gains tax, as opposed to those being taken away from people who are on, and cannot escape, benefits because of disability and so on, it illustrates to me how the Government have a long way to go and much thinking to do when it comes to dealing with those who are less fortunate and at the lower income end of the spectrum. It is they who need a leg up and more resources devoted to them.

4.20 pm

David Rutley (Macclesfield) (Con): It is an honour to follow the hon. Member for East Antrim (Sammy Wilson), who spoke with characteristic passion and commitment to his constituents.

I follow other Members who have welcomed the new sugar levy announced today. I have long campaigned hard to make sure we tackle public health challenges, particularly those facing young people and children. Individuals who get a chance to look at the sugar smart app will see how much sugar is in so many of the products we and our children consume. The levy is a positive step forward.

Jim Shannon (Strangford) (DUP): I am pleased to hear that the hon. Gentleman welcomes the sugar tax, as do I. I have long felt we should introduce it. The Chancellor referred to the next generation and the £27 billion we could save. The levy will bring savings to the NHS, change people’s attitudes and address levels of obesity. Does the hon. Gentleman agree that if ever there was a good reason for a sugar tax, that is it?

David Rutley: I completely agree. The hon. Gentleman and I have been involved in numerous debates about promoting outdoor recreation and physical activity—for older people as well as young people—and the levy is a positive step further forward. I pay tribute to the Government for taking forward its sport strategy and to the Under-Secretary of State for Health, my hon. Friend the Member for Battersea (Jane Ellison), for her work in taking forward a very proactive public health agenda.

On other areas of the Budget, I felt that the Chancellor set out a clear, strong package of measures to help go on delivering the long-term economic plan and to make Britain the best place in the world to start up and grow a business. I have long talked about the importance of an enterprise economy. To achieve one, we need to focus on some key groups of people who make that happen: the entrepreneurs, the exporters, the employers and, of course, the employees who help put the pieces of that jigsaw together to create the enterprising economy that we want to see in Macclesfield, Cheshire and right across the country.

In recent years, I have also been campaigning hard on behalf of the self-employed. It is fascinating to see how self-employment is moving forward. I have been working with Demos and the RSA on various policy initiatives in this area, and it is clear that there is a long-term trend towards more self-employment—4.6 million, up from about 4 million in 2010. It is clear from the RSA’s own work that the pull factor is bringing more people into self-employment; there is not just a push factor. On the back of that, it is important that we welcome the Chancellor’s announcement on abolishing class 2 national insurance completely, to simplify the tax system for the self-employed.

The Chancellor also talked a lot about productivity, which the Government are absolutely committed to improving. For decades, the UK’s productivity has lagged behind that of other major economies. We need to address that. As a result of the drag from the financial crisis, the OBR has forecast lower productivity in the UK, as the OECD has done in the vast majority of countries. That is why the Chancellor is absolutely right to keep an unrelenting focus on productivity and to take the strong action we need to take to bolster our economy now and for the next generation.

Colleagues should turn to page 61 in the Red Book to see the vast array of activity being taken forward to encourage more investment: lower taxes to boost enterprise, investment in infrastructure, as called for by Opposition Members, and a strong focus on science and innovation, which I believe is vital for the country and certainly for Cheshire.

I join the long list of colleagues on the Government side—and, I hope, Opposition Members, too—who welcome the fact that the Chancellor has set out that business rates will be reduced, which will have a huge impact on many small businesses. Capital gains tax has been cut; corporation tax has been further reduced to 17%. Stamp duty is to be reformed, not just in the residential sector, but in the commercial sector. These are vital steps in ensuring that we improve opportunities for investment. When we drive productivity further forward, it means more jobs and more skilled employment, which, when combined with the national living wage, will lead to higher wages, too.

Siobhain McDonagh (Mitcham and Morden) (Lab): Is the hon. Gentleman aware that, as a result of the introduction of the living wage, most high street chains and supermarkets will cut their long-term staff salaries?
David Rutley: These are challenging issues. Clearly, there needs to be discussion between the employers and employees. The Government have made it clear that they will name and shame to highlight the organisations that are not going forward with the national living wage. We will have to wait and see, but it is a positive direction that the Government have set out, providing real opportunities to grow wages further beyond the 2% that we have seen in the last year.

The key to the long-term economic plan and the rebalancing of the economy is to ensure that we rebalance geographically as well. This Chancellor and this Conservative Government have set out a very clear narrative for the north—the first in decades. As with the long-standing challenges with productivity, we need to measure our expectations of what can be achieved now, and we should be resolutely ambitious about what can be achieved in the future.

The Treasury analysis of the opportunities from rebalancing the economy and putting more focus on the north suggests an additional £56 billion going into the northern economy over the next 15 years. That is a prize worth having and a prize in which this Government are willing to invest. Of course the Chancellor and this Government have championed city deals and growth deals across the country, particularly in the northern powerhouse, and they have done the same today. This is a fundamental part of the Government’s reform agenda.

Local leaders and local partnerships are creating strategic partnerships, which are empowering a new scale of activity that is required to achieve the growth across the country that we want to see. Ambitious measures are being taken forward. For example, the creation of a northern transport strategy is vital. Within just two years, we have seen a fundamental transformation of our ambitions for the north—not just economically, but in terms of civic renewal.

Transport for the North will be put on a statutory footing, with a £50 million budget to 2020. There will be smart ticketing across rail services in the north, with £150 million promised for faster and more frequent train services with greater capacity. Strategic investment in High Speed 2 will have a huge impact on Crewe and Cheshire East, as well as on the north-west as a whole.

Today we heard more from the Chancellor about better links among the individual cities of the north that need to get better connected. That includes trans-Pennine rail services, better road links and making the M62 a smart motorway. There is talk now of building a case for a trans-Pennine tunnel between Manchester and Sheffield. These are fundamental and ambitious schemes. They are not just about Government funding, because private investment is being leveraged in as well. It is fantastic to know that Manchester airport has now just two years, we have seen a fundamental transformation of the country that we want to see. Ambitious measures are being taken forward. For example, the creation of a northern transport strategy is vital. Within 4.32 pm

Chris Evans (Islwyn) (Lab/Co-op): When the Chancellor of the Exchequer was appointed to his post nearly six years ago, he was faced with several challenges: a record deficit, an increasing number of welfare claimants, and the fallout from a banking crisis of a scale that had not been seen since the 1930s. Along with each of those challenges, the Chancellor was faced with an opportunity. He could have reformed the tax system and got the terms of welfare forever, and restored confidence to our banking system. However, he wasted each of the opportunities that accompanied those major challenges.
For a start, the Chancellor failed to tackle the deficit by 2015, although in 2010 he had confidently predicted, at the Dispatch Box, that he would. The plan, we were told then, was to start paying off the national debt by the end of the last Parliament. In the emergency Budget statement that he delivered to the House on 22 June, he went so far as to claim:

“The formal mandate we set is that the structural current deficit should be in balance in the final year of the five-year forecast period, which is 2015-16 in this Budget.”—[Official Report, 22 June 2010; Vol. 512, c. 167.]

Here we are at the beginning of 2016-17, and the budget deficit stands at £72.2 billion. Now the Chancellor tells us, in all hope, that he will turn that into an absolute surplus of £10.4 billion in 2019-20. It is Cheltenham week, and I wonder who will win the wager that he will achieve that.

The only conclusion that can be reached is that austerity has failed to produce the growth and the tax receipts that we need if we are to end the deficit and begin to pay off the national debt. I believe that there are two solutions. We need tax reform in the short term to ensure that tax is collected efficiently and effectively, and we need to increase radically long-term investment in new and emerging businesses. The Chancellor is intent on cutting public services by £8.1 billion by 2020-21, but what is he doing to ensure that the large multinational companies that do business in our country pay their fair share of tax? Is it fair for a small business to face demands and eventual court action for non-payment of tax while a corporate giant like Google can negotiate with HMRC? Of course it is not.

The cases of Google and Facebook demonstrate that corporation tax has had its day. The UK Government raise about 7% of their revenue from corporation tax, but much of that would be collected as income tax on dividends even if corporation tax did not exist. Taxing companies locally on a fraction of their worldwide income calculated by reference to their domestic activity could be one solution to this issue. Alternatively, the Government could be bold and radical and abolish all tax incentives and other loopholes, making it almost impossible for anyone to avoid paying their fair share of tax.

The Chancellor should look at ways of spreading wealth to the regions that are traditionally reliant on the public sector, such as the north-east, Northern Ireland and, yes, Wales. As someone who travels across the Severn bridge on a weekly basis, it would be churlish of me not to welcome today’s announcement of the halving of the Severn bridge toll. However, I must qualify my welcome by saying that I wish the proposal had been for the maintenance-only toll for which my hon. Friend the Member for Newport East (Jessica Morden) has been campaigning for years. We look forward to hearing the details, but I really wish that, rather than the cut being introduced in 2018, businesses could benefit from it this evening or tomorrow.

HMRC estimates that in 2015-16 there are 3,000 additional rate taxpayers in Northern Ireland, 4,000 in the north-east and 5,000 in Wales. In Wales, additional rate taxpayers pay £302 million in income tax. I urge the Government to look at regional tax rates tailored to encourage people to start up businesses in areas such as Northern Ireland, Wales and the north-east. That would also encourage wealth creators to relocate to those areas.

However, tax reform will go only so far towards paying down the deficit. Whether the Government like it or not, they have to put their money where their mouth is. In the future, we will face challenges ranging from ageing to climate change to antibiotic resistance, and it will be our researchers and innovators who are at the forefront of sustaining our way of life, as the hon. Member for Macclesfield (David Rutley) has just mentioned. We have a responsibility to safeguard both the quality and the productivity of our science base to ensure that we are in a position to meet those challenges.

In our increasingly knowledge-based economy, the pursuit of excellence in research and innovation will be at the heart of effective strategies for sustainable growth, increased productivity, competitiveness and the creation of high-value jobs. This is the nation that broke the Enigma code and discovered DNA. Our competitors across the world recognise the value of the knowledge economy and are investing heavily in science, technology, research and education. If we want to remain world leaders in tomorrow’s knowledge economy, it will not be enough to ring-fence the science budget. We need to increase it and invest more in it.

I turn now to the final challenge. Despite being given a mandate to reform welfare, the Government have failed to grasp the problem. Focusing on jobseeker’s allowance, they have peddled the myth that most of the money goes on unemployment or incapacity benefits. In fact, 47% of UK benefit spending—£74.22 billion a year—goes on vital state pensions, which is more than the £48.2 billion that the UK spends on servicing its debt. That is followed by expenditure on housing benefit of £16.94 billion and on disability living allowance of £12.57 billion. Jobseeker’s allowance is actually one of the smaller benefits, with £4.91 billion being spent in 2011-12, an increase of 7.6% on the previous year. We can no longer tinker around the edges of welfare reform. The budget is getting too huge. We need a cross-party report that all the major parties can sign up to—a modern-day Beveridge report, if you will—to seek solutions to how benefits can be delivered in a way that reflects the modern world.

Nothing rouses the anger of the British public more than banks. Following the financial crash of 2008, banking reform was at the top of the agenda. Sadly, this Government have been found wanting. Just this week, HSBC announced plans to close its local branch in Risca in my constituency. Already, hundreds have signed a petition expressing their anger at the closure. On four occasions over the past five years, HSBC has threatened the Government that it will leave this country, yet it does not even think it important to consult the local community before closing a branch.

The Financial Conduct Authority launched a review into banking culture, but it has now been scrapped, despite the fact that customers and taxpayers are still paying the price for the failed culture in the banking sector that has been widely attributed to be one of the main causes of the crash and the scandals over LIBOR and price fixing. We need to introduce competition into the banking sector to finally challenge the dominance of the big six banks. A start could be made with real-time data sharing to help consumers and promote
competition. It is vital that better and more accurate information is shared more quickly and that banks, current account and credit card account data, which are currently excluded, should be shared if consumers want them to be. Banks have an incentive to stop those improvements. The case is strong for regulation to make safe and effective sharing happen.

As we have seen across the world, such as in the rise of Donald Trump and Bernie Sanders in America, the public desperately want change. The Government’s response, which has been the same since they were elected, is business as usual. To people all over the country, business as usual is just not good enough any more. The system has a sense of inherent unfairness. People who are not on benefits or rich enough to pay their way out of the system are fed up with the same old slogans. They are angry and they want change. This Budget is the latest in a long line of wasted opportunities. In the light of all the evidence, it is time for the Government to rip it all up and start again.

4.41 pm

Mr Jacob Rees-Mogg (North East Somerset) (Con): In broad terms, the Budget is extremely welcome. It continues the extremely sensible policies that the Chancellor set out as long ago as 2010, the essence of which is on page 127 of the Red Book, which sets out receipts and expenditure as percentages of GDP. Tax receipts will run at 35.7%, 36.3%, 36.9%, 36.9% and 37% of GDP over the next few years, which is in accordance with the normal long-run averages. Only in the highest years of tax receipts, going back to the 1970s, has taxation in this country managed to get as high as 38%. That sets out a limit for public expenditure if there is to be a balance, which it is obviously important to achieve when the economy is going well. We therefore see that public expenditure will be managed in line with the receipts that will come in, so that expenditure will be less than receipts by the end of the period.

That is absolutely what the Chancellor promised all those years ago when he said that he would mend the roof when the sun was shining. A glimmer of sun has come through the clouds of international crisis and the Chancellor has been busy on his ladder fixing the roof with his nails, his hammer and his wood. The process is now nearing completion, for which he deserves a great deal of credit.

Turning to the details of the Budget, the Chancellor also deserves much credit for his reforms of corporate taxation. It was Napoleon who first called us a nation of shopkeepers, and I noticed that the Chancellor quoted Napoleon in his speech. That may say something about his European ambitions, with which I am in less agreement, but we are indeed a nation of shopkeepers. Reducing the burdens of rates, VAT and bureaucracy is only to be welcomed and is thoroughly desirable. Ensuring that multinationals pay taxation according to law is also desirable, but it is always worth remembering that tax avoidance is perfectly legal. If tax is being avoided, it is for this House to change the law so that tax must be paid. It is not some moral virtue to pay more tax than the law requires, so removing loopholes is to be much commended.

I fully support the broad thrust of what the Chancellor is doing. He has got it right, and most of his tax measures are welcome, particularly his changes to personal taxation, an area in which I would like him to go further. Having made £8 billion from cutting the top rate of income tax from 50p to 45p in the pound, he should go further in an exuberant, Laffer-like fashion and cut it back to the rate at which Gordon Brown had it throughout his period as Chancellor.

The area with which I find the most disagreement is found on page 19 of the Red Book, which sets out the economic opportunities and risks linked to the UK’s membership of the European Union. [Interruption.] I am delighted that the nationalists, who so crave independence for themselves, none the less wish to be shackled to the European Union—it is one of their idiosyncrasies that many of us find so charming. If I may, I will deal with that extraordinarily tendentious page, strewn with errors, overstatement and over-egg the pudding. Let us start with the very first line, which states:

“Membership of the EU has increased the UK’s openness to trade and investment”.

That is entirely disputable. In fact, all our membership has done is put us in a customs union with very high levels of regulation and a high external tariff. The tariff on dairy products coming into this country is 42%, much to the disadvantage of our friends in New Zealand. So EU membership has not made us more open; it has closed us to some areas.

Page 19 continues with the statement:

“The UK’s full access to the single market...clearly increases the openness of the British economy”.

There is a word for that, and it is “balderdash”. What access to the single market does is put the dead hand of regulation on the 95% of British businesses that never trade with the continent. They are suffering from that regulation, and their business is made harder to do. This has nothing to do with openness; it is to do with burdens.

Then we get to a bit that I think shows the Chancellor’s wonderful and sophisticated sense of humour. He says:

“At the February 2016 European Council, the Prime Minister secured a new settlement for the UK in a reformed EU.”

It has to be said that the EU was most certainly not reformed at that Council, and our settlement in it was so small as to be hardly noticeable. At the same time it gave away our ability to veto any treaty for fiscal union to follow the monetary union. We said we would do nothing to obstruct that, so we gave away our strongest negotiating hand for nothing—for thin gruel.

Jim Shannon: It is always a pleasure to listen to the hon. Gentleman’s contributions in the House—we enjoy them very much. Does he agree that one thing the Prime Minister did not secure was anything for the fishing sector, and that he also secured very little for the farming community? Does he agree that the Prime Minister should have tried to get a settlement with those two things at the forefront of his agenda, to try to achieve things for those sectors? Those were just two sectors that he neglected.

Mr Rees-Mogg: I agree with the hon. Gentleman entirely that fishing and farming—the common fisheries policy and the common agricultural policy—are two of the great disasters of the European Union. The fact that they are not reformed and take so much of the budget—40% in the case of agriculture—is a considerable disgrace.
Mark Pritchard (The Wrekin) (Con): I was listening to my hon. Friend and waiting for farming to come up. Is he aware that the National Farmers Union in Shropshire and the NFU nationally want to remain in the EU, believing that being an active member of the EU is actually very good for British farming?

Mr Rees-Mogg: Oh great panjandrums, all with glee, merrily gather to support the Government, in the hope of their knighthoods, their peerages and so on. But when I speak to Somerset farmers, the finest farmers in the land, I see that they value the independence of their nation above a cheap ride from Brussels. Furthermore, we pay into the CAP almost double what we get out, so our farmers could have more money if we were independent.

Mark Pritchard: Will my hon. Friend give way?

Mr Rees-Mogg: I will not give way again, because I do not get a bonus minute for doing so and I need my minutes in this particular debate.

I want to get on to the third paragraph on page 19 of the Red Book, which talks of the “profound economic shock” that would be created by leaving. There is the over-egging of the pudding to which I was referring. The OBR is characteristically measured, saying that in the timescales with which it deals it is not possible to model any changes from leaving the European Union, but the Red Book says otherwise. It states that there will be years of uncertainty, but that assumes that our partners in Europe will lie and cheat. But they are our friends, or so the Government will have us believe, and article 50 of the treaty on the functioning of the European Union provides for a very straightforward two-year process for extracting ourselves, which my right hon. Friend the Prime Minister has said he will exercise if Brexit is successful. Again, what the Red Book says is exaggerated, wrong and bordering on the hysterical. It then goes on to talk about the single market in services, but that has still not been completed. It was something the Prime Minister was arguing for and did not get in the rather hopeless renegotiation he tried in Brussels. Furthermore, we pay into the CAP almost double what we get out, so our farmers could have more money if we were independent.

I want to finish with one point on which I disagree with Her Majesty’s Government even more than I do over Europe—[Hon. Members: “Surely not!”] Surely, yes. I am talking about the outrageous proposals to bring my county of Somerset under the yoke of Bristol in this devolved metro Mayor system that none of my constituents want. We admire Bristol. We think Bristol is a fine and fabulous city, but it does not need to have Somerset money to subsidise it. It can live off its own. We tried all this with Avon. What Avon meant was that Somerset paid and Bristol spent. I am glad to say that the unitary authorities of the west of England area—what used to be known as Avon and will be Avon again if the Government have their way—will each individually be able to vote down this proposal. I will urge councillors in north-east Somerset—I know that councillors in north Somerset have previously rejected the same idea—to stand firm and not be bullied by the Government. They should not be seduced by £30 million a year, which is considerably less divided by four than the cuts that they have successfully implemented over the past six years. They must be bold and independent. I want independence for my nation, and I want independence for my county.

Alison Thewliss (Glasgow Central) (SNP): Join us!

Mr Rees-Mogg: I am not Scottish; otherwise I hate to think what I might be saying in that regard. I am a Briton, and I am for the Union because my country is the United Kingdom. I want freedom for the United Kingdom and freedom for Somerset. I say no to devolution and no to European tyranny.

4.52 pm

Alison McGovern (Wirral South) (Lab): A “Just say no” speech then from the hon. Member for North East Somerset (Mr Rees-Mogg)?

I want to begin my comments not from where the hon. Gentleman finished his speech, but from where he began when he read out the figures that will get us to the promised surplus, which, according to the Chancellor ages ago, we should have reached. He said that we will get to the “sunlit uplands”, or, in the words of that great song: “The sun will come out tomorrow.”

However, there is a pretence. The Chancellor is not the austerity iron Chancellor that we have been led to believe he is. He is a rule-breaking, U-turning, target-missing chancer, who is living on the never-never and who never passes his own tests. That is why I want to make my contribution today not on economics, but on cynicism. I am talking about the cynicism that people in this country will feel when they realise that this is a sham. In fact, my hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) made the point quite well, too. She talked about how people had been promised a living wage, but how, in their pocket, there will be nothing of the sort.

That is not the only place in which the Chancellor has said one thing and done another. He told us that he had three targets in the last Parliament and they were all missed except one—the debt would be falling, not rising, by the end of the last Parliament. Well, it was. Debt was falling, but only because he flogged off some assets to make it so.
Margaret Ferrier (Rutherglen and Hamilton West) (SNP): The Chancellor opened his Budget speech by telling the House that he is acting now so that we do not pay later. The UK is paying in region of £37 billion a year in debt interest alone, greater than the entire Scottish block grant. Does the. Lady agree that although the Chancellor believes that that deficit will soon be eliminated, he has conveniently ignored the massive public debt that has been racked up?

Alison McGovern: I thank the hon. Lady for that intervention. I have asked the Chancellor in this House on a number of occasions whether he believes that he will ever see a surplus, not a deficit, before he leaves the Treasury for the last time. I have never had an answer.

On debt, in the last Parliament we were told that it would be falling by the end of the Parliament and, technically, it was. That was the fig leaf that saved the Chancellor’s shame as he sold assets to ensure that the debt fell. In fact, the OBR made it clear in July that this fire sale would make the difference between debt rising and falling as a share of GDP in 2015-16. What we have heard today is the Chancellor’s most significant next failure, because it finally removes that fig leaf. He has failed all the tests he set himself.

This is not, as I said, about economics. It has nothing to do with whether I think the Chancellor picked the right debt target. This is about what he promised the British people. I ask Ministers not to deal so lightly with the promises they make to the British people. The British people deserve better than that.

On the deficit, we should be cynical about the Government’s claims. They swept to power in 2010, saying that they could easily close the budget gap in one Parliament. It has not taken them one and it looks set to take them two, but here is the detail we can see in the Red Book. My hon. Friend the Member for Nottingham East (Chris Leslie) said earlier that these were heroic assumptions, and they are, because 60% of the surplus the Government say that they can get comes from just changing the timing of corporation tax arrangements. This is a fiddle and a fix and the British people will be deeply cynical of a Government who come to this Dispatch Box and say that they have fixed the roof while the sun shone when they have done nothing of the sort. Why should we ever believe them again? They have breached the welfare cap that they said they would stick to; they lost our credit rating.

I have set out why we should be deeply cynical about what the Chancellor said today. It gives me no great pride to encourage people to be cynical about what politicians say; our democracy is one of the best in the world and people should be able to believe what we say. However, worse than what the Chancellor did say was what he did not say. He left out of today’s Budget some profoundly important subjects. First, on banks, would the Chancellor sweep to power in 2010, saying that they could easily close the budget gap in one Parliament. It has not taken them one and it looks set to take them two, but here is the detail we can see in the Red Book. My hon. Friend the Member for Nottingham East (Chris Leslie) said earlier that these were heroic assumptions, and they are, because 60% of the surplus the Government say that they can get comes from just changing the timing of corporation tax arrangements. This is a fiddle and a fix and the British people will be deeply cynical of a Government who come to this Dispatch Box and say that they have fixed the roof while the sun shone when they have done nothing of the sort. Why should we ever believe them again? They have breached the welfare cap that they said they would stick to; they lost our credit rating.

I have set out why we should be deeply cynical about what the Chancellor said today. It gives me no great pride to encourage people to be cynical about what politicians say; our democracy is one of the best in the world and people should be able to believe what we say. However, worse than what the Chancellor did say was what he did not say. He left out of today’s Budget some profoundly important subjects. First, on banks, would the Chancellor have a single word from the Chancellor about the WASPI campaign, despite the fact that my hon. Friend the Member for Pontypridd (Owen Smith), the shadow Secretary of State for Work and Pensions, generously proposed cross-party arrangements for transitional payments to those women.

On the NHS, I am equally worried. There was no mention at all of record deficits in the NHS. We should be worrying about not just the budget deficit that but the deficit in trusts up and down the country that make me fearful about whether we can keep the doors of A&Es open. People believed the Tories when they mounted that NHS campaign. They believed that they had changed. I think we know now that they have not changed at all.

On that subject, the Chancellor made not a single mention of child poverty today. When the Tories backed the Child Poverty Act in 2009 and 2010, did any of us really think that just five years later, they would try to rip it from the statute books? Did any of us think that politicians could be so cynical as to turn their backs on children in poverty—to tell parents they were going to get a national living wage but remove the support, through the social security system, that goes to families that makes sure no child in our country is poor? I really do not think the British people thought that when the Tories told them they had changed, they would so quickly turn their backs.

I believe it is a disgrace that the capital gains tax cut that will hand out money to the rich is worth more than the pledge that the Tories have made on childcare. Even though they came to the country in May and said, “Never mind what the Labour party has done, providing support for childcare for the first time in our country’s history; we can better that,” at the first opportunity, in their Budget, they are prepared to spend more money on making rich people richer than on helping get families to work. That is a disgrace, and it will make people wonder what they voted for.

I am sorry to make a speech not about the economics, or about whether we should invest, or about what particular part of our economy could improve its productivity. I am sorry not to be here talking about the brilliant opportunities our country has, whether they are in science, or in our young people’s learning and the businesses they will run in future. It pains me that our democracy is reduced to this kind of spin. But the Chancellor, unfortunately, has given me no choice. I read that Red Book and I remain very cynical.

5.1 pm

Mr Alan Mak (Havant) (Con): I support this Budget. It puts the next generation first, it gets Britain fit for the future and it protects our economy against the numerous economic headwinds in the global economy. It is a Budget that is good for Britain and that is good for the Havant constituency.

This Chancellor has presided over the fastest-growing economy in the developed world. The deficit has been cut by two thirds and we have low and stable inflation and interest rates, and record employment. In my constituency, the number of jobseeker’s allowance claimants has fallen by over 50% since 2010. To put it simply, the long-term economic plan is working in this country.

Those strong fundamentals are all the more important in a world where the economic headwinds are facing our country. Asia faces a slowdown, the eurozone suffers from systemic weaknesses and the middle east and
north Africa still face elements of turmoil. Those are real and credible threats to our economy, and this Chancellor has presided over a resilient, strong and growing economy.

But at the heart of our economy are not just numbers and statistics, important though they are. What is at the heart of our economic success story since 2010 is people—hard-working individuals, families, entrepreneurs, savers, strivers; all the great people we see in the towns, villages and cities represented across this House. All those groups are helped by the Budget. I particularly welcome the rise in the tax-free personal allowance to £11,500 by April 2017. That is a tax cut for 31 million hard-working people and helps them keep more of the money that they work hard to earn and save.

The higher rate threshold for income tax is also rising to £45,000, which will mean that middle-income earners in the Havant constituency and across the country will benefit. It is actually a £400 tax cut for those taxpayers. I also welcome the fact that fuel duty is frozen for the sixth year in a row, and as Members know from the Chancellor’s speech, that is a £270 duty cut for every business and a £75 cut for every driver. That will help the manufacturing businesses, the drivers and the hauliers in my constituency, at Langstone technology park, at New Lane and beyond.

Havant is also home to a wide range of small businesses and entrepreneurs—self-made people, who are the backbone of our local economy. Whether those people are in Hayling, Havant, Emsworth, Bedhampton or any other part of the Havant constituency, the small business reforms in this Budget will help them to make a more secure and prosperous future for themselves.

I declare an interest and refer the House to my entry in the Register of Members’ Financial Interests as the founder of two small businesses. I am a passionate supporter of small businesses, both in my constituency and across the country. For that reason, for example, I launched the first-ever Havant small business awards, and I welcome the support that Ministers have given me in doing that.

Small businesses in my constituency and self-employed people in Havant and across the country will benefit from the reforms announced by the Chancellor today. I particularly welcome the fact that corporation tax will be cut to 17%. That will support massive job creation both in my constituency and across the country. I welcome also the permanent doubling of the small business rate relief and the increase in the maximum threshold for relief. That means that 600,000 small business across the country will no longer pay any business rates at all. That is a welcome move for our economy at a critical time in our recovery. I welcome the abolition of national insurance for self-employed people. That is a £130 tax cut for the 3 million self-employed people across our enterprise nation in my constituency and beyond.

All the measures that I have mentioned and all those announced by the Chancellor this afternoon will help to attract new businesses to the Havant constituency. We are very lucky to be going through a period of rapid regeneration in Havant and I look forward to welcoming new businesses to Market Parade, Dunsbury Hill Farm, the Solent retail park and Langstone technology park. All those areas of strong economic activity will be booming as a result of the Chancellor’s Budget today.

Not only will the measures announced in the Budget help my constituency, but they will help this Government reach one of their major targets, which is to get our country into the top five in the world for doing business. We are already up to sixth place in the world in the World Bank’s ease of doing business index and in second place in the global innovation index, ahead of our major competitors, Germany, France, Japan, Australia and all the other countries that we are running against in the global race for success. Today’s Budget is welcome for small businesses, the self-employed and our country in the global race for success.

Finally, I draw the attention of the House to the measures in the Budget that help young people. This Budget truly puts the next generation first. I wish to highlight three measures in particular—first, the lifetime ISA, which will encourage a new generation of savers. As Hon. Members will have heard in the Chancellor’s speech, for every £4 that a young saver under 40 deposits in a bank, the Government will top that up with another £1. That is good news for savers under 40, whether they are new graduates, apprentices, young professionals, young entrepreneurs or anyone who has just started a family. That will be a welcome top-up, helping to boost our savings culture across the Havant constituency and across the country.

Secondly, I welcome the Chancellor’s commitment to fairer school funding. Hampshire has traditionally been an underfunded local authority. I look forward to responding to the Government’s consultation. Many of the schools in Havant have received good Ofsted ratings in the past year, such as Purbrook Park School, Havant College, Havant Academy and Crookhorn College. Those schools will be helped by the increase in funding and I look forward to working with the Government to ensure that we get our fair share in Hampshire. The increased funding for schools in Havant will mean that social mobility is increased. As we run the global race for success, the most important thing we can do for our young people is give them a fantastic education. In the global race for success we cannot afford to leave behind the talents of any young person, and I am delighted that the increased funding that we will receive in Havant for our schools will help our young people achieve their potential.

Finally, I welcome the sugar levy. Before I came to this place, I had the pleasure of being involved as a trustee of one of Britain’s leading school breakfast club charities. I know that the hon. Member for Ilford North (West Streeting), who is no longer in his place, has supported the same charity. Together we have been working with some of Britain’s most deprived communities to try to tackle the obesity issues that some of those communities face. I look forward to the sugar levy playing a role in that. Encouraging more school sport and healthier lifestyles for young people is one of the benefits of this Budget.

In conclusion, this is a Budget that has strengthened Britain’s prosperous economy and boosted Britain’s opportunity society, helping our country get fit for the future. Because of those tough decisions that the Chancellor has taken, we have strong public finances, a growing economy and an entrepreneurial mindset. These Budget
measures reinforce the success that this country has achieved since 2010. I particularly welcome, as I mentioned, the tax cuts, the lifetime ISA and the fairer school funding for Havant and other communities. I therefore join other hon. Members and the Chancellor in commending this Budget to the House.

5.9 pm

Tim Farron (Westmorland and Lonsdale) (LD): My party—the Liberal Democrats, or those of us who are left—still feel very proud of the part it played in getting this country this far. The Chancellor said he wanted to abolish the Liberal Democrats, and given that he has failed to meet every other Budget target, that is the best news I have heard in months. In his more generous moments—I am sure he has some—he will acknowledge that Britain is in a stronger economic position today because of the choices we made.

Britain is now at a crossroads. The structural deficit will be gone next year, so the Chancellor is choosing to make unnecessary cuts to meet an unnecessary target. It is his choice to remove support from people with disabilities. It is his choice to cut universal credit. The Liberal Democrats got this country to the crossroads, with the Government now, but the Chancellor has chosen the path into the mire.

An awful lot of what the Chancellor said today we have heard before: big promises from the Dispatch Box that are never met—less long-term plan, more short-term scam. This is a microwave Budget reheated again. We have transport projects delayed and abandoned, and housing projects stalled and unfunded.

Not only are flood-hit communities such as mine left desperately holding out their hands for urgent support, but the Chancellor is asking flood victims to pay, through their premiums, for the defences he should have built in the first place. Actions speak louder than words.

The cost to Cumbria of the infrastructure destruction from the floods in December is £500 million—the Government have given £2 million. The main road that connects the whole Lake District is still closed. Never mind that it costs small businesses and big businesses across the Lake District £1 million every day the A591 is shut—this Government care little about the north. They will make grand announcements, but they will achieve nothing.

Not a penny of the £125 million in EU solidarity funding the Government were dragged kicking and screaming to apply for has been dedicated today to the north or to any of the communities that are reeling and recovering from the floods that hit us in December. There has been no mention at all of fully funding any of the flood relief projects mentioned in the Chancellor’s speech.

The Chancellor says that this is a Budget to help young people. He says he wants to increase the length of the school day, but what good is a longer school day when there is no one at the front to teach? Those of us who do not have tens of thousands of pounds to send our children to private schools have more sympathy for those working in the state sector—more sympathy for the teachers who teach our children. I do not want my children’s teachers to be put under ever greater pressure. I want more teachers. I want them to be paid a fair wage. I want them to have the time and the space to create, to inspire and to teach. If the Chancellor wants schools to lengthen the school day, he must give teachers the money they need to do that properly.

This is a repeat of the seven-day-a-week NHS. What the Health Secretary is doing to junior doctors, the Chancellor now wants to do to teachers—teachers who are underpaid, overworked and undervalued by the Government. Every school knows that there is a massive recruitment and retention crisis, which is absolutely and totally ignored by the Chancellor.

Mr Mark Williams (Ceredigion) (LD): As a former teacher, I agree very much with what my hon. Friend says. How will the drive towards academies enhance teacher confidence and, indeed, standards in schools?

Tim Farron: My hon. Friend makes an excellent point, based on real, first-hand experience. We know that the drive to compulsorily move all schools to academies is about centralisation, not localisation; it is about rearranging the deck chairs, making life harder for headteachers and teachers, and listening to special advisers, rather than teachers. It is hugely damaging for our educational system and our children.

The fundamental problem in schools across the country at the moment is the recruitment and retention crisis, and the Government are today choosing to put teachers under extra pressure. Instead, the Chancellor should pay our teachers more.

Perhaps the Chancellor knows young people who have the ability to save £4,000 a year, but I do not, so let me enlighten him: the lack of an ISA scheme is not the reason young people are not saving; it is the debt and soaring house prices that he is heaping on them.

This Chancellor’s ambition is not to devolve power but to devolve debt. His decision on business rates is a good one for business and one that we have been calling for, but he refuses to pay for the devolution of business rates, and that will be disastrous for the communities in which these businesses are located. He is moving his tough decisions on to local government. Social care, local transport and rubbish collections will all be under much greater threat. With his changes to public sector pensions, our schools and hospitals face a further bill of £2 billion. That is a stealth tax on education and health—not a headline for the Chancellor but a massive headache for headteachers, doctors, and nurses.

This is the Chancellor’s sweet and sour Budget. He makes bold claims that never materialise, masking real pain. There is no serious immediate investment in transport, broadband, housing or green energy, just far-off plans that exist only on a Whitehall spreadsheet—plans written by political advisers no doubt high-fiving each other in the boardroom over grand announcements that will never actually materialise, ignorant of their impact on real people.

The Chancellor talks about fixing the roof when the sun is shining. There are 0% interest rates. The sun is shining yet he chooses to knock holes in the roof. This would be the moment to be ambitious and to invest in the infrastructure for the long-term economic future of our country. On the one side, we have a Government choosing to attack the very fabric of our communities, and sadly, on the other, an Opposition too focused on themselves to be able to stand up for the real people in
this country. We owe our constituents, and we owe Britain, better than this. It is time that we had a Government who showed a little more respect to the people in this country who care for us, who teach our children, and who keep us safe. Britain deserves better.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the next speaker I am going to have to drop the time limit on speeches to eight minutes, with immediate effect.

5.16 pm

Robert Jenrick (Newark) (Con): I rise to support today’s Budget. Early in the life of the previous coalition Government, the Chancellor chose to address four central pillars: first, making addressing the deficit mission-critical to this country; secondly, reducing taxes on businesses and individuals by as much as we can afford, given the poisonous legacy of the previous Labour Government; thirdly, investing in the infrastructure and skills that we need to position the United Kingdom for success in the future; and fourthly, cutting the size of government and repositioning ourselves as a competitive economy driven by the private sector so that all of us, and all our children, can face the future with confidence.

Those principles have served the Chancellor well and served my constituents in Newark and Nottinghamshire well, and we heard him address them again today. Let me deal with each in turn. First, on addressing the deficit, the Chancellor continues to make this difficult task mission-critical to himself and to the Government. I was delighted to hear that he remains committed to producing, and is on target to produce, a surplus at the end of this Parliament. It came as no surprise to me to hear that had a Labour Government won the general election in 2010, we would have been £930 billion more in debt. There would have been £930 billion more cumulative borrowing if we had followed Labour’s plans. Though the task ahead remains difficult, we all know what the alternative would have been.

It is rare that I compare the Leader of the Opposition to one of my heroes, Ronald Reagan, but today he reminded me of one of my favourite Reaganisms when the late President said:

“I’m not worried about the deficit—it’s big enough to take care of itself.”

It is not too large to take care of itself—it has to be the central objective of this and any future Government. I am one of those MPs who would place a deficit or national debt clock on a wall of the House of Commons instead of our current one so that all Members and all Chancellors could remember how important it is. Nevertheless, the deficit is falling.

I strongly welcome further, fairly modest, efficiency savings in Government Departments. Anyone who has worked in a business knows that each and every business, like every Government Department, can and should constantly be looking to make modest and sensible efficiency savings. The Department in which I have a small involvement, the Ministry of Justice, is looking to deliver 50% savings in its back-office functions while delivering—I think to almost universal applause across the House—an important and, I hope, successful reform agenda in our prisons and justice system. That can and must be done.

We have to remember that we are not primarily reducing the deficit through such savings. By the end of this Parliament, we will be spending more every year than was spent in the last year of the last Parliament, and there was a rise in public sector spending in the last Parliament. The deficit is falling—and it will continue to fall—not primarily through spending cuts, but through increases in tax revenues from a more prosperous and growing economy, which is being delivered by this Government.

When it comes to reducing taxes on business and individuals to the extent we can afford, given the economy we inherited, I strongly welcome the further reductions in corporation tax. In April 2020, it will be extraordinary to have a highly competitive international corporation tax rate of 17%, compared with 28% when the coalition Government took office.

I welcome allowances for new entrepreneurs and those of our constituents who take part in Airbnb, eBay and Uber. They are the vanguard of free enterprise—the hard-working men and women of this country who are going out there, using disruptive technologies, providing good services for consumers and trying to make a living for themselves. They should be, and are being, supported by this Government.

As a Member of Parliament who represents many small market towns, I also welcome changes in small business rate relief. More than 50% of my constituents who are of working age work in small and medium-sized businesses, so that is extremely welcome.

Contrary to comments made by a couple of Opposition Members, I also welcome the reduction in capital gains tax, which was high in this country by international standards. Although it was low for entrepreneurs who made use of, for example, the entrepreneurs’ allowance, it needed to be reduced to make this country competitive. That is not a tax cut for the rich; it is a tax cut to drive investment in small, medium and large businesses in this country, to create jobs for all of our constituents. Some of our competitors—this country’s real competitors—such as Singapore have 0% capital gains tax. This essential change will make sure that we remain a highly competitive country and back the productive parts of our economy, by which I mean not those people who speculate on buy-to-let properties, but those who use their post-tax income to invest in businesses to create the jobs of the future.

On investing in infrastructure, I welcome further investments to drive the productivity that this country desperately needs. In particular, I welcome the major announcement in the Red Book that the Chancellor will bring forward the feasibility study and planning for a major £150 million bypass around Newark. I cannot imagine why anyone would want to bypass Newark—a surprisingly large number of Members have come to know Newark over the past few years—but that will address the appalling gridlock there and make a huge difference to my community. Investment in flood defences is also very important for us in Nottinghamshire, building on previous investments in the past.

Last week I visited a business in Newark that has 1,400 employees and a turnover of £150 million but only one apprentice, so the apprenticeship levy will
make all the difference. That company is already planning the way in which it can build on its record and create new apprenticeships, which is highly welcome.

I also welcome the tax break for museums; I played a small part in persuading the Chancellor to do that. It is designed not to help the big national museums in the likes of London, but to give them extra resources and incentives to get out of London and take culture to the regions, provinces and rural areas of the United Kingdom where people of all incomes, particularly disadvantaged people, do not have the same access to arts and culture as those who have the privilege of living in central London. That will make a huge difference in creating the cultural powerhouse that we all want the Midlands and the north to be in the future.

I strongly support today’s Budget. It builds on the Chancellor’s very strong track record on the four pillars I have mentioned, and continues to reduce the size of government and to back free enterprise and private businesses to build the jobs and investment of the future.

5.24 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Diolch yn fawr Iawn, Madam Deputy Speaker. It is a pleasure to speak in the debate, and to respond to the Budget on behalf of Plaid Cymru. Of all the commentary I have read in the weeks leading up to the Budget, the piece that far more struck a chord with me was the article by Paul Mason in The Guardian. As we are all aware, the economic skies are darkening, and the Chancellor admitted as much in his statement. In my view, we are in the third stage of the great recession that hit the global economy in 2008. First came the banking crash in 2008, followed by a crisis in the eurozone, and now we face a major slowdown in the emerging economies, which will prove to be a massive headwind for the global economy.

It is no wonder, therefore, that the Chancellor’s prognosis is far darker than that in his autumn statement of only a few months ago. If a week is a long time in politics, three months is clearly a very long time in economic forecasting. In the OBR’s report, the very first point in the executive summary, point 1.1, states: “In the short time since our November forecast, economic developments have disappointed and the outlook for the economy and the public finances looks materially weaker.”

That sums up this Budget in one small point. The Chancellor’s economic strategy since 2010 has been built around monetary expansion by the central bank to counteract his fiscal contraction. The major consequence of that has been a failure to rebalance the economy on a sectoral basis. We are even more reliant on consumer spending than we were before 2008; it accounts for two thirds of UK GDP. We are also facing another obvious bubble in house prices.

What we needed in the Budget was an emphasis on exports and business investment. Exports, according to the BBC in the lead-up to the Budget, are 6% down on 2014. Chart 3.35 of the OBR report forecasts that exports will be 36% lower than the UK Government’s aspiration in the 2012 Budget of an increase in their cash value to the trillion by 2020. Thirty-six percent below projections is an incredible figure. Business investment, according to the OBR, fell by 2.15% in the last quarter of 2015, and EEF, the manufacturers’ organisation, notes that investment confidence is plummeting. Productivity is chronically low compared with that of G7 competitors, and it is a staggering 18% below pre-recession levels. The trends have again been reversed downwards by the OBR today.

According to Credit Suisse, wealth inequality continues to grow, despite growing evidence that tackling inequality is an economic growth driver.

Margaret Ferrier: The Chancellor stated that the richest 1% are paying 28% of all income tax revenue. What he did not mention is that 26 pence in every £1 of wealth created went to the richest 1%, while only 7 pence went to the poorest 50%, or that the richest 1% increased their collective wealth by 79% over the last 15 years. With that in mind, does the hon. Gentleman agree that the Chancellor was talking nonsense when he said “inequality is down”?

Jonathan Edwards: I am extremely grateful to the hon. Lady for her intervention. We saw today tax measures that will exacerbate those growth inequalities, as highlighted by the former shadow Chancellor, the hon. Member for Nottingham East (Chris Leslie), in his contribution, which was fantastic, if I may say so. The tycoon tax cut in capital gains tax will exacerbate those differences.

That brings me back to Mr Mason. The Chancellor’s biggest crime is that not only has he failed to fix the roof, but he has failed to change the foundations on which the UK economy is built. So much for the rebalancing we were promised. So much for the march of the makers. So much for tackling geographical and individual wealth inequality. The Budget included the much-heralded extra cuts of £3.5 billion in response to the slowdown in projected growth. Those cuts are deemed to be necessary only because of the fiscal mandate and charter, which the Treasury imposed on itself. As we warned at the time, the mandate is a Trojan horse to enforce austerity, and it was very disappointing that Labour party colleagues, even under the current leadership, supported the Tories in the Lobby on that measure. At this point, I should note that even the Institute for Fiscal Studies, in its green budget, was very critical of the mandate and its impact on fiscal policy.

The public continue to be at risk from another catastrophic failure of the banking sector. In my party, we have always maintained that we need to split retail and investment banking. It is interesting that Sir Mervyn King, the former Governor of the Bank of England, and Sir John Vickers, the chair of the Independent Commission on Banking, which was set up following the crash in 2008, have called for greater safeguards and criticised the Treasury for watering down plans to rein in the banks and reduce the risk of a future banking collapse. Given the darkening global economic skies and the possible exposure of London banks to the slowdown in emerging markets, we were very disappointed that there were no measures in the Budget to protect the public from another banking failure.

We are also very disappointed that there was no guarantee in the Budget that Welsh public sector pension assets would be pooled into a Welsh-specific fund for investment in Welsh infrastructure. We have no opposition in principle to the Treasury plans to have five sovereign wealth funds, as it calls them, out of pension assets, but our assets in Wales will clearly be less than the figure
that it has set of £25 billion. Our assets are worth about £16 billion. There are huge dangers for us in Wales if our assets are pooled with an English region, because it would mean a lot of that investment would once again flow out of my country.

The Budget completely failed to secure parity for Wales with Northern Ireland and Scotland on fiscal responsibility. There are full corporation tax powers for Northern Ireland and full income tax powers, as well as powers on airport duty tax, for Scotland. Even Labour in Wales is now calling for the devolution of air passenger duty to my country. On two occasions, I have tried to amend the Finance Bill to devolve the tax, and I will return to that when the Finance Bill is introduced in the House. As we say in Wales, tri cynig i Gymro—three attempts for a Welshman. I hope my Labour colleagues will join me in the Lobby in the next month or so.

The big question is: why does the Treasury continue to treat Wales as a fiscally second-class nation? We need an arm’s length body to deal with such major fiscal and funding issues across the UK. I was very glad to see the recommendations, only yesterday, of the Finance Committee of the National Assembly, under the chairmanship of my colleague Jocelyn Davies, calling for such a body to be set up so that the Treasury loses its ability to manage such vital funding decisions.

We are very happy to see the sugar tax policy in the Budget. I might add that it is a long-held Plaid Cymru policy. It was rubbished at the time by the Labour party and the Conservative party in the National Assembly. We are delighted that our project has become a mainstream one. As always, where Plaid Cymru leads, the other parties will follow.

The announcement on the Severn bridges will gain many headlines in Wales. What the Chancellor neglected to tell the House is that the bridges will of course return to public ownership in 2018. He has in effect announced today the political equivalent of taking a fiver out of somebody’s back pocket, giving them back some change.

Our other big demand in the Budget was to increase infrastructure spending sharply to at least pre-recession levels—the equivalent of 1% of GDP—which is about £19 billion extra per annum for the UK and £1 billion extra per annum for Wales. The lead-up to the Budget was heavily trailed with announcements about projects for the north of England—primarily HS3 and the proposed Manchester to Sheffield road tunnel, but also Crossrail 2. These multi-billion projects only go to show the Treasury’s failure to ensure fairness for Wales in relation to HS2.

The statement of funding policy that came with the comprehensive spending review gave us a 0% rating, whereas Scotland and Northern Ireland both had 100%, which has set a very worrying precedent. I was extremely disappointed that rather than standing up and fighting for our country, the Labour Government in Wales decided to throw in their lot with the Tories on that specific issue, which will come back to haunt us for years to come.

5.34 pm

James Berry (Kingston and Surbiton) (Con): There is much in the Budget that I welcome. Before coming to my main point, I will mention four particular things: measures to reduce childhood obesity; money to tackle homelessness that shames our city and our country; a freezing of fuel duty; and the cutting of taxes for small businesses and corporation tax. I remind Opposition Members, who sometimes make crass political points about corporations being favoured over people, that it is companies that create the jobs our constituents rely on.

I welcome the funding for Crossrail 2. I campaigned in the general election, along with my hon. Friend the Member for Richmond Park (Zac Goldsmith), for Crossrail 2 to come to as many stations as possible in the Royal Borough of Kingston upon Thames. I am delighted that the plans include the intention to come to every station in our borough. Since my election, I have taken every opportunity to make sure this project is realised, but it is certainly not something I or my party have done alone. It has been a cross-party effort, and I pay tribute to the right hon. Member for Tottenham (Mr Lammy), who led the all-party group on Crossrail 2 with real aplomb.

I was delighted last week when the National Infrastructure Commission gave its backing to Crossrail 2. I am even more delighted now that the Chancellor has given it a green light in the Budget. Crossrail 2 asked for two things from the Treasury: funding for the pre-legislative work, and a commitment to introduce a hybrid Bill in this Parliament to allow the project to get off the ground. The Budget has granted £80 million, along with that commitment.

Simon Hoare (North Dorset) (Con): As well as the benefits this project will provide to my hon. Friend’s constituency and constituents, does he recognise that freeing up potential extra capacity in Waterloo station will be of huge benefit for those coming up from the south-west, particularly from my constituency of North Dorset?

James Berry: My hon. Friend is right. This is not just a London project. I heard the cat-calls from Members on the Opposition Benches saying, “What about this or that part of the country?” This is not just a London-centric project. It helps people across the south of England. Anyone coming into Waterloo will see a huge change, with a huge amount of space freed up because trains will be diverted to Victoria. Equally, people living in Hertfordshire and Cambridgeshire will see much better connectivity into London. As always, my hon. Friend is right.

Helen Goodman (Bishop Auckland) (Lab): A recent ONS study of my constituents found that one third had never even been to London.

James Berry: The place my family come from is not far from Bishop Auckland. I hope they take the opportunity, which will be much improved with HS2 and Crossrail 2.

The project is not due to open until 2030. That may seem like a long way off, but we will never get there unless we do this work now. Indeed, for many of my constituents Crossrail 2 cannot come too soon. This morning, if I had not got on the 6.35 am train, I would have been on a packed carriage with many other hard-working local people. They have to pay high train fares to stand in a packed carriage on the way into London. That is just not acceptable. Network Rail’s route study shows that peak time trains from my constituency require 20% extra
capacity just to deal with current overcrowding. By 2043, 60% extra capacity will be needed to deal with additional passengers. That would be a challenge on any route, but it is an impossibility on the south-west route into Waterloo. Network Rail’s analysis is that no further trains can go into Waterloo at rush hour and other peak times. A new route is needed and, as my hon. Friend the Member for North Dorset (Simon Hoare) said, Crossrail 2 will divert trains from Waterloo, through a tunnel currently planned to be at Wimbledon, to Victoria, Tottenham Court Road, Euston, St Pancras and on to Hertfordshire.

Every station in my constituency will be upgraded to a Crossrail 2 station. Every station will have step-free access, which is important for disabled people, people with buggies and those who find it difficult to walk. There are shockingly few stations in my constituency that currently have that kind of accessibility. Overcrowding will be massively reduced. The proposals are definitely needed and I am pleased that they have been included in the Budget. I am not saying that the plans that Crossrail 2 has laid out so far are perfect. A lot more detail is needed. I submitted a detailed response to Crossrail 2’s consultation, as did more than 3,000 of my constituents.

Local concerns needed to be addressed, but the important things today are that that did not hold up the announcement of funding, and that the Chancellor, in the Budget, has backed Crossrail 2 for London and the south with the pre-legislative funding needed and the legislative time to ensure that the project can stay on track and go forward. For that, I thank him.

5.40 pm

Caroline Flint (Don Valley) (Lab): What does a Chancellor do when his long-term economic plan is not working? We found out today: he delivers up a spoonful of sugar to help the medicine go down. In reality, growth is down, the debt target has been missed and borrowing is up—and, as for the surplus, who knows? I am not convinced by this Budget that the Chancellor will achieve his £10 billion surplus by 2019-20.

The Chancellor tried to dazzle us with the prospect of more infrastructure projects, when less than 10% of his present list of such developments is being built. It makes me wonder just how many energy projects, roads, rail lines and houses will be built and where the money will come from. It might be a bit innovative, but I would like the Chancellor to come to the House, at least once a year, to take us through the projects on the stocks and report on whether they will be delivered on time and on budget. That would be a worthwhile discussion to have at least once a year, because we all agree, across the House, that infrastructure, if done well, can make a major contribution to the success of our economy, including through the skills that follow on from it.

In January, I asked the Minister of State, Department for Transport, the hon. Member for Scarborough and Whitby (Mr Goodwill), when a decision would be made on the trans-Pennine link—a road tunnel that would create faster east-west travelling between south Yorkshire and Manchester. I am pleased that the Chancellor today announced a feasibility study, but it is fair to question how long that will take. Partners in my region, Doncaster and south Yorkshire, need to know whether there will be a guarantee of funding, a clear timetable and a swift process to confirm the exact route. That will give them the certainty to work together and plan for the future. We all know that confidence is key when private sector investment falls, as it has done—manufacturing and construction are still delivering less today than before the financial crisis. The economy is still out of balance.

I worry, too, that the stealth taxes on people’s insurance policies are just another way in which families doing the right thing are being penalised for the Chancellor’s failure to meet his own targets and economic plan.

I would like to offer the Chancellor one suggestion to improve the country’s tax take. I am talking about the light or no taxes paid by those who manipulate international tax arrangements to their own advantage but to the detriment of the countries in which they trade. Some of his suggestions are interesting—I will look at them in more detail—and could prove helpful in tackling that problem, but we do not know how a company as large as Google, with thousands of UK staff and five offices and global revenues of £74 billion in 2015, paid just £130 million in tax after a six-year investigation into what it should have paid over 10 years. The problem is not confined to Google. There is Facebook, AstraZeneca, Vodafone, British American Tobacco—the list of corporate giants with light UK tax bills goes on and on.

We might not like it, but those companies have not acted illegally. They are planning their taxes to pay less by exploiting different tax rules in different countries. Yesterday, I brought in the Multinational Enterprises (Financial Transparency) Bill—a catchy title—to ensure that important information about large companies’ revenues and tax planning is published. I am delighted to have the support of every member of the Public Accounts Committee, be they SNP, Labour, Conservative or Liberal Democrat. I have the support of more than 50 MPs from across the parties, as well as that of Fair Tax Mark, the Tax Justice Network, Oxfam, CAFOD, Action Aid and Christian Aid.

The problem that every country is struggling with, but which no one country can solve, is profit shifting by multinationals. A company doing a lot of business in the USA or the UK can transfer profits to a low-tax country, such as Ireland, where corporation tax is 12.5%, or Bermuda, where it is zero. In 2010, the total company profits reported as coming from Bermuda were 1.643% of the size of the country’s GDP. If multinationals trading in the UK pay much lower corporation taxes by transferring profits, that gives them an advantage over domestic businesses that pay what is due here. My Bill has been nicknamed the Google Bill, but it is not about Google, and it is not even about online businesses alone, because we know that the problem extends to coffee chains, oil companies, drinks companies and pharmaceuticals. What they all have in common is that they are multinationals.

For many years, development organisations felt that it was an injustice if a firm was mining or producing oil in Africa but paying no tax there. Charities say that developing countries lose more in potential revenue each year owing to corporate tax dodging than the amount given to them annually in overseas aid by all richer countries. That made me stop and think about how much more we could do to enable developing countries to prosper and be more self-sufficient through measures such as my Bill. Aid is vital to poorer nations,
but just as important is a hand-up rather than a hand-out. This will not happen unless we force companies to come clean.

I welcome and support the Government’s action in legislating to ensure that reporting on taxes, revenues and employment, including in other countries, is shared with our own Revenue and Customs. That will affect about 400 companies here in the UK. The Chancellor has said that he supports that information being published, which my Bill would provide for, so why wait for everyone in the G20 to do that? The data are not commercially sensitive; we are not asking for companies’ whole tax returns or future business plans. The principle is that publishing means that everyone gets the chance to see the bigger picture. I believe that the tide is turning against secrecy, and organisations such as Fair Tax Mark encourage companies to declare that they have paid their taxes and do not use tax havens. I want every large company to meet that test.

Kevin Foster (Torbay) (Con): As a fellow member of the Public Accounts Committee, I am delighted to support the right hon. Lady’s Bill. Does she agree that there is a role for our Government, given that many tax havens fly the British flag and subscribe to the same “Her Majesty” as Her Majesty’s Revenue and Customs?

Caroline Flint: I thank the hon. Gentleman for his intervention and for his support for my Bill as a colleague on the Public Accounts Committee. He is absolutely right; that is shameful and not acceptable. This practice has been going on for too long, and I hope that we can find different ways of attacking it on a cross-party basis. One way is the proposal in my Bill to clamp down on such activity.

I wrote to the Chancellor last week, but clearly he did not see my letter seeking his support for my proposal to go into the Budget. However, he should not worry, as it is not too late. A new Finance Bill will follow the Budget debate, and with cross-party support behind me I will seek to amend it. Alternatively, the Government could adopt the measures that I have outlined. I believe they are in the interests of social justice, fairness and good business. Publication can make a difference and put pressure on companies to play fair and pay up.

Finally, I want to say something about education. I am worried at what I believe is an ill-thought-out plan to force every school to become an academy under the guise of more autonomy for schools. I support tackling failing schools, I supported local community schools in becoming community-run trusts, and I have supported academies in my constituency, but I do not believe this is a policy for local autonomy.

I met parents and teachers at Pennine View School in Conisbrough, a wonderful special school with a good Ofsted rating. It is a community school with committed staff and governors. Why should that school, which does a good job, be forced to become an academy? I do not think the argument is there. What is more sinister is the insistence by regional school inspectors that single academies, often local community schools, must be forced into multi-academy trusts. When academies began, schools in the same pyramid would join as a group and support each other; the model was collaborative. Today, however, academy chains are becoming huge businesses, with headteachers receiving instructions from a head office 100 miles away.

I was recently at Auckley School, where I met a governor, Keith Scott, who has served that school for 14 years. It is a good school; why should it be forced into a chain? It is well run and well regarded. As more data are collected, we find that previously well regarded academy trusts have failed, and in a number of cases, the test of improved standards and outcomes is not being met. Some have suggested that the growth of academy chains has not helped.

I have never shirked from challenging those whose provision of education is not good enough, and I still will not. As an MP, though, I want to know how this new idea will ensure the accountability that there has to be for whoever is providing education for our children, and how it will help children to achieve. It is a dogmatic policy. Just as there were those who refused to acknowledge when local education authorities were not always doing a good job, the same thing applies now. Two wrongs do not make a right. I hope that the Government will look again at this experiment, as it has been called, and ensure that we do not harm the future education of our children.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I am afraid that the time limit is now down to seven minutes.

5.49 pm

Yasmin Qureshi (Bolton South East) (Lab): They say that the first casualty of war is truth, and sadly, that seems to be the default position of the Conservative party. The country, however, has a right not to be misled by this Tory Government and by the previous Con-Dem Government, whose mantra was, to a man and to a woman, that the financial crisis had been created by the Labour party. The Government know full well that it was caused by, among other things, the sub-prime mortgages in the United States of America and the collapse of Lehman Brothers, and that many other countries faced the same financial crisis.

I hear some sighs and moans from Conservative Members. Perhaps I should take them on a trip down memory lane. When Labour came to power in 1997, the ratio of GDP to national debt was 40.4%. By 2007-08, after 10 years of Labour government, it was 36.4%. However, by 2011 it was 60%. In 1997, the total public sector debt was £352 billion. What do Conservative Members think it is now? It is £902 billion. What was the level of Government borrowing in 1997-98? It was £7.8 billion. What do Conservative Members think it is now? It is £145 billion. When Conservative Members tell us how prudent they are with the economy, that is just plain rubbish. The facts do not bear it out.

The Chancellor talks of trying to cut the national debt. It currently stands at £1.5 trillion, which is 82% of GDP. So much for the Government’s economic competence. Again in pursuit of a falsehood, the Chancellor said that the United Kingdom had the fastest-growing economy in the world. Absolute rubbish. The IMF has said that the economies of the USA, Spain and Ireland have grown the fastest. One reason why they have grown so
fast is the fact that their Governments invested in their economies. The USA's financial stimulus package is worth £831 billion, so it is not surprising that its economy recovered.

Another missed opportunity in the Budget was the opportunity to help regenerate our economy. The Chancellor cut capital gains tax, but I should have liked him to put money aside for the building of more affordable homes. When Labour came to power in 1997, it inherited millions of derelict homes that were not fit for human habitation. It spent £25 billion on trying to repair those homes, which created jobs—proper, solid jobs that allowed people to pay income tax. Of course, the building of homes does not just provide jobs for labourers; it provides jobs in related sectors supplying cement, pipes, electric wiring, baths and toilets. I suppose the Government could not care less, because to them an affordable home is a home that costs about £450,000. I am not sure that many Labour Members, or many voters in this country, could afford homes of that sort.

The Government could also have taken the opportunity to invest in renewables. So much work was going on, so many companies were producing stuff, and that was creating jobs. But what did the Government do? They scrapped all that. Now they say that there is an energy crisis, and that in order to deal with it, they will start fracking all over the United Kingdom, even though it has been well established that most fracking is dangerous. Lancashire is a beautiful county, but it seems that the Government have overridden local people's and local authorities' objections and granted exploratory licences, so the whole of Lancashire will be wrecked. Moreover, given the geography of the county, there is a real risk that our water will be poisoned. The Government say that they are concerned about energy, but they could have taken steps that would have saved energy, and there would have been no need for the fracking that will ruin and pollute our country. But we know that a Tory politician recently said, “Go and frack in the north, where they don’t mind. Just don’t do it in my backyard in the south.”

It is reprehensible that this Government should take money from the most vulnerable disabled people while giving others tax cuts. It is surprising to see how they really do not care about the ordinary person.

There are many other things that I could say about this Budget, but I shall end with these points. Everyone knows that hundreds of millions of pounds has been wasted on academies in the past few years. Even though there are some fantastic schools, there is no record to show that academies have better standards. Even so, the Government want to force every school to become an academy. At the same time, they talk about wanting to give local people power. They say that they want to give local people a voice in their community, yet at every stage they override the wishes of local people. This hypocrisy—

James Berry: Will the hon. Lady give way?

Yasmin Qureshi: No, I am sorry; I am coming to the end of my speech.

The other fiction that exists is that of the northern powerhouse. As a north-west MP, I have not seen that. The electrification of our railways has been cancelled or delayed, and I do not see anything else happening. This Budget is all about smoke and mirrors.

5.56 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): It is a pleasure to be called to speak on the first day of the Budget. Every Budget debate in which I have spoken since 2010 has had one overriding theme, which is that the Chancellor has turned up to tell us that he has failed to meet his own targets. He has then had to mask that failure as best he can. This Budget is a particularly vivid example of that. Growth has been downgraded this year, next year and every year. That is the top-line message from this Budget.

Much is always made of the claim from the Chancellor, which is repeated by Conservative Back Benchers, that the UK has the fastest growing economy in western Europe. As my hon. Friend the Member for Bolton South East (Yasmin Qureshi) said, however, the International Monetary Fund tells us that economies of the USA, Spain and Ireland are all forecast to grow faster than ours this year. I know that we are all worried about Donald Trump, but we still have to consider the US a major western economy, at least for now.

Our deficit is just below 4%, or £74 billion a year, and debt is not falling as a percentage of GDP; it is rising. So the Chancellor has broken his fiscal rule on debt almost immediately after we had the row about it. He has done that after already breaking his rule on welfare spending just after we had the row about that. The obvious conclusion is: so what? This surely proves that those rules are fairly absurd. At the very least, it proves that they are all about politics and not much about economics—which, to be honest, is a fairly apt description of the Chancellor himself. From the figures that we have had so far, the Budget appears to add up as a result of a £3.5 billion cut being made to Government Departments by 2020. However, as no details have been given, that is a purely illusory budgeting cut.

The remaining fiscal rule—that we must hit a surplus by 2019–20—seems fairly ludicrous. Indeed, it seems already to have unravelled. The Chancellor appears to be saying that he will borrow £40 billion more until 2018–19 and then, as if by magic, he will borrow £30 billion less the following year. Already it appears that most of that is a result of messing around with the accounting figures relating to the receipts of corporation tax. Frankly, if a Labour Chancellor had made such a claim in a Budget, they would have been destroyed in the papers the following day. This Chancellor deserves no less.

When we are discussing debt and the deficit, I always like to remind Conservative Members—or at least the ones who turn up on the first day of the Budget—that Harold Macmillan, Edward Heath, Margaret Thatcher and many other Conservative Prime Ministers all ran deficits. It is a fallacy that the Conservatives run surpluses while in office. In fact, the surpluses that we have had since the war have usually been under Labour Governments—although frankly that was by chance. There is nothing wrong with the principle of running a deficit so long as our creditworthiness is such that our interest payments are manageable and that the return on our investment is greater than the cost of borrowing.

That brings me to the set of sensible fiscal rules proposed by the shadow Chancellor, which are to balance day-to-day spending over a period of time while retaining the freedom to invest in our economy to make it more prosperous. They do seem like the same fiscal rules we
had at the election, but let us pass over that. Considering all aspects of our economy, transport and energy in particular, the need for substantial investment in order to sharpen our competitiveness is undeniable. From what I see in my constituency surgeries, the situation regarding funding for social care is as dire as it could be. The cut in employment and support allowance to fund this Budget’s giveaways is unconscionable, even for Conservative Members, to tolerate. My local council’s budget has essentially halved since 2010, and I cannot believe that the declining percentage of GDP that we are spending on the NHS is sustainable with an ageing population.

It is, however, not all bad. I welcome the Chancellor’s pro-EU tone. Looking at the challenges he set out, who on earth would add greater uncertainty in these conditions? The sugar tax is interesting, but it feels like a distraction when compared with the top-line economic news. Small business assistance is also welcome, but, as the income from business rates has already been devolved to local authorities, is that not a further cut in funding for public services? We need more detail on that.

Returning to investment, the Government really do not have an energy policy. They have a project in Hinkley Point C that will never be brought online in time. Nuclear power is essential, but the project will not do us much good because of the incredible underlying economics. The Government have undermined renewables and abolished carbon capture and storage for UK, which is incredibly short-sighted. They should be looking to cut UK energy consumption radically through energy efficiency measures, which are readily available and do not need to be invented and which, frankly, just need Government funding. We could then further protect energy prices for industry to ensure that manufacturing is still strong and to reduce our emissions. We could also reduce bills. It would require a much less burdensome amount of new capacity to be brought online. All that requires investment, which could strengthen our economy and help to reduce debt.

On transport, I like many of the things that the Conservative Government have tried to bring online, but such infrastructure clearly requires funding and fiscal rules to proceed. Under this Government’s tenure, infrastructure spending as a proportion of GDP has declined starkly, but I want the projects to go ahead and if the Government are serious too, they must provide the necessary fiscal framework. I am particularly pleased about the money that will allow the trans-Pennine tunnel scoping study to go ahead, because the project would not only massively reduce congestion in my area, but bring about enormous economic benefits by linking greater Manchester with south Yorkshire in a way that is mutually beneficial for both economies.

To conclude, I want a Government who not only believe in public services and public infrastructure and honestly and genuinely care about inequality, poverty and life chances, but understand markets and how to foster innovation and appreciate the contribution that business can make. That would be a real long-term economic plan, but it is clear that it is not available from this Government. I hope that the Opposition will be able to offer the alternative that the country sorely needs.

Siobhain McDonagh (Mitcham and Morden) (Lab): In last year’s summer Budget, the Chancellor said that he was committed to a higher wage economy:

“It cannot be right that we go on asking taxpayers to subsidise…the businesses who pay the lowest wages.”

When he introduced the national living wage, he said that

“Britain deserves a pay rise and Britain is getting a pay rise.”—[Official Report, 8 July 2015; Vol. 598, c. 337.]

He promised that the change would have only a fractional effect on jobs. He said the cost to business would be just 1% of corporate profits, a cost which he offset with a cut to corporation tax.

Today, the Chancellor said that he wants to help low-paid workers to save with a savings bonus, but how exactly does the Chancellor think low-paid workers can afford to save anything when thousands nationwide will be taking home less money after the national living wage is introduced next month? National employers are using the introduction of a higher minimum wage to reform their reward structures, which is a euphemism for cutting staff pay. The new £7.20 hourly rate should be boosting people’s pay packets but, as the Chancellor knows, the opposite is happening in practice. B&Q has cut staff pay by changing all staff members’ contracts, forcing them either to accept the unfavourable new terms and conditions by the end of this month or lose their jobs. The new B&Q contracts are designed to offset the cost of the new national living wage and save the specialist retailer money without touching shareholder pay. The contracts strip low-paid staff of extra pay for Sunday and bank holiday working; eliminate summer and winter bonuses; and cut London weighting right down.

These workers are non-unionised, represented only by B&Q’s “national people’s forum”, which sounds like something that might have existed in the USSR. The so-called “people’s forum” had a very brief “consultation” on the proposed changes—there was no real negotiation whatsoever. Subsequently, these workers have no one to speak up for them—I say to this House that it is our job to speak up for them. Worse still, they have been told by B&Q management that they will be sacked if they come forward with their story to the press. B&Q staff will be worse off after the national living wage is introduced, as the specialist retailer saves money. The impact on low-paid workers, particularly loyal, long-standing staff who have worked at B&Q for decades, is devastating. Many cases have been reported to me and I have to be careful not to identify the people involved, because they could be sacked. However, let me give the example of just one of them.

Mr Jones, as we shall call him, works at a B&Q store in the south-east, where he has been employed for more than 15 years. He has a family—two children—and is the sole wage earner in his household. He works hard, but works part-time because he is disabled. He works every Sunday he can, as well as all the unsociable hours on offer. But from April, under the new contract he has been coerced into signing, he is going to earn £1,000 less—and he is not alone. If I had the time, I would tell the House about workers—
with B&Q. May I ask that she also speaks to the right hon. Member for Doncaster Central (Ms Winterton) about this, because I think that between us we could do something about it?

Sioibhain McDonagh: I would be delighted to accept that offer, and I will show my right hon. Friend all the emails I have received about people in desperate situations. These people are the ones who political parties say they are there for: the hard workers—the people who believe it is their job to support their families and who just get on with it. But they are not able to get on with the living wage because their pay is going to be cut.

I was going to come here and say today, “Look it doesn’t have to be this way. Some of these companies just need to pass on a hit to their shareholders. Some of them need to improve productivity and staff training.” But I did not know then that what the Chancellor was going to announce was a further cut in corporation tax. He has given these companies the opportunity to get out of these appalling contracts and give people £7.20 an hour, on top of the benefits they already get. I ask the Chancellor and his Government to make it unquestionably clear that they expect, and we expect, that the honour of the national living wage will be a reality. We are not talking about small companies living on the margins; these are some of the most famous names on our high street. They are currently getting away with murder, and they can because these people have nobody to speak for them.

I may just be a lowly Opposition Back Bencher, but if I can help any of those staff get a decent result on what should rightfully be theirs—this is not because they do not try; it is because of their direct effort—I will be doing my job. I ask everybody in the House to join me in supporting the staff of companies like B&Q who are currently getting away with murder, and they can because these people have nobody to speak for them.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The hon. Gentleman raises a good point. The Barnett consequentials are a consequence of a need in England. If there is a need in Northern Ireland, Wales or Scotland, the Treasury does not react to that need. We have to wait until there is a need somewhere else before we get the money. It is our taxes as well. When we have a need, we should get the money. If there is a need in Northern Ireland, the consequentials should follow to the other nations, but that never happens. It is always about need in England, and the rest will take what comes of that.

Tom Elliott: I appreciate the hon. Gentleman’s intervention. Perhaps he is explaining some of the Treasury’s rationale on this. I do not know whether there has been any co-operation on this, but he does seem to be offering some kind of explanation.

The devolution of corporation tax to Northern Ireland has been a live issue for at least eight years, perhaps even longer. I assume that the proposal for a reduction in corporation tax to 17% in the UK, will mean that, with our 12.5% rate in Northern Ireland, we will have a lower overall reduction in our block grant. Some argue that if the UK decides to leave the European Union in the forthcoming referendum there may not be any reduction at all in the Northern Ireland block grant to reflect the fact that our corporation tax is devolved, simply because the Azores ruling does not come into effect. I am interested to hear the debate about that, because it is an issue that we have already raised with the Prime Minister.

One measure that I really welcome for Northern Ireland is the £4 million investment in an air ambulance. I have personally lobbied for that for quite a long time. Northern Ireland is the one region in the United Kingdom that does not have an air ambulance and that support mechanism. I thank the Treasury for that. It will be a great memorial for the family of the late Dr John Hinds who lost his life campaigning for an air ambulance. He was a great motorcycle enthusiast, and his campaign will hopefully now come to fruition. It is also good news for those currently involved in the air ambulance campaign, including my constituent, Mr Rodney Connor, who has been a great campaigner in that respect.

Pat Glass: It is really good that there will be an air ambulance supported by Government money in Northern Ireland, but does he not agree that the same should apply to all other regions? In my area, the north-east, the air ambulance service is funded entirely by charity.

Tom Elliott: Perhaps we in Northern Ireland have done a better job of lobbying the Government than the north-east has, and it is entirely up to the hon. Lady to take up that challenge. I am proud of what we have done in Northern Ireland and I thank the Government for that.
I also welcome the freeze in fuel duty, which affects Northern Ireland greatly. I know that there has been an argument for some years about the devolution of corporation tax levies in Northern Ireland, but I believe that an equally important duty that we could have devolved to Northern Ireland is that on fuel, for a number of reasons. As we have a land border with another European nation, the Republic of Ireland, a huge amount of fuel is purchased in the Republic and the UK Treasury and Government lose that tax because it is not coming into our economy. The second and more important point is the level of fuel laundering in Northern Ireland in the border regions. The fuel that is laundered is sold at a much cheaper rate, and sometimes even at the same rate, as proper fuel. That is having a huge impact on our vehicles and our economy and also means a huge loss to the Treasury.

I want to see more effort, particularly from HMRC. We received a response to a freedom of information request that showed that in a short period almost 500 fuel filling stations in Northern Ireland were found to be selling illegal fuel. Not one of those filling stations has been named, not one has been charged or convicted of any offence, but if some poor person has bought some of that fuel and is found to be carrying it, they will be fined immediately. There are on-the-spot fines. A huge wrong is being committed and I want the Government to take that up. I have tried earnestly in Northern Ireland to rectify the situation through HMRC, but there appears to be a reluctance to deal with it. Decommissioned laundering stations have been found many times, but they have been operational for many years and it seems that as soon as they are reported, they are decommissioned. HMRC cannot get to the bottom of that. That is one point on which I would appeal and it is why it is important that fuel duty in Northern Ireland has not been increased.

I welcome the opportunity to speak in the debate and genuinely and earnestly thank the Government for their support on the few issues I have described, but I want them to consider the Barnett consequentials to support Northern Ireland and the other regions as they are supporting the English regions.

6.17 pm

Wes Streeting (Ilford North) (Lab): It is a privilege to speak on the first day of the Budget debate. This has been a fascinating journey, following the Chancellor as he has brought us to this point. Following the Chancellor on the economy has been a bit like following a drunk driver on the road, swerving all over the place as his description of the state of our economy has moved from the sunny uplands that lie ahead to the stormy weather of the global economy. Instead of focusing on the long road ahead to our national recovery, he seems to be more interested in the short walk next door to No. 10. So keen is he to avoid any focus on his record as Chancellor for the past six years that we have been reduced this afternoon to talking about fizzy drinks. Like the very worst fizzy drinks, this is full of fizz and leaves us with a bad aftertaste.

Let us start with the Chancellor’s own performance. Who would have thought that six years into his term as Chancellor, growth would be being revised down, national debt would be continuing to rise and he would have failed to meet his targets for deficit reductions once again?

Mr MacNeil: The hon. Gentleman talks about growth, and it is interesting that the Chancellor has talked about major advanced economies as though that was a very narrow club. Our neighbours in Ireland have growth treble that of the UK and those in Iceland have double that growth, so the Chancellor is not performing well at all, even by his own measurements.

Wes Streeting: I certainly agree with that assessment. This year, growth has been revised down from 2.4% to 2%. It will be down next year, the year after that, the year after that and the year after that. We were promised that he would eliminate the deficit during the course of a single Parliament, but he is doing nothing of the sort. In fact, it is very hard to imagine how we will eliminate the deficit by the end of this Parliament. A close look at the figures produced by the Chancellor in his Red Book shows that in order to achieve his forecast surplus in 2019-20, he would rely on moving from a £21.4 billion deficit in one year to a £10.4 billion surplus the next. These are fantasy figures, which possibly explains why he has failed to meet them every other year—debt revised up every year during the course of this Parliament; £40 billion more borrowing over the course of this Parliament.

On productivity, once again the outlook has been revised down, and productivity is still below pre-crisis levels. The Chancellor has been in office for six years—what on earth has he been doing? Maybe we should start looking at his productivity to explain why the productivity of the economy is still so weak.

I welcome the investment in Crossrail 2, but net public investment will fall during the course of this Parliament to £32 billion by the end of the decade, when we would be investing if this were genuinely a long-term economic plan. Exports are falling and nowhere near hitting the Chancellor’s £1 trillion target. Although he prides himself on being the low-tax Chancellor, the tax burden, at 36.3% of GDP, is higher than at any point during the last Labour Government. So it seems we cannot even rely on the Tories to cut tax any more.

I very much welcome what the Chancellor said about Britain’s membership of the European Union and all the benefits it brings, but the Chancellor has a problem because, right as he is on that issue, he cannot carry his party with him. In fact, even as the Governor of the Bank of England has remarked that leaving the European Union is Britain’s single biggest domestic risk, of the Tories that have bothered to turn up this afternoon—they have run out of speakers to talk up the Chancellor’s Budget—many have turned up to trash the Chancellor on Europe. [HON. MEMBERS: “Where are they?”] Indeed, where are the Conservatives flocking to defend the Chancellor’s position on Europe? In fact, to borrow a phrase, the fact that the majority of the Conservative party would take us out of the European Union makes them a threat to our economic security, our national security and “your family’s security”.

Let us look at the impact on households. Almost half of the gains from income tax cuts in this Budget will go to the richest fifth of households. The amount that the Chancellor is cutting in capital gains tax would offset the cuts that he is imposing on disabled people in this very Budget.
The Chancellor claims to be helping the next generation. This is a Chancellor who trebled university tuition fees, abolished the education maintenance allowance, cut student grants, imposed tuition fees for student nurses and midwives, and proposes to scrap the NHS bursary, and look at the state of careers education in our schools. Even with the measures in this Budget to encourage saving and home ownership, we should listen to Brian Berry, the chief executive of the Federation of Master Builders, who says:

“We are nearly 12 months into the current Parliament and the Government is already falling well behind on its targets”

to build new homes. He also says that,

“these announcements are limited in scope and won’t signal the...change...we need to see.”

In fact, the Office for Budget Responsibility has revised its forecasts to show an increase in house prices as a result of the introduction of the new lifetime ISA, which will fuel demand, but it has lowered its estimate lower projected investment in new builds because of the impact of Budget measures on housing associations. I think it is cruel to encourage people to want to own their own homes but not provide the investment, the support and the economic plan to ensure that those homes are in plentiful supply, and that people from ordinary backgrounds can get on the housing ladder, rather than Conservative MPs who are using the Help to Buy ISA not only to buy their first home but also, it seems, to buy extra homes for members of the family as well.

Finally, I want to talk about the Budget’s impact on local government. For the past six years, local government has been absolutely clobbered. These are not just any services; they are front-line services. The majority of my council’s public funding from central Government has been lost. When the Conservatives talk about a tax on sugar to encourage fitness, they should explain why they have cut public health funding in-year and time and again. If they want a healthier nation, they must invest in tomorrow today.

We should look at the other services that are being cut and the tax rises that are being imposed by the Chancellor, such as the new social care precept. As my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) pointed out, even an increase in social care funding through the precept will barely cover the cost of introducing the national living wage and certainly will not meet the social care crisis. That is why so many councils are struggling and so many councillors have to vote to put up council tax. Even in Labour-run Redbridge, the Conservative Redbridge opposition voted in favour of a 2% increase in council tax through the social care precept, and also for an increase of just under 2% in council tax, because they understand the pressure that this Government are piling on to local authorities. The Government went even further today by cutting business rates, knowing full well that that will not be the Chancellor’s headache—it will be the job once more of local councillors to balance the books because we are paying the price of his failure.

So I am not impressed by today’s Budget. It is nothing like a long-term economic plan. It is long-term fantasy figures from what will prove to be a short-term Chancellor; and I certainly will not be supporting it.

6.26 pm

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): We have got used to missed targets and U-turns in the Chancellor’s Budgets. I fear that this may be the quickest U-turn ever. This could well be known as the lame duck Budget. The Chancellor let the cat out of the bag when he was expressing his support for the EU, which I thoroughly share. All the predictions on which the Budget is based assume our continued membership of the EU. I marvel at the Government’s sheer lack of leadership in projecting their long-term economic plan and basing successive Budgets on it, then subjecting the core of their future economic strategy to a political process that puts it in jeopardy and exists only to satisfy the internal politics of the Conservative Government.

I support what the Chancellor said, but what he referred to has not just occurred over the past month or so. It has been the case for years. Had there been the necessary leadership from the Government, the issue would not be the subject of debate now and we would not risk the damage that the outcome could do to our economy and our future economic projections, and we would not potentially be facing another Budget in a far more pessimistic economic scenario in a few months.

Many speakers have pointed out the Chancellor’s missed targets and the failure to deliver on his early promises. The march of the makers has been talked about at great length. Sometimes when I look at Government policies and manufacturing production, I think it should have been called the ides of the march of the makers. This is the source of all the Government’s current difficulties. Our failure to invest in manufacturing has resulted in the current very low levels of productivity, which are undermining our economic growth and our export performance. Until we have Budgets which put this at the centre of Government policy, the problems outlined in every Budget, and re-addressed because of the failure to deal with them in previous Budgets, will continue.

I would like to have seen in this Budget measures on business rates. We have the most incoherent business rate regime imaginable. The Chancellor spoke today about reducing corporation tax. That may be an element that business favours, and it may help business. On the other hand, what happens under the business rate regime to a manufacturing company that invests in new machinery so that it can increase productivity and export? The business rate goes up, and the company gets penalised. In the context of business policy, it is no good looking at one element of the taxation regime without looking at the others. The Government need to look at the whole package if businesses are to have a basis on which they can invest without being penalised, producing all the economic benefits that will play such an important part in the future growth of our economy. The Government have signally failed to do that, and we might say that some of their measures amount to just trying to mend the roof while the rain is pouring.

I would briefly mention two other elements of productivity the Government have failed to address: skills and construction infrastructure. We have had boasts of millions of pounds being invested in apprenticeships and the academisation of schools, but the outcome is that there are still acute skills shortages in science, technology, engineering and maths-based subjects, which are central to the capability of our manufacturing industry to develop, grow and export. Something is going wrong somewhere, and I saw nothing in the Budget that would address that.
The other issue is infrastructure. I welcome the proposed infrastructure projects, but I would have more faith in their ability to impact on our productivity if infrastructure investment had not dropped by nearly half over the last five years. The Government have started to deliver on only 9% of the projects they have in the pipeline, and those projects that there are are heavily concentrated in London and the south-east. I am not knocking any particular programme there, but the fact is that London and the south-east have had higher economic growth, than the rest of the country.

Mr Bailey: No, I will not give way, because I respect the ability of others to have time to make their points as well.

The Government have simply moved from a short-term, politically expedient solution, subjected it to political window dressing and then had to explain its failure in a subsequent Budget. This is a Government of missed targets, U-turns, incoherence and, quite frankly, incompetence.

6.32 pm

Callum McCaig (Aberdeen South) (SNP): It is a pleasure to speak in this Budget debate. After close to a year of asking for action on oil and gas, it would be churlish of me not to welcome what the Chancellor has announced today. However, it is important to take that in context: we have seen significant movement, but essentially we are back to what Oil and Gas UK says is the tax level from 2003.

There is positive movement on the supplementary charge, but to suggest that the tax has been cut in half is a bit of the smoke and mirrors that we are used to. Although it has been cut in half, from 20% to 10%, oil and gas fields will still pay 40%. If we compare that with the announcement of 17% for corporation tax, we see there is a stark contrast.

The effective abolition of petroleum revenue tax is perhaps more welcome. It will affect fewer fields, but by virtue of their age and their important infrastructure, those fields are vital to ensuring the continuing success of the North sea. If they lose out and that infrastructure is decommissioned, the potential domino effect could drastically reduce the profitability of the North sea.

I welcome the proposed manoeuvring of decommissioning allowances, allowing changes between the companies that would and would not have the decommissioning liability. That is fundamental. The Red Book talks about encouraging new entrants into the industry. It is very important for the future of the industry to have new capital, new expertise and, above all, new ideas and new ingenuity coming in and not to be burdened by artificial barriers in relation to decommissioning. What has been announced is very helpful, but in and of itself, it is not enough. This will not be the end of the requests from industry, from trade unions, and from me and the SNP, for further action to support this vital industry.

We have missed out on anything relating to fiscal support for exploration. The support for seismic surveys is welcome, but beyond that more action needs to be taken. There is also nothing in terms of—

Mr Speaker: Order. I am extremely grateful to the hon. Gentleman for his contribution. I think Mr Tommy Sheppard wishes to speak. No?

Tommy Sheppard (Edinburgh East) (SNP): The clock has not been working, Mr Speaker.

Callum McCaig: The clock did not start, Mr Speaker.

Mr Speaker: Well, continue to orate, man.

Callum McCaig: I will continue to orate, and I will be as brief as I can to allow my hon. Friend the Member for Edinburgh East (Tommy Sheppard) to get in.

There is nothing on exploration, beyond seismic. There is nothing about removing the fiscal barriers for enhanced recovery. The activity of enhanced oil recovery will count as operational expenditure; it does not count towards the tax allowance that can be offset against income. Such a simple fiscal measure would allow these activities to happen to a far greater extent, and then everyone would be a winner.

On the effective tax rebate rate for onshore oil and gas, tax allowances for that sector are 75%, whereas the effective rate for offshore oil and gas is 62.5%. I see no reason why there should be such a difference in the investment allowance. The North sea is a far more harsh environment in which to carry out this kind of exploration activity, and I do not see why it should be penalised vis-à-vis onshore oil and gas.

There has been nothing on loan guarantees for the oil and gas sector. The Prime Minister has talked about building the bridge to the future of oil and gas. Access to finance is vital in this regard. Companies are being turned away by banks, which see the industry as something they do not wish to invest in. I hope that the measures announced today will go some way towards allaying the concerns about finance, but more can and should be done. Lots of companies have the ability, expertise and imagination to drive the innovation that the oil and gas industry will require. If they cannot access the funding and finance that is required to develop these ideas, it will be incredibly difficult for them to bring their skills and expertise to the marketplace to benefit the industry and secure the innovation and cost reductions that it has been pursuing.

While this is a welcome step, it cannot, in and of itself, be the last thing that the Government do to support the oil and gas industry. The industry has produced £300 billion in tax revenue; it contributes immensely to the UK’s balance of payments. We may not be seeing the astronomical tax revenues from oil and gas that we did before, but we cannot overestimate the importance of the role that the industry has to play for the United Kingdom and my neck of the woods in particular, in future.

6.38 pm

Tommy Sheppard (Edinburgh East) (SNP): I would like to start on a positive note by welcoming the Chancellor’s statement on the sugar tax. He may well want to consider
whether he needs to wait a full two years to bring it in, but none the less it is a welcome start, and I commend him for it.

I am afraid that is where my generosity towards the Chancellor, his Treasury team and this Budget must end, because I see the rest of it in exceptionally negative terms. This is a Chancellor, after all, who is making a career out of failure. He has failed every one of the macroeconomic targets that he has set for himself. If we were to score him on a report card, we would have no option but to give him an F-minus. I think that when he began to prepare this Budget he was looking at failing in his final objective, which was to create a budget surplus by 2019. I would like to pause to ask what that is actually about, because a surplus in Government finances is quite a strange thing. It means that the Government are spending less on this country’s public services than they is taking in taxes from the people who depend on them. That is a strange thing to aim for.

I wonder why the Chancellor is so concerned to have a £10 billion nest egg in 2019-20. It would not have anything to do, would it, with the proximity of the 2020 general election and a Chancellor who is determined to see a longer career for himself in this House, perhaps in a different position? In fact, I wonder whether the Chancellor has less of a long-term economic plan for the country and more of a long-term political plan for himself. In order to get the £10 billion surplus, he has decided that he has to have another range of cuts, with £3.5 billion being taken out of non-protected Departments. I dread to think what that will mean when we work through the detail.

We have to ask ourselves: is there no alternative to this austerity being piled on top of austerity? There is an alternative. We said during discussions on last year’s Budget—and we will say it again this year—that rather than cut back on public spending, a prudent Government should have a slow, sustained increase over the lifetime of this Parliament in order to use the public sector as an engine for economic growth to raise revenues, eradicate the deficit and drill down on the debt. That is received economic wisdom in most of the world, including most of our competitor countries, most of the members of the European Union and the United States of America. It is only the City of London and the United Kingdom Treasury that are blinkered to that very obvious approach.

This is also a Budget for inequality. If we look at the middle income range, we will see that someone who earns £35,000 will benefit by about £180 a year from the increase in the threshold for the basic rate of income tax. However, someone who earns £45,000 will benefit by £580 a year—more than three times as much. In what parallel universe could that approach be described as removing inequality in our country?

And that is only if people are lucky enough to be earning enough wages to be taxed in the first place. Even with the Chancellor’s pretendy national minimum wage, if someone is earning £7.20 an hour over 30 hours a week, they will not meet that basic income tax threshold. This Budget does nothing for the millions of people who are in that position. It does nothing for the people who are on fixed or low incomes, or for those who, because of their situation, have to rely on state benefits.

Is not the cruellest thing of all that, while tax breaks will be given to people who can afford to pay their taxes, there will be miserly and parsimonious cuts to the benefits of the most vulnerable in our community? The Department for Work and Pensions is preparing for a £1.2 billion cut in the personal independence payment programme. That will involve assessing 400,000 claimants, 200,000 of whom will be removed from the benefit altogether, while the rest will have their benefits reduced from £85 to £55 a week. What a miserly, mean-spirited, mean-minded approach to providing a welfare system.

The Chancellor has made much of this being a Budget for business. Before I came to this House, I started and ran a successful small business. I welcomed the day that it did well enough to pay corporation tax, because it took a few years to get there. The Chancellor talks about this being a nation of shopkeepers, but there are plenty of shopkeepers in my constituency who are less worried about the rate of corporation tax than they are about whether enough people are coming through the shop door with enough money to buy their products and to keep them and their employees afloat. Rather than tinkering, it would be better to consider a programme for economic growth and regeneration.

Let us not kid ourselves that it is small businesses that will benefit from the one-size-fits-all business tax approach. A business that makes a £20,000 profit pays the same rate of tax as a business that makes a £20 million profit. That means that most of the £15 billion that is being given back in the business tax cuts is being given back to large multinational corporations that are the friends of the Conservative party and of the Chancellor.

David Morris (Morecambe and Lunesdale) (Con): Will the hon. Gentleman give way?

Tommy Sheppard: I will not give way, because I have a minute left and others want to come in. I say to the small businesspeople of this country: “Be very wary about what is being done in your name. This is not the way to make your business successful; it is a tiny little bribe.”

I am out of time, but I want to finish on the Chancellor’s suggestion that this is a Budget for the next generation. God help us if he really believes that. The next generation have just had the remaining grants for education removed from them. They are faced with living with their parents well into their 30s and 40s because their housing options have gone, and they are now being told that they may have to work until they are 80 years old. I do not think that those people will thank the Chancellor for this Budget. They will expect the Government to do an awful lot more to provide them with the future that they require.

6.45 pm

Helen Goodman (Bishop Auckland) (Lab): I am pleased to follow the hon. Member for Edinburgh East (Tommy Sheppard), and I agreed with much of what he said about equality. Everybody understands that the Chancellor was in a tight spot when he came to construct the Budget, but it is difficult to feel very sympathetic towards him, because he has constructed that tight spot. He drew up fiscal rules to bring the budget into balance without taking account of the economy’s need to invest in capital infrastructure, and that is why he is in a tight spot. The Treasury Committee took evidence from a whole range of economists, and we did not find one who agreed with the Chancellor’s approach to fiscal policy.
Another problem is that the Chancellor’s focus has been very short-term, and he has failed to do the things that need to be done for the long term. He boasted that unemployment in the north-east had fallen rapidly recently, but that has to be set in the context of the fact that it is the highest in the country.

Many hon. Members have talked about the productivity problem. Productivity fell in all the major economies when we had the big crash in 2008, but whereas in America and the other G7 countries it is back above where it was before the crash, we are still just about reaching that level. The Chancellor highlighted the economic headwinds coming from the international economy. However, the downgrading of productivity, which is why his growth forecasts are down, is solely due to domestic factors. We cannot blame other countries if we have not invested enough in our infrastructure and skilled our workforce adequately. Those are the things that we need to do more of.

I have a couple of questions for the Exchequer Secretary to the Treasury, and I hope that I will get answers to them.

Mr Speaker: Order. It is very important that our proceedings should be intelligible to all those who follow them, and I just remind the hon. Lady that there are no Front-Bench wind-up speeches tonight. Answers may or may not be forthcoming, but they will not be forthcoming from the Dispatch Box this evening. I am sure that the hon. Lady is a notably patient person.

Helen Goodman: I do not mind whether I get the answers today, next week or even in a letter from the Treasury. One of my questions is about infrastructure in the north. The increase in spending on that infrastructure is only £300 million. We see in the Budget:

“£75m to fast-track development of major new road schemes including … the A66”

When is the A66 going to be widened? I am not talking about getting some little feasibility study done. When will we actually get a change to the infrastructure, which is so essential for people who make things in the north-east and sell them to the rest of the country?

David Morris: Will the hon. Lady give way?

Helen Goodman: I would rather not take another intervention, because I am running out of time.

On the skills gap, there is no evidence that changing the governance status of our schools will make any difference to their effectiveness. In four academies in my constituency, GCSE scores have fallen in the past three years. At one point they achieved a figure of 66% of children getting five A to C grades, but last year they were down to 50%. There has been no analysis of such falls.

It is regrettable that the Chancellor has not produced any distributional analysis along the lines of what we on the Treasury Committee have repeatedly asked for—in other words, an analysis of the impact by decile of tax and benefit changes in this Budget. It is absurd that we have to wait for the IFS because the Treasury is trying to hide the impact of the measures in the Budget.

Many hon. Members have pointed to the unfairness of the measures that will give people £700 million through cuts to capital gains tax and give higher rate taxpayers £400 million, but take £1.2 billion from disabled people. This is not only about fairness, but about economic efficiency. The OECD has looked at all economies and has found that more equal societies grow faster. Giving money to the bottom half of the income distribution raises the growth rate by 0.4% for every 1% redistributed, whereas giving money to the rich hinders growth and slows it down.

There are a number of hidden things in what the Chancellor is trying to do. Table 2.1 in the Red Book sets out the £3.5 billion of cuts that he needs to make to hit his fiscal target in 2019, but it does not specify which Departments those cuts will come from. We would like Ministers to explain that.

The Chancellor flunked the tax reforms on pensions, because he is concerned to maintain support in the run-up to the referendum.

David Morris: I am waiting to hear what the hon. Lady will say about pensions, but does she not agree that setting up a young people’s ISA so that they can put in £4,000 every year if they are under 40 years of age, with the Government putting in £1,000, will put them in a better position in their old age?

Helen Goodman: If I may say so, what the hon. Gentleman says is somewhat unrealistic and optimistic. Even the Treasury’s own figures on Help to Save, which were published this week, suggest that only one person in six will use the new scheme. People’s incomes have been cut, so they do not have the money to set aside large amounts for savings.

On tax reforms, my hon. Friend the Member for West Bromwich West (Mr Bailey) gave a thorough critique of the changes to business rates. We need to change business rates, and I was feeling quite optimistic about that until he spoke. There are questions for the Treasury to which everybody would like answers: what will be the impact on local authorities? What will the distributional impact be—where in this country will the changes to business rates have the most significant effect? Will such changes tip some local authorities into having even more serious financial problems than they have already?

It would be churlish not to welcome the new sugar tax on fizzy drinks and the measures on tax avoidance. The Treasury Committee is doing an inquiry on tax avoidance, and we will look at those measures in more detail.

As hon. Members may know, people who have been advised to have music therapy can go to or listen to operas that deal with their particular problems. At the moment, the Royal Opera House has an opera on about a regent who is trying to become the tsar, but he has to do some rather unpleasant things to achieve his ultimate ambition. I thought it would be ideal for the Chancellor to go to until I discovered that it was called “Boris Godunov”.

6.54 pm

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Last night, I had the great honour of attending an Adjournment debate secured by my hon. Friend the
Member for West Dunbartonshire (Martin Docherty-Hughes) in honour of all those who died and were affected by the Clydebank blitz. His was a quite remarkable speech.

Today, we turn to a much more miserable statement by the Chancellor of the Exchequer, heralding yet another attack on some of the most vulnerable in our society. People will be asking themselves what is going on in this society of ours, when a £1.2 billion cut can be made to some of the most vulnerable people in our society at the same time as yet more largesse is thrown before some of the richest in our society.

This Chancellor can be relied upon for two things: to cut, cut and cut again the investment in the ordinary people of this country; and to pile failure upon failure upon failure to achieve any of his targets, whether they be on debt, exports or even, as in this Budget statement, a significant downgrading of growth in our economy. Indeed, listening to the Chancellor I recalled the dictum of Albert Einstein that insanity is doing the same thing over and over again and expecting a different result. If ever we had a Chancellor who exhibited insanity, it must be this one.

The economy faces great challenges, including a lack of investment in key areas such as research and development, a lack of a coherent plan to tackle the problem of productivity in the economy, and a complete failure to address problems of extreme inequality, which are harming our economy. I was keen to listen to the hon. Member for Newark (Robert Jenrick), who I do not think is in his place, when he said that Ronald Reagan was his great hero. If Ronald Reagan was associated with the idea of trickle-down economics, this Chancellor has become synonymous with trickle-up economics. The poor and vulnerable are being asked to sacrifice themselves to feather the nests of the rich, the powerful and the undeserving in our society.

The hon. Member for East Antrim (Sammy Wilson) spoke wisely about the problems of inequality in our society. Growing inequality seems to be the only target this Government are capable of achieving, but it is not a target that anyone in a civilised society should be proud of. The right hon. Member for Don Valley (Caroline Flint) made a welcome speech about the initiatives she is taking, which I hope the whole House will be able to support, to make the tax affairs of large multinational tax corporations much more transparent. Much more needs to be done about how transfer pricing and the transferring of profits is undertaken. It does no one in our society any good to featherbed those who simply want to move their tax affairs to the most convenient location to avoid making their contribution to society.

I was pleased to see in the Red Book that some progress was being made on a possible city deal for Edinburgh and the Lothians, which affects my own area. There is also recognition that some progress is being made with regard to Inverness. I have to say, however, that the Government’s record in supporting potential city deals in Scotland is nothing short of shameful. Progress is far too slow and far too modest.

The Chancellor has also missed some of the great opportunities he has been presented with in recent weeks. Perhaps the greatest opportunity he missed was to address the problem of 1950s-born women, who are facing an attack on their pensions and retirement age. Surely, given all the money that can be found for the rich and famous, the Government could have done something for the people in our society whose retirement is being pushed back and back, with insufficient notice and consultation.

On growth, the Science and Technology Committee has noted that the European Council, as far back as 2002, adopted a target of 3% of GDP being spent on public—

7 pm The debate stood adjourned (Standing Order No. 9(3)).
Ordered, That the debate be resumed tomorrow.

**Business without Debate**

**DELEGATED LEGISLATION**

**Motion made, and Question put forthwith (Standing Order No. 118(6)).**

**ELECTRICITY**

That the draft Renewables Obligation Closure Etc. (Amendment) Order 2016, which was laid before this House on 25 January, be approved.

—(Charlie Elphicke.)

**The Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 23 March (Standing Order No. 41A).**

**Motion made, and Question put forthwith (Standing Order No. 118(6)).**

**PUBLIC SERVICE PENSIONS**

That the draft Public Service Pensions Revaluation (Prices) Order 2016, which was laid before this House on 1 February, be approved.

—(Charlie Elphicke.)

**The Speaker’s opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday 23 March (Standing Order No. 41A).**

**Mr Speaker:** With the leave of the House, I propose to take motions 4 to 9 together.

**Motion made, and Question put forthwith (Standing Order No. 118(6)).**

**ENVIRONMENTAL PROTECTION**

That the draft Environmental Permitting (England and Wales) (Amendment) (No.2) Regulations 2016, which were laid before this House on 2 February, be approved.

**NUCLEAR INSTALLATIONS**

That the draft Nuclear Installations (Liability for Damage) Order 2016, which was laid before this House on 22 February, be approved.

**CORPORATION TAX**

That the draft Income Tax (Construction Industry Scheme) (Amendment of Schedule 11 to the Finance Act 2004) Order 2016, which was laid before this House on 8 February, be approved.

**CONSTITUTIONAL LAW**

That the draft Disabled Persons Parking Badges (Scotland) Act 2014 (Consequential Provisions) Order 2016, which was laid before this House on 22 February, be approved.

**LOCAL GOVERNMENT**

That the draft Tees Valley Combined Authority Order 2016, which was laid before this House on 11 February, be approved.
FINANCIAL ASSISTANCE TO INDUSTRY

That this House authorises the Secretary of State to undertake to pay, and to pay by way of financial assistance under section 8 of the Industrial Development Act 1982, in respect of compensation of Renewables Obligation and Small Scale Feed in Tariffs (RO/FIT), a sum exceeding £10 million and up to a cumulative total of £371 million maximum.—(Charlie Elphicke.)

Question agreed to.

Commonwealth Games: Wales

Motion made, and Question proposed, That this House do now adjourn.—(Charlie Elphicke.)

7.1 pm

Craig Williams (Cardiff North) (Con): It is a pleasure to have secured this Adjournment debate today—a day that has been excellent for Wales—and I am delighted to see the Minister in his rightful place, after hotfooting it from the significant announcement earlier. That announcement, on the Severn bridge tolls, is tied to this debate and will be extremely welcome come 2026 and, more importantly, 2018.

I rise to talk about the Commonwealth games bid for 2026, around which time many of the investments announced today will come to fruition. Over time, the Welsh Government’s feasibility study into the games has changed significantly. I will touch later on the Cardiff city deal and the Chancellor’s openness to the Swansea city deal and what that means for the bid, but there has been a continuing dialogue about the games for several years. On the feasibility study, it has been a bit like the hokey-cokey with some parties and Governments: they support it, they don’t support it.

I hope today to bring some consensus to the Chamber around a vision for a Commonwealth games that Welsh civic society, the Welsh Government and the UK Government need to get behind. It would be good for Cardiff, south Wales, Wales and the United Kingdom.

Mr Mark Williams (Ceredigion) (LD) rose—

Craig Williams: I see our first hope for a consensus from the Welsh Liberal Democrats.

Mr Mark Williams: I congratulate the hon. Gentleman on how he has called for that cross-party approach. In the spirit of Welsh unity, may I encourage him—although I do not think he needs much encouragement—to talk about the huge benefits that would accrue to the whole country, north, south, east and west, urban and rural, were our campaign to be successful?

Craig Williams: The hon. Gentleman—hon. Friend, I think, on this issue—hits the nail on the head: this would be a Welsh bid. That is why I named this Adjournment debate not “The Commonwealth Games for Cardiff”, as you might have expected me unabashedly to do, Mr Speaker, but “The Commonwealth Games for Wales”.

Jessica Morden (Newport East) (Lab) rose—

Jonathan Edwards (Carmarthen East and Dinefwr) (PC) rose—

Craig Williams: In the spirit of consensus, I will take one more intervention, from the hon. Lady, and then make some progress.

Jessica Morden: Newport kindly shared the NATO summit with Cardiff. Does the hon. Gentleman agree that there would be huge potential for Cardiff to share the games with Newport, given our excellent facilities and expertise in planning this type of event?
Craig Williams: I know that the hon. Lady—again my hon. Friend on this issue—is very proud of the velodrome and other cycling facilities in Newport and its other arenas. The games would be for Cardiff, for south Wales, for the whole of Wales; it is a Welsh bid, and I champion it. I also acknowledge that Newport graciously hosted the NATO summit with Cardiff.

Albert Owen (Ynys Môn) (Lab) rose—

Craig Williams: I will make some progress, but everyone who hopes to get in, in this very short debate, will.

Of course, Cardiff has hosted the Commonwealth games before, but that was in 1958, which was a little before my time in the House and on this planet. The Commonwealth games is the only multi-sport event in which Wales competes as a nation, and it is an important opportunity for many athletes to brandish the Welsh brand and represent their country. We have had a proud historic involvement in the Commonwealth games, first appearing in 1930 in Hamilton, Canada, and we are one of only six nations to have taken part in every games since 1930.

The first Commonwealth medal—this is where competition can emerge in Wales—was won by Valerie Davies, a Cardiff local winning two silver medals in our first games. That was not too surprising to many Welsh Members. We also do spectaculahly well in weight-lifting; it is one of our most successful sports. The Commonwealth games podiums of the past have seen the likes of Lynn Davies, Nicole Cooke, Colin Jackson, David Davies, David Roberts, Kelly Morgan—now Baroness Grey-Davies, Nicole Cooke, Colin Jackson, David Davies, David Roberts, Kelly Morgan—now Baroness Grey-Thompson—and Dai Greene flying that flag for Wales.

At Glasgow, in the not-too-distant past, we were represented by athletes from all corners of our country, and we returned a record-breaking 36 medals, including five golds. Frankie Jones became the first-ever Welsh athlete to claim six medals in one Commonwealth games, winning one gold and five silvers. Just imagine what we could achieve with a home crowd; I think we could break the record we established in Glasgow.

Chris Davies (Brecon and Radnorshire) (Con): I thank my hon. Friend for bringing the Adjournment debate forward. I would like to add to the list. Natalie Powell, who won a judo gold medal in the Commonwealth games of 2014 came from Builth Wells in my constituency. I suggest that mid-Wales would certainly benefit from the Cardiff Commonwealth games. A legacy would be left for the whole of Wales, as my hon. Friend rightly says.

Craig Williams: My hon. Friend touches on what others have said on this subject. There could be a Welsh bid, and it is something that hon. Members from the UK or the Welsh Government could really get behind and deliver a legacy for the whole country—north, mid, west, south.

Albert Owen: I congratulate the hon. Gentleman on securing this important debate, which gives confidence. Wales already has a strong record of hosting international events. Indeed, my own constituency was the start of the “tour de Britain” only last year. Anglesey has bid for another important games—the Island games in 2025. That could be a showcase for 2026 or even 2030 if it were successful further on. Does the hon. Gentleman agree that the whole of Wales needs to get behind the Island games? We are the only island in Wales that can really qualify for this, but we could share the benefits with the rest of Wales.

Craig Williams: I wholeheartedly support that bid. What a fantastic couple of years it would be if we achieved that and then we achieved the Commonwealth games. That really does cover the breath of our country—from top to bottom.

Let me explain why I think Wales is best placed to deliver in 2026. The UK has had a fantastic record, with Manchester’s Commonwealth games, and then there were the Olympics, in which we all played a part across the UK. Most recently of all, there were the Glasgow games.

Jim Shannon (Strangford) (DUP): I, too, thank the hon. Gentleman for bringing the debate on forward. The Wales bid for the Commonwealth games is one that I would fully support. We would see economic benefits for the whole of the United Kingdom of Great Britain and Northern Ireland. The Commonwealth games in Scotland, for example, brought benefits for Northern Ireland and particularly from the teams who trained beforehand. Does the hon. Gentleman accept that we should do more? Let us do more with the Northern Ireland Assembly and local councils as well. Then we can all reap the benefit of the Commonwealth games in Wales.

Craig Williams: The hon. Gentleman is exactly right. I was just about to touch on the legacy effects across the United Kingdom that the games would bring. Let us look at some cold, hard numbers. I appreciate that the Welsh Government need to carry out the feasibility studies, but they will take us only so far. We need the gut political instinct that makes us say, “We are proud of our nation and our country; we would like to host international, global stages, and we must do that.” I think we are at that juncture now.

Following the Manchester games of 2002, we have had some time to do some economic studies. The chief executive of Manchester city council, reflecting 10 years on, said:

“The Games accelerated regeneration and economic growth in the city by 20 years or more and the ten-year anniversary puts in perspective how much the City of Manchester has grown and changed over the past decade.”

Looking closer in time to Glasgow, there has been a £52 million boost to Scotland’s economy, and 1,000 jobs in each of the past six years have resulted from the building and revamping of Glasgow up to the competition, and then after with the athletes village.

Jonathan Edwards: I congratulate the hon. Gentleman on securing this debate. What consideration has he given to the extra infrastructure that will be required in Cardiff and across the country to host the games? Glasgow had the SSE arena with a capacity of over 15,000, and it hosted about six of the disciplines, but we do not yet have that sort of facility in Wales.

Craig Williams: The key word is “yet”. Sir Terry Matthews has ideas for the promotion of an arena, and Cardiff Council also has some excellent ideas involving regeneration and the building of an arena.
The plans are there, but a catalyst is needed. At the beginning of my speech, I mentioned the Cardiff city deal and the infrastructure that the south Wales metro will provide. If Glasgow and Manchester had benefited from the kind of infrastructure investment that has been announced in the Budget today, it would have made the games much more achievable. We may talk about new arenas, but this is about having a vision for Wales and going for it. Our capital city certainly needs more hotel capacity, Newport needs more grade A hotel capacity, and Swansea needs its arenas and conference facilities. These are things that we lack as a country, and I am not just talking about the Commonwealth games; the legacy effect extends further.

The building and refurbishment of games venues and the athletes village in Glasgow has produced an estimated 1,000 jobs and £52 million for Scotland’s economy. There are 5,000 games-related training and job opportunities on national legacy programmes throughout Scotland, which are not focusing on a single city. An average of about 200 jobs and a £10 million economic boost were created during the six years that led up to the games, via the multi-partnership urban regeneration firm Clyde Gateway URC. The firm initially invested £100 million to help create a regenerated, well-designed community. All the new and refurbished games sporting facilities are already open to the public: schools, clubs and sports bodies. The legacy in Scotland is fantastic, and we could have the same in Wales.

There has also been an expansion of the major events industry in Scotland. As I said earlier, we need international conference facilities in Wales, but we cannot currently do that because of our chronic lack of hotel capacity, and the lack of capacity in the areas where we host conferences. The games would serve as a catalyst in that respect.

Let me say something about the legacy and economic benefits for our country. Sarah Powell, chief executive of Sport Wales, has said:

“Wales’ global reputation for staging world-leading sporting events would be further enhanced by hosting the Commonwealth Games. We should be proud of our reputation around major events as it projects the image that we want the world to see—a strong confident nation comfortable with our place in the world and increasingly treating success as not a surprise, but an expectation.”

Throughout our nation is a wealth of world-class sporting venues. It will not surprise Members that I mention first the Millennium stadium in our capital city, which has now been renamed the Principality stadium, but Wales also has the Liberty stadium in Swansea and the velodrome in Newport. The Commonwealth games would not just bring benefits to south Wales; north Wales could host sailing and other events. The National Sports Centre in Cardiff regularly hosts international competitions, training camps and athlete training, and a number of international competitions already take place throughout the year at the centre.

Any Commonwealth games bid would have a positive regeneration impact in terms of infrastructure development, as well as adding to the already increasing levels of sporting participation. Given the indoor arena that is planned for Cardiff, and the 5,000-seater Wales International Convention Centre at the Celtic Manor resort, the building of new sporting venues may be completed well before 2026. Those are arenas that we already want to build. Any feasibility study would find that we are well on our way to pulling all this together—and, of course, we already have many rugby and football stadiums, and provision for the other sports in which we do so well in Wales.

Mike Wood (Dudley South) (Con): Commonwealth games athletes from all the nations of the United Kingdom train at the Judo Centre of Excellence in the black country. Does my hon. Friend agree that a Commonwealth games in Wales would benefit the whole United Kingdom?

Craig Williams: My hon. Friend is quite right. What a happy Union we would be if another Commonwealth games were secured in the UK. I know of no bigger fan of the black country, and no bigger supporter, than my hon. Friend.

Let me list a number of events that we have already hosted on the world stage. At the turn of the millennium, there was the 1999 rugby world cup in Cardiff. Who could forget Max Boyce going on to the pitch and singing hymns and arias to a stadium full of people?

Jim Shannon: My hon. Friend is absolutely right. However, some of the main criticisms of the proposals for the games being held in Wales are economic, so I am putting those to the test at the moment. The cultural and legacy aspects of the games are immense, and their role in encouraging young people into sport is terrific. I shall say more about that in a moment. I thank the hon. Gentleman for bringing that point up.

At the turn of the millennium we in Cardiff did our bit for England’s World cup. We did our bit in the match as well as hosting some games. We did our bit for the FA cup, the Ryder cup, the Olympic and Paralympic games. We also did our bit for the Ashes in 2009 and 2015, the rugby league world cup in 2013, Rally GB, the Community shield and the British speedway grand prix. We also host premier league football fixtures, although sadly they take place further down the M4 these days. I am sure they will be coming back to Cardiff before long.

Of course we also host international rugby matches, including the six nations and the Heineken cup, and international football matches. The Volvo ocean race is coming to Cardiff bay, and we are about to host the UEFA Champions league final. The world half-marathon is also coming to Cardiff soon. The benefits to Wales from hosting an event that stands so large on the international stage as the Commonwealth games would be innumerable. Anyone who had an unlimited budget to publicise their country and cities would go for events such as those. Wales does not have an unlimited budget, yet we secure them.
Let us also consider the legacy products and the potential surge in Welsh national pride. I say to my colleague from Plaid Cymru, the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards), that that does not equate to Welsh independence. I am talking about Welsh national pride. The Commonwealth games would be a perfect opportunity not only to bring benefits to Wales but to showcase our beautiful nation. That can bring legacy benefits to tourism and culture. We are indeed better and stronger together.

It is estimated that for every £1 of national lottery funding invested in major sporting events, an average of £4.90 of additional direct economic impact is generated for the host city and region. Staging the Ashes cricket at Cardiff SWALEC stadium brought in an estimated £24 million to the region, according to Cardiff Metropolitan University. An economic study of the 2011 Champions league final in London estimated that the windfall for that city was about £43 million. A recent report carried out by Econactive for the Welsh Rugby Union showed that the Millennium stadium—now the Principality stadium—generates over £130 million a year for Cardiff and sustains more than 2,500 jobs. From 2006 to 2016, spectators who attended events at the stadium spent £848.6 million. The overall economic impact of the venue is estimated to be £130 million a year.

The 2010 Ryder cup hosted in Newport generated a total economic impact for Wales of £82.4 million and had a direct economic impact of £53.9 million for south Wales. On the legacy aspect, Golf Union Wales said that in the 12 months following the Ryder cup, 40% more boys and 60% more girls under the age of 18 started to participate in the sport. We can only imagine what the multitude of sports represented in the Commonwealth games could do to encourage the young people of our nation.

Tom Elliott (Fermanagh and South Tyrone) (UUP): The hon. Gentleman is talking about young people. Is he aware that the Commonwealth Youth games are coming to Northern Ireland and to Belfast in 2021? They should give a great boost not only to the young people of the United Kingdom and the rest of the Commonwealth but also, I hope, to the hon. Gentleman’s bid for Wales.

Craig Williams: Absolutely. I cannot see why the games should not start in Northern Ireland and go over to Anglesey before coming down to Cardiff, the host city, and across Wales as the consensus develops for this project.

Sport can have a lasting and positive impact on the people of Wales, on our health and wellbeing, on our place in our communities and on our national pride. Sporting success is important to Wales because it makes a statement about our heritage, our culture, our achievements and our ambition for our nation. There is a definite link between successful, high-profile sporting role models and children taking up healthy activity and sport. Sport participation is crucial for children and young people for many reasons. An active child is more likely to become an active adult, and being part of a team gives children a sense of belonging, challenges them to work in a group and encourages them to develop social and other essential skills.

In south Wales, the infrastructure developments, the changes that the Government are making in other programmes, and investment in young people and the next generation represent a real coming together for 2026. I look forward to hearing in the Minister’s reply what support we can offer to the Welsh Government and Welsh civic society, but tonight’s debate has shown that parties across Wales and across the United Kingdom support the need for us to at least bid for the 2026 games. Wales is an ambitious nation and we have an immense opportunity, but we sometimes lack a little confidence. If Welsh civic society and everyone else get behind the bid, if it is the only bid from the United Kingdom and if we get support from the UK Government, there is no reason why we cannot rejuvenate the economy, get more young people into sport and win an even greater number of medals for Wales come 2026.
[Alun Cairns]

Bringing the Commonwealth games to Wales would put us on the world stage once again, just like when we hosted the NATO conference in 2014, which was referred to by Opposition Members and my hon. Friend. We also hosted Olympic events as part of London 2012 and hosted the Ryder cup in 2010. At the 2012 Olympic games, the world saw what we have always known: the UK is an unbeatable venue for world-class sporting events. The world also saw what Wales has to offer when we hosted the very first event—Great Britain's women took on New Zealand in the football competition in Cardiff.

We know that as well as reinforcing the Wales brand, sport can make huge economic contributions to Wales. Much has been said about how the Principality stadium is among the best stadiums, and it generates more than £130 million a year for the Welsh economy and sustains more than 2,500 jobs. In its first decade, the then Millennium stadium boosted the Welsh economy by more than £1 billion. The 2015 rugby world cup played a significant part in boosting the economy of south-east Wales. Cricket is another sport that we have managed to celebrate and derive significant economic success from, with the Ashes at Sophia Gardens giving a £19 million boost to the capital region economy in one year.

Wales is continuing to grow in this area, as it can look forward to hosting an exciting range of sporting events in the next few years, some of which were mentioned by my hon. Friend the Member for Cardiff North. These include: the world half-marathon championships; the UEFA champions league final; velothon Wales; and the international Snowdon race. But there is no reason why we should cap our ambitions at just those events. With Wales riding high on a sporting wave of success, there is surely no better time to identify how we can attract more global sporting occasions to our shores—occasions such as the Commonwealth games.

Jonathan Edwards: The Minister mentioned the national rugby stadium in his remarks. Although it is probably the best stadium in the world, UEFA was not going to allow us to hold a champions league final in that stadium because Cardiff airport is not designated as being up to a sufficient standard. One way of moving forward on that airport would be by devolving airport duty tax, especially in respect of long haul flights, to allow the airport to develop. Let the UK Government show some ambition and devolve that tax.

Alun Cairns: The hon. gentleman knows that the Treasury is actively looking at that area of policy, but this is a debate about the Commonwealth games and Cardiff airport will rightly play its role in hosting the visitors from the nations involved in the champions league final. As the airport lies in my constituency, I certainly hope to play a part in welcoming some of those superstars from around Europe and elsewhere when they visit Cardiff and Wales.

The opportunities to host such events in Wales should know no bounds. Not only can they pump millions of pounds into our economy and create thousands of jobs, but they can leave a lasting legacy and inspire youngsters from every corner of Wales to get hooked on sport. The 2014 Commonwealth games were the largest multi-sport event ever held in Scotland and a spectacular display of world-class sporting success. The enthusiasm of competitors and the public, the excellent organisation and of course the economic contribution came together to ensure lasting legacy from those 11 days of sport. From the Scottish Government and Glasgow City Council’s capital investment of about £425 million, topped up with ticket sales and revenue from commercial sources totalling £118 million, came a return of £740 million to boost the economy of Scotland and of Glasgow in particular. Hosting such a games can therefore be seen as an investment. That return included £390 million for Glasgow’s economy, and support for an average of 2,100 jobs each year between 2007 and 2014, including 1,200, on average, in Glasgow. The games attracted 690,000 unique visitors, whose net spending contributed £73 million to the economy over those 11 days alone.

Those figures demonstrate the investment and the opportunity; this is something Wales can hope to emulate. A bid team would, however, rightly need to look at the figures in more detail. Let us be clear about the challenges ahead of us. We have some of the best facilities. We have the Wales national velodrome in Newport and the national pool in Swansea. We have no shortage of mountains in Snowdonia for mountain biking. We have fantastic facilities in Bala for canoeing. Those facilities demonstrate that a bid from Cardiff could really be a bid from Wales, which we would welcome, but they are widely spread and we need to take that into account. Additional facilities are also needed. One pool is insufficient, so we would need a practice pool. One velodrome is insufficient and it will be 20 years old by the time of the games, so we need practice and warm-up facilities. That demonstrates the planning and construction challenges that exist. Over the next week or so, I am meeting one of the individuals who was responsible for planning the 2012 games in London to establish what Wales would practically need to achieve.

Chris Davies: rose—

Alun Cairns: I will give way in the very brief time that I have left.

Chris Davies: May I remind my hon. Friend that not far away from Cardiff is the Brecon Beacons National Park where we have mountains on which to compete and practise?

Alun Cairns: My hon. Friend is a true champion of his constituency, and he uses every opportunity to promote it, and rightly so.

For Wales to host major events, there are challenges to which we must respond positively. There needs to be a team approach, and the Wales Office stands ready and willing to co-ordinate and bring together all the issues ranging from transport problems right the way through to immigration and security issues.

As we look to the next decade, there are few opportunities to host major international sporting events here in the UK. We will not have the Olympics or the rugby world cup, and it does not appear that we will get the football World cup. I truly hope that, as a result of the initiative being pursued by my hon. Friend the Member for Cardiff North, all Members of Parliament here, and the UK Government, we will host the Commonwealth games in 2026.

Question put and agreed to.

7.30 pm

House adjourned.
Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Fishing and the EU

1. Mr Philip Hollobone (Kettering) (Con): What plans she has to repatriate control over British fishing waters and policy in the event of the UK leaving the EU.

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): We have made some progress in reforming the common fisheries policy so that there is a commitment to fish sustainably, a ban on the wasteful practice of discarding fish, and new flexibilities to improve the way quotas work. As my hon. Friend knows, the formal Government position is that we should remain a member of the EU, but my hon. Friend knows that Ministers have been given the discretion to take an alternative view if they want. We have made progress in reforming the common fisheries policy. This year at the December Council we saw increases in cod and haddock quotas in the North sea. As a result of the work that we have done with other countries, including Norway, Iceland, the Faroes and other EU countries, we have seen a recovery of stocks, in the North sea in particular.

Angela Smith (Penistone and Stocksbridge) (Lab): Does the Minister acknowledge, however, that one of the difficulties involved in Brexit is that it is not necessarily easy to erase grandfather fishing rights?

George Eustice: With many countries—EU member states and also countries such as the Faroes, Iceland and Norway—we have mutual access agreements, and we have annual discussions about the allocation of fishing opportunities. This is the norm. Whether countries are in the EU or not, there is always a large degree of international debate on these issues.

Richard Benyon (Newbury) (Con): Will my hon. Friend confirm that whatever happens on 23 June, there will still need to be quotas, fishermen will still want to export to EU countries two thirds of the fish and 86% of the shellfish that we land in the United Kingdom, and fishermen will still want to retain rights to fish in EU waters?

George Eustice: My hon. Friend is right. Countries outside the European Union do have quota systems. We have considered alternatives, but a quota system of some sort, with the flexibilities that we are trying to introduce, is the best way to conserve fish stocks, we believe. Just as Norway, the Faroes and Iceland have quotas, we would retain those too. When it comes to the market, whichever side of the EU debate people are on—whether they believe we should stay in or leave—we all agree that free trade is to the benefit of everyone.

Mr Alistair Carmichael (Orkney and Shetland) (LD): I commend the Minister, who is obviously walking a very careful line today. He knows, however, that we had foreign trawlers operating in British waters before we were in the UK—sorry, before we joined the European Union, and that would remain the case if we were to leave. How many bilateral arrangements would be necessary if we were to leave the European Union? Can the Minister tell the fishermen in my constituency how the crucially important EU-Norway negotiations, which have a tremendous direct impact on our every year, would be conducted?

George Eustice: The right hon. Gentleman makes an important point. There is a misconception that the December Fisheries Council of the EU decides fishing opportunities in the North sea. As he and others know, fishing opportunities in the North sea are decided at the North-East Atlantic Fisheries Commission through the coastal states meetings and then EU-Norway. The UK currently does not have a seat at those meetings; we are represented by the EU. Obviously, if we were to leave, the UK would regain its seat on NEAFC.

Martin Vickers (Cleethorpes) (Con): There is little doubt that membership of the EU has been damaging to the deep-sea fishing industry, but looking to the...
future, does my hon. Friend agree that our relationships with non-EU countries such as Iceland are particularly important to the industry?

George Eustice: Yes, my hon. Friend makes an important point. For Grimsby and his constituents, the close relations and the partnership we enjoy with Iceland in particular is extremely important. There is a tradition in this country that we import much of the fish that we consume, notably from Iceland and to a limited extent from Norway, and that we export much of the fish that we catch to the EU, but also to other third countries, such as China and Nigeria.

Recycling Targets

2. Mr Barry Sheerman (Huddersfield) (Lab/Co-op): What steps is she taking to meet the recycling targets in the EU circular economy package.

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): There are two separate questions here. The EU circular economy package is still under negotiation, but on recycling rates we are doing well, as the hon. Gentleman knows. We have gone from 12.5% recycling in 2001 to nearly 44% recycling. That is one of the real success stories in the United Kingdom.

Mr Sheerman: The hon. Gentleman will know that the aim of the package is to have a sustainable, low-carbon, resource-efficient, competitive economy. Does he accept that had it not been for the European Union regulation, we would be nowhere in terms of dealing with waste? If it had not been for the stimulation from the EU and the EU package, we in this country would still be throwing all our waste in holes in the ground.

Rory Stewart: The hon. Gentleman tempts me into a much bigger political conversation, but it is true that the European Union has played a constructive role in this. It has shown real leadership on recycling, and there are certainly things we can learn from other European countries—particularly from Denmark and the success it has had on landfill.

Mrs Caroline Spelman (Meriden) (Con): I was litter-picking over the Clean for the Queen weekend outside a local primary school, and I was dismayed to find that most items were recyclable. What could the Government do to encourage the next generation to recycle and not to miss the opportunity to forge a circular economy?

Mr Speaker: I call Kerry McCarthy. [Interruption.] I had thought the hon. Lady was seeking to come in on Question 2.

Kerry McCarthy (Bristol East) (Lab): No.

Mr Speaker: We have been misadvised. Never mind.

Tim Loughton (East Worthing and Shoreham) (Con): We want to come in.

Mr Speaker: It is always nice to be wanted.

Tim Loughton: Is my hon. Friend aware of the problems that some of these EU quotas cause local authorities such as Adur and Worthing in my constituency? The quotas are based on weight, and if the county council, which is the lead authority, collects more through municipal recycling sites, other local authorities have less to collect, so they cannot meet their targets and are penalised.

Rory Stewart: There certainly are issues there, and I am very happy to look at this specific one. However, we should say that most councils still have some way to go, so I pay tribute to South Oxfordshire, for example, which has hit a 67% recycling rate, when the national average is about 44%.

Rob Marris (Wolverhampton South West) (Lab): Could the Government look at the problem of the number of wretched plastic-lined paper takeaway coffee cups, the overwhelming majority of which never get recycled because of the difficulties of ripping out the plastic lining? It is a huge problem.

Rory Stewart: I absolutely agree: it is a huge problem—there are tens of millions of these things being produced and thrown away. As the hon. Gentleman pointed out, many cannot be recycled because of the way they are disposed of or because of their composition. The Government have tackled plastic bags—I hope everybody in the House would agree that the plastic bag tax has been a success—and coffee cups seem to be a very good thing to look at next.

Flood Resilience

3. Diana Johnson (Kingston upon Hull North) (Lab): What recent progress has she made on the national flood resilience review and updating her Department’s flood defence plans.

The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): We are making good progress on the national flood resilience review. The call for evidence closed on 4 March. Yesterday, at the Budget, the Chancellor announced that, as well as the £2.3 billion already committed, an additional £700 million will be made available for flood defences.

Diana Johnson: Has the Secretary of State any qualms about the fact that under the Help to Buy scheme her Government are subsidising first-time buyers to purchase homes in flood risk areas? At the same time, those people are not included in the Flood Re scheme the Government set up to provide flood insurance.
Elizabeth Truss: The reason the Flood Re scheme applies only to homes built before 2009 is that we are very clear that after that period there should be no building in these flood zones. That is a clear part of the national planning policy framework, and it should be adhered to by local authorities.

Craig Whittaker (Calder Valley) (Con): May I thank the Secretary of State; the floods Minister, the Under-Secretary of State for Environment, Food and Rural Affairs, my hon. Friend the Member for Penrith and The Border (Rory Stewart); the floods envoy, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill); the Secretary of State for the Department for Communities and Local Government; the Prime Minister and indeed the Chancellor for all their hard work to ensure that Calderdale got the much needed funding is not being inhibited for flood defences, will she assure the good people of Calder Valley that the Environment Agency and other agencies will be held to account over timescales to physically get spades in the ground?

Elizabeth Truss: I pay tribute to my hon. Friend for the work he has put in to make the case for Calderdale to receive this funding. I saw for myself the devastation that had been caused by the extreme weather over the Christmas period. We are investing an additional £35 million. At the end of May, there will be a report on the Mytholmroyd defences. Then, in October, we will produce a full plan for Calder Valley outlining the timescales and exactly which schemes are part of this.

Alex Cunningham (Stockton North) (Lab): The Government finally gave in to pressure from Labour Members and will apply to the EU solidarity fund. As the Secretary of State said, yesterday the Government announced additional funding that goes some way towards compensating for huge cuts in flood defence spending in previous years. However, will any of this money be used to replace the 50% cut in DEFRA’s funding of crucial research on flood forecasts, warnings and defences, demonstrating that the Secretary of State understands the importance of up-to-date evidence in developing our flood defence plans?

Elizabeth Truss: Let us be absolutely clear about flood defence spending. Between 2005 and 2010, £1.5 billion was invested. In the previous Parliament the figure was £1.7 billion. In this six-year programme it is £2.3 billion, and we are adding an extra £700 million because of the extreme weather we are seeing. Under the previous Labour Government, nothing like that amount was invested in our flood defences.

Mr David Nuttall (Bury North) (Con): While considering future plans, will my right hon. Friend consider the aftermath of last December’s floods? Farmers in Ramsbottom in my constituency are being denied access to the farming recovery fund because people do not accept that Ramsbottom is in Lancashire, which it clearly is. When it rains and there is flooding, it does not stop at an artificial border, so will she ask the Rural Payments Agency to look at this and apply some common sense?

Elizabeth Truss: I very much believe in common sense, and I am happy to look at the case for my hon. Friend’s farmers. I am pleased to say that we have already allocated £1 million from the farm recovery fund to help them to get their farms back in order.

Farming and the EU

4. Chris Law (Dundee West) (SNP): What assessment she has made of the potential effect on farmers of the UK leaving the EU.

Elizabeth Truss: Absolutely. I was at the European Council on Monday, making the case for UK farmers. I want to see investment from the European Investment Bank helping our farmers to increase productivity, particularly in areas such as dairy in producing more products like cheese and butter to be able to add value to our industry.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): What assessment she has made of the potential effect on farmers of the UK leaving the EU.

Elizabeth Truss: The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): I believe that farmers are better off remaining in a reformed EU. The vast majority of our exports are to the EU—for example, 97% of lamb exports and 92% of beef exports. As part of the single market, we do not face the tariffs and barriers that we face in trying to export to other countries. That is vital for the health of our farming industry.

Chris Law: This week, European Commissioner Hogan announced a new package of measures to support the UK farming sector. Following that, UK farming union presidents have called on DEFRA, devolved Governments and the European Commission to work together on this new support package. Can the Secretary of State assure me that these trilateral talks will go ahead without any impact from the EU referendum campaign?

Elizabeth Truss: The hon. Gentleman is absolutely right to say that rural communities depend on food and farming, which face much more export barriers than other sectors. For example, we have been trying for 20 years to get UK beef into the US, and we are still trying to get poultry exported to China. We have on our doorstep access to a single market of 500 million people for our fantastic UK products. I think we need to build on that, rather than leave the European Union. No single country has full access for agricultural products without being a full member of the EU.

Elizabeth Truss: The hon. Gentleman is absolutely right to say that rural communities depend on food and farming, which face much more export barriers than other sectors. For example, we have been trying for 20 years to get UK beef into the US, and we are still trying to get poultry exported to China. We have on our doorstep access to a single market of 500 million people for our fantastic UK products. I think we need to build on that, rather than leave the European Union. No single country has full access for agricultural products without being a full member of the EU.

Neil Parish (Tiverton and Honiton) (Con): The Secretary of State is quite right in saying that, after BSE in 1996, British beef went back into France and across Europe until 2003.
in 1999 because of single market rules. Twenty years on, we still cannot get it into America or China, so where are all the great markets going to be if we shut ourselves off from the EU market?

Elizabeth Truss: I completely agree with my hon. Friend. If we look at the UK lamb industry, we will see that 40% of all the lamb produced by British farmers goes to the EU. That supports not just the farmers but our rural landscape and countryside. The fact is that no single country that is not a full member of the EU has tariff-free, hassle-free access to that market. Norway has to pay tariffs and pay into the EU, and Switzerland has to pay tariffs. Canada has quotas and tariffs on agricultural products. We should not take that relationship for granted.

Rishi Sunak (Richmond (Yorks) (Con)): One EU regulation that my sheep farmers complain to me about is the need for carcass splitting, which adds time and hassle, especially as farmers search for incisors poking through gums. Will my right hon. Friend update the House on the Government’s efforts to simplify that cumbersome regulation?

Elizabeth Truss: We are making progress. My hon. Friend the Minister of State, who has responsibility for farming, has recently had a meeting on the issue. We need common standards across Europe to make sure that we can freely trade with those other countries. As I have just said, that is particularly important for the sheep sector, 40% of whose products are exported to the EU.

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): Even with the EU common agricultural policy payments, farmers are currently struggling because of supply chain issues and low commodity prices, and yesterday’s Budget offered them little help. As the National Farmers Union has pointed out, the “continued focus on reducing corporation tax does nothing to help the 90% of UK farm businesses who are unincorporated.” Will the Secretary of State meet the Chancellor to highlight those issues and the need for a fairer tax regime that treats incorporated and unincorporated businesses equally?

Elizabeth Truss: This April, farmers will be able to average their tax over five years, enabling them to deal with the volatile prices they currently face. We have also improved the capital allowances regime for farmers and farm businesses. We are not complacent: we continue to work in areas such as public procurement, with our Great British Food campaign, to make sure that we sell more British food here and overseas.

Kerry McCarthy (Bristol East) (Lab): I share the Secretary of State’s views on the benefits of remaining in the EU for our farmers, the environment and the wider public good. However, why do we so often hear reports of the UK playing a negative role behind the scenes in EU negotiations, including opposing action on neonicos and waste targets, and watering down important laws? If we vote to remain—and I hope we do—can we look forward to the UK playing a more positive role in Europe, starting with showing some real leadership on the environment and CAP reform?

Elizabeth Truss: I agree with the hon. Lady that we need to remain in a reformed EU, but I do not agree that the UK has played a negative role. My hon. Friend the Under-Secretary has recently led on the international wildlife trade, getting agreement across the EU to help to combat terrible trade in those endangered species. The former Environment Minister, my hon. Friend the Member for Newbury (Richard Benyon), showed leadership on the common fisheries policy by stopping the throwing of perfectly healthy fish back into the sea. We are leading on CAP reform: only this Monday I presented to the European Council a paper streamlining audit requirements, on which we were supported by 17 other member states. We are constantly making progress. We are working to simplify the CAP, and changes have been made to it. Thirty or 40 years ago, there were wine lakes and butter mountains, but they no longer exist.

Tree Planting

5. Mr Robin Walker (Worcester) (Con): How many schools are taking part in the Government’s new tree planting scheme. [904155]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): So far, 800 primary schools have participated in the scheme. The hope is that in the next stage we will give 1 million individual schoolchildren the opportunity to select, plant and care for their own tree.

Mr Walker: I congratulate the Minister on this fantastic scheme. I know that schools in Worcester, which are great fans of the forest schools initiative, will want to play their full part. Trees are a fantastic investment in cleaner air, in the quality of life in our cities and in flood defence. Will the Minister come to Worcester and see the tree renaissance that is taking place in our city, where our mayor, Roger Knight, is leading the planting of thousands of new trees?

Rory Stewart: I should be delighted to take up that offer. Worcester is showing real leadership, but we would like many more towns and cities in the United Kingdom to engage in planting more trees. As my hon. Friend has pointed out, it is fantastic for tackling air pollution, fantastic for biodiversity and great for our leisure and health. In particular, I pay tribute to the work in Worcester at Laugherne Brook and Perdiswell.

Andrew Stephenson (Pendle) (Con): In addition to the development of new woodland, the maintenance of existing woodland is equally important. What steps have the Government taken to promote and maintain our existing woodlands?

Rory Stewart: We have a series of schemes on this. The countryside stewardship scheme gives grants to improve woodland. We also have new projects worth millions of pounds working on under-managed woodland to make sure it is managed better, and we have a £1 million scheme to help people to plan and develop new woodland across the north of England in particular.

Food Waste

6. Patricia Gibson (North Ayrshire and Arran) (SNP): What steps she is taking to reduce food waste. [904157]
The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): The work on food waste has a number of components. It starts at the farm gate, by making sure that food is not wasted there; it continues to the supermarket shelves, by making sure that products last longer on those shelves; and it ends up in households, by making sure that people understand how to buy sensible portions and that they do not throw away food unnecessarily. The Courtauld 2025 agreement, led by the Waste and Resources Action Programme, has the target of reducing food waste by a further 20% between now and 2025.

Patricia Gibson: The Minister will know that the Scottish Government have pledged to cut food waste by a third and save £500 million by 2025. Scotland is the first part of Europe to set such a food waste reduction target. Will the Minister follow that example and pledge a UK Government target to save money and cut food waste?

Rory Stewart: I pay tribute to Scotland for the work it is doing, but I politely point out that recycling rates in Scotland are, unfortunately, lower than they are in England or Wales. However, we very much endorse the desire of the Government of Scotland to improve that recycling rate, particularly in relation to food waste.

Mark Pawsey (Rugby) (Con): Where food waste occurs, it is important to treat it as a resource and put it to good use rather than send it to landfill. One of the best uses for it is in anaerobic digesters to produce electricity. As household food waste is collected by local authorities, what discussions has the Minister had with colleagues in the Department for Communities and Local Government to encourage councils to raise the proportion of the food waste that they collect and send to anaerobic digestion?

Rory Stewart: There are two elements to that. The first is working with councils in Britain to make sure that they all move towards separate food waste collections. That is absolutely central. The second is making sure that we minimise that food waste, but that when it occurs, it is used either for composting or for the generation of energy. That also involves a long-term plan for infrastructure.

Jim Shannon (Strangford) (DUP): May I wish you, Mr Speaker, and other right hon. and hon. Members a very happy St Patrick’s day. Members a very happy St Patrick’s day? They say that if the sun shines on St Patrick’s day, it will be a very good summer. Only time will tell whether that will be the case.

I welcome the news that Tesco has said that all its unsold food will be given to charities, and that will undoubtedly have a huge impact on the reduction of food waste. What discussions has the Minister had with other large food chains to ensure that they do similar work?

Rory Stewart: I join the hon. Gentleman in celebrating St Patrick’s day.

Tesco is taking a serious lead on this, but many other retailers have also taken a lead, particularly Morrisons and the Co-op on the procurement of food and making it last. All the major retailers have now signed up to the Courtauld 2025 agreement. Currently, the waste coming from those retailers’ shelves is only about 0.2 million tonnes a year, which is lower than in other sectors. However, those supermarkets can contribute much more to everything down the chain, both at the farm gate and in the household, and we will continue to work with them closely on that.

Mr Dennis Skinner (Bolsover) (Lab): If the Minister wants any further advice on anaerobic digestor plants, he should go to see David Easom, a farmer based in the villages of Wessington and Brackenfield in the Bolsover constituency. Several years ago, I mentioned the fact that he was going to have an anaerobic digester in this House. It is now up and running. Everybody is going to visit him, and Ministers from the Department should go to see how it works. Everything is in running order, just like everything else in Bolsover.

Mr Speaker: We very much hope that the plant is in Derbyshire, rather than in this House.

Rory Stewart: I feel that that is a great compliment. It is a historic opportunity for me to spend time with the hon. Member for Bolsover (Mr Skinner), whom I have long admired. I very much look forward to visiting the plant with him.

Mr Speaker: I am sure we will get a report in due course.

Marine Environment

7. Margaret Greenwood (Wirral West) (Lab): What steps the Government are taking to reduce marine litter and plastics pollution.

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): Part 3 of the UK marine strategy, published last December, sets out the actions we are taking to improve the marine environment. It includes measures that contribute to reducing sources of marine litter, including plastics. In England, we have now introduced a 5p charge on single-use plastic bags, following the success of this policy in other parts of the UK. Given the trans-boundary nature of marine litter, we are working with other countries in the Oslo and Paris convention for the protection of the marine environment.

Margaret Greenwood: Marine litter and plastic waste are damaging our wonderful coastlines and marine life, not least, in my constituency, in the Dee estuary, which is internationally important for its bird life, the beaches of West Kirby, Thurstaston and Hoylake, and the Red Rocks site of special scientific interest, which is an important breeding ground for frogs and natterjack toads. Will the Government follow President Obama’s lead and ban microbeads in cosmetics?

George Eustice: This issue was discussed at OSPAR—the Oslo and Paris—convention in 2014. The UK pushed very hard to get a voluntary agreement to which the cosmetics industry would sign up. At the end of last year, Cosmetics Europe, the industry body representing all cosmetic manufacturers in Europe, gave an undertaking...
to phase out the use of microbeads in particular. We rule out nothing when it comes to considering regulation in the future.

Michael Fabricant (Lichfield) (Con): The hon. Member for Wirral West (Margaret Greenwood) is absolutely right to raise this issue. Nothing is more heartbreaking than walking along a coast—or even in Lichfield, right in the middle of the nation, where we have the lakes of Minster Pool and Stowe Pool—and seeing swans and other animals suffering because of bags and other material that have been left there.

George Eustice: My hon. Friend makes a very important point. That is why we took the decision to introduce the 5p charge on single-use plastic bags. The big problem we have with plastics is that they remain in the environment for a very long time, which compounds the problem, and we add to it each year. Once these plastics are in the marine environment, it is incredibly difficult for them to be removed, so it is essential that we do all we can to stop plastics getting into the marine environment.

Kerry McCarthy (Bristol East) (Lab): At the last Environment, Food and Rural Affairs questions, the Environment Secretary assured me that the Government were serious about tackling plastics pollution and marine litter. Yet, on the circular economy all we hear is vague talk of encouraging voluntary action and mumblings about overarching concerns. On the marine side, 10 EU countries have invested in joint EU research into micro-plastics in the sea, the joint programming initiative on oceans. We have world-class marine research facilities in the UK, so why are we not part of that?

George Eustice: I think the hon. Lady will find that we are doing quite a lot of research on marine plastics. Plymouth University has done some work for us on that. I am very clear: we do want action across Europe. That is why we have worked with partners in the OSPAR convention, and why we have pressed to get a voluntary undertaking by the industry to get rid of microbeads. As I said in my initial answer, we have also been very clear that we do not rule out regulatory steps, if necessary.

Flood Defence Schemes

8. Rebecca Pow (Taunton Deane) (Con): How many flood defence schemes are planned to (a) begin and (b) complete construction in 2016.

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): Some 246 schemes were begun in 2016-17, and 190 are due for completion.

Rebecca Pow: Will the Minister kindly update the House on progress with the legislation that is required to set up the Somerset rivers authority as a separate precepting body, so that we can fund flood protection for the future? Local authority budgets are currently covered by a special caveat, but legislation is required to set up the precept for 2017-18.

Rory Stewart: As my hon. Friend is aware, DEFRA committed £1.7 million to the Somerset rivers authority. That authority has now decided that its preferred solution is a precept, and a shadow precept will come into effect from April this year. We look forward to discussing the long-term financial arrangements directly with the authority.

Rachael Maskell (York Central) (Lab/Co-op): York welcomes the investment in our flood defences, but the Foss barrier will be underfunded by this Government for the improvement that it needs, and the capacity of the pumps will be 40 tonnes per second, not the 50 tonnes per second that is needed. Will the Minister commit to considering this issue, to ensure that we have sufficient funds to improve the barrier?

Rory Stewart: We have significant funds for the barrier, and we are committed to considering that issue. I am happy to go and look at the Foss barrier with the hon. Lady. The calculation on the pumps is an engineering calculation, and we would be happy to look at the flood maps with the hon. Lady. We will provide the correct funds for the correct solution for the Foss barrier.

Several hon. Members rose—

Mr Speaker: Order. We are short of time, so single-sentence, short supplementary questions are needed.

13. [904165] Chris Heaton-Harris (Daventry) (Con): A small but important role in flood defence is played by farmers who clear ditches and drainage channels. What progress is being made to remove the bureaucracy that sometimes stops them from doing that?

Rory Stewart: Two weeks ago, we took through the House new legislation that will significantly simplify what happens. We will focus the efforts of the Environment Agency on the highest-risk cases, we have reduced red tape by 50%, and we are allowing farmers in non-specialist environmental zones to clear 1,500 metres of drainage ditch without having to get a bespoke permit.

Valerie Vaz (Walsall South) (Lab): Will the money allocated for flood defences in yesterday’s Budget stay with the Treasury or be transferred directly to the Department? How much of it will be allocated for maintenance of flood defences?

Rory Stewart: We are currently discussing the details of that, but the Treasury was clear that at least £40 million in the first year will go into maintenance, and £200 million of the initial allocation will go to capital spending on flood defences.

16. [904168] Victoria Atkins (Louth and Horncastle) (Con): The Lincolnshire wolds are beautiful but suffer from flooding. How many homes will be protected in the market towns of Horncastle and Louth as a result of the flood alleviation schemes that are funded in part by this Government, Lincolnshire County Council, and East Lindsey Council?

Rory Stewart: Some 13,989 properties are due to be protected, including more than 300 in the areas mentioned by my hon. Friend.
Air Pollution

10. Ruth Cadbury (Brentford and Isleworth) (Lab): What steps is she taking to improve monitoring of levels of air pollution.

Elizabeth Truss: In yesterday’s Budget an additional £700 million was announced in line with the EU ambient air quality directive, and the computer programme to calculate emissions from road transport, or Copert. We have increased the number of nitrogen dioxide monitoring stations by more than 30% over the past three years.

Ruth Cadbury: Air pollution will cost many more thousands of lives if air quality is not improved significantly. How will the Government achieve legally binding targets for air pollution if the third runway at Heathrow is permitted?

Elizabeth Truss: The Government are concerned with only five cities. Will the Minister explain why?

Rory Stewart: The current objective is to focus on nitrogen dioxide thresholds and ensure that we reduce ambient air quality rates below 40 micrograms per cubic metre. Heathrow is a totally separate question that must be assessed independently by the Environment Agency and our air quality monitors, to see whether ambient air quality targets are met.

Naz Shah: Air pollution kills 50,000 people a year, yet the Government are concerned with only five cities. Will the Minister explain why?

Rory Stewart: That is a very good question. In those five cities, the ambient air quality level of 40 micrograms per cubic metre is due to be exceeded. Therefore, our objective is to ensure that below 40 micrograms per cubic metre, we drop that level below 40 micrograms per cubic metre.

14. [904163] Vicky Foxcroft (Lewisham, Deptford) (Lab): In Deptford, air pollution levels are more than double the European legal limit. London as a whole breached annual air pollution limits just days into 2016. Does the Minister think his Department is doing enough?

Rory Stewart: We have reduced nitrogen dioxide dramatically in Britain—by 44%—but there are still significant problems in London. That is partly to do with the population and design of London, which is why an ultra-low emission zone is being introduced in London, and to ensure that more farmland is protected.

Topical Questions

T1. [904180] Michael Fabricant (Lichfield) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): The Government are committed to ensuring that our country is resilient in the face of more extreme weather. That is why we announced in yesterday’s Budget an additional £700 million for flood defences on top of the £2.3 billion capital budget we already have in place. That means £150 million for new schemes in those areas affected by the winter floods, and further funding to support the outcomes of the national resilience review.

Michael Fabricant: On a different matter—[Laughter.] Well, it is a different matter! Staffordshire farmers are particularly strong in dairy farming. Like dairy farmers all over the United Kingdom, they are suffering from volatile prices and low milk prices. What can my right hon. Friend do to try to get milk consumed more—I am a great lover of it, which is why I have good teeth—and to get Government Departments buying milk?

Elizabeth Truss: I compliment my hon. Friend on his teeth. We have been working hard on Government procurement. One hundred per cent. of the milk that Government Departments buy is British, as well as 98% of the butter and 86% of the cheese. I am pleased to inform the House that, from April this year, all 30 million cartons of milk supplied to Her Majesty’s Prison Service will be British.

Nick Smith (Blaenau Gwent) (Lab): Derbyshire authorities found that 60% of takeaway ham and cheese pizzas contained neither ham nor cheese. To protect public health and give confidence in the food we eat, will the much trumpeted but little seen food crime unit be given the teeth it deserves?

Elizabeth Truss: The food crime unit has been established as per our commitment and is operational. I am sure it will be looking into cases such as that one.

T2. [904181] Mrs Flick Drummond (Portsmouth South) (Con): The shellfish industry is worth £500,000 to the local economy in Portsmouth and has been affected by pollution in the past. What progress are the Government making to create blue belts that balance the legitimate interests of the fishing industry with marine conservation?

The Minister of State, Department for Environment, Food and Rural Affairs (George Eustice): My hon. Friend makes a good point. As she knows, we recently designated an additional 23 marine conservation zones, taking the total to 50 around the country. In addition, we have a network of sites of special scientific interest, special areas of conservation and special protected areas. She makes an important point that, in those designations, we have to balance the needs of fishing with the needs of the environment. That is what we intend to do.

T3. [904182] Imran Hussain (Bradford East) (Lab): The Secretary of State has rightly acknowledged the need for better management of land upstream and water catchment areas in preventing floods. What concerns does she have about the burning of heather to improve grouse moors in upstream areas, where it reduces the ability to retain water?

Elizabeth Truss: We want management of entire catchments to reduce the flow going into our towns and cities, and to ensure that more farmland is protected. That is part of our 25-year environment plan that we are currently developing. The important thing to
acknowledge is that the schemes we announced yesterday in the Budget will be looked at on a catchment basis. We are looking not just at Leeds, but at the entire Aire catchment.

T4. [904184] Michael Tomlinson (Mid Dorset and North Poole) (Con): A number of farmers in my constituency have suffered from delays in the basic payment scheme, with all the worry and financial anxiety that that has caused. What guarantee can the Minister give that this will not happen again?

George Eustice: We have worked very hard with 1,000 people on this project to pay farmers as soon as possible. We have done considerably better than other parts of the UK, such as Scotland. We have now paid about 83% of farmers. By the end of this month, almost all of them will have been paid. We believe that from next year—we have done a lot of work on the computer system—it will be much easier for farmers to complete their application, because the data will already be there.

T5. [904185] Vicky Foxcroft (Lewisham, Deptford) (Lab): Violent crime is rising in my urban constituency. It has been proven that access to open spaces and the natural environment can reduce stress and have a calming effect. Will the Minister consider discussing with me the trial of a programme to enable those at risk of serious youth violence to experience the calming effects of the natural environment?

Elizabeth Truss: I completely agree with the hon. Lady about the importance of the natural environment, and about making sure that our children and young people have access to it. Earlier this week I was with Zac Goldsmith looking at his plans to open up urban farms and urban pocket parks to help to get people that access.

Mr Speaker: The right hon. Lady was talking about the hon. Member for Richmond Park (Zac Goldsmith).

T6. [904186] Holly Lynch (Halifax) (Lab): I echo the sentiments of my constituency neighbour the hon. Member for Calder Valley (Craig Whittaker) in welcoming the announcement yesterday on flood defences. May I probe for a little bit more detail and ask how much of the £150 million pot the Secretary of State anticipates will be available for Calderdale? Given that it is being raised in a tax in this way, when does she anticipate it becoming available?

Elizabeth Truss: I thank the hon. Lady for her thanks. I can tell her that £35 million has been allocated to Calderdale, which is in addition to the £17 million already scheduled to be invested over this Parliament. We will be producing a specific plan for Mytholmroyd, but there will be a plan for the entire Calder valley by October. We are making sure that local representatives of the local community are fully involved in putting together that plan, so that it has broad support.

T7. [904187] Martyn Day (Linlithgow and East Falkirk) (SNP): Given that the position of the farming Minister is for the UK to leave the EU, what measures does he believe should be in place and how will he ensure financial assistance for Scottish farmers should there be a Brexit?

George Eustice: As I explained earlier and as the hon. Gentleman knows, the formal Government position is to remain in the European Union, but the Prime Minister himself made it clear this week that were the country to decide to leave the Government would of course continue to support British agriculture.

Sir David Amess (Southend West) (Con): Would my hon. Friend broaden the list of special areas of conservation to include the Thames estuary, which has important marine habitat, including marine marshes and marine sands in the area I happen to represent?

George Eustice: My hon. Friend makes an important point. Both Leigh marsh and Leigh sands are wonderfully important habitats for wildlife. They already benefit from the protection of being a site of special scientific interest and are also part of a special protected area under the birds directive, so there is already a lot of protection for these wonderful sites.

Ian Lavery (Wansbeck) (Lab): In Morpeth in my constituency, we have a Rolls-Royce flood defence system, but we also have a problem with insurance companies still quoting exceedingly high premiums. They blame the Environment Agency for not updating the data. What can the Minister do to resolve this unacceptable situation?

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): There are two issues here which we will be meeting shortly to discuss. First, the introduction of Flood Re...
will ensure affordable flood insurance underwritten by a national scheme, meaning that lower-rate taxpayers’ premiums and excesses will be £250. Secondly, on businesses, we had a meeting yesterday with the British Insurance Brokers Association, which has now prepared a new package, with more specialised and precise mapping, to ensure that affordable flood insurance is available not just to households but to businesses.

CHURCH COMMISSIONERS

The right hon. Member for Meriden, representing the Church Commissioners, was asked—

Community Engagement

1. Fiona Bruce (Congleton) (Con): What plans the Church of England has to engage with communities that are most in need; and if she will make a statement. [904170]

5. Tom Elliott (Fermanagh and South Tyrone) (UUP): What plans the Church of England has to engage with communities that are most in need; and if she will make a statement. [904174]

7. Jeremy Quin (Horsham) (Con): What plans the Church of England has to engage with communities that are most in need; and if she will make a statement. [904176]

The Second Church Estates Commissioner (Mrs Caroline Spelman): Under the Church’s major renewal and reform programme, the whole basis on which the commissioners will disburse funding to dioceses will be weighted significantly towards resourcing the Church’s mission in the most deprived areas.

Fiona Bruce: As a former Warrington councillor, I am aware that the boiler room learning hub at Sir Thomas Boteler School, supported by Warrington Youth for Christ, provided a supportive place for after-school study for many students over several years. Does my right hon. Friend agree that such partnership working between local churches and community groups is one of the best ways of raising the life chances of children in the communities most in need?

Mrs Spelman: Yes, I could not agree more. This school, in the Chester diocese, near my hon. Friend’s constituency, is an example of best practice. I was struck by its introduction of a leadership programme for 14 to 16-year-olds. It takes them to Lancaster University for four days and helps them to fulfill their potential and play an active role in their community and wider society.

Tom Elliott: Will the right hon. Member tell us whether the Church has any specific programmes dealing with the homeless or those with long-term addictions, such as alcohol or drug abuse?

Mrs Spelman: I cannot speak for the Church of Ireland. Obviously, I am speaking from the experience of the Church of England, whose social action does indeed cover the most vulnerable people in our society. Right here, in the diocese of London, it is possible for Members of Parliament to see the work the Church of England does among the homeless. That is replicated in all the dioceses within the Church of England, and I imagine that the same happens in the hon. Gentleman’s own nation.

Jeremy Quin: May I draw my right hon. Friend’s attention to the work done by Horsham Matters in my constituency? Those local churches are working together to provide a winter homeless shelter and other help for the homeless, a food bank and furniture and white goods for those in crisis. They even provide places for apprenticeships—[Interruption. I understand, Mr Speaker. They do a lot of good work. Is that not a fine example to share with the House?

Mrs Spelman: That is one of many examples of where the Church’s social action really makes a difference to the most vulnerable. In respect of the earlier question about the role of the local council, it is significant that Horsham council ran a social inclusion working group bringing together churches, charities, the citizens advice bureau and debt advice organisations to support and advise the most vulnerable.

See Potential Initiative

2. Andrew Stephenson (Pendle) (Con): What discussions the Church Commissioners have had with the Church of England on supporting the Government’s See Potential initiative. [904171]

Mrs Spelman: The Church of England is fully supportive of the See Potential initiative and all efforts to help employers recognise the potential within people regardless of their background.

Andrew Stephenson: The See Potential initiative focuses in part on helping people with criminal convictions to get an opportunity in the jobs market. Churches are a vital presence within the prison system and are often key to people’s rehabilitation. Does my right hon. Friend agree that the Church can play an important role in spreading the message to other employers that there is a benefit to them in exercising the Christian value of forgiveness?

Mrs Spelman: I could not agree more with that example, as it is incumbent on Christians to visit people in prisons. I have been very struck by an initiative from my own parish church, whereby volunteers mentor ex-offenders before they come back into society to help them prepare to go straight and to live a life in which they can sustain themselves. These are excellent examples that can be replicated in all constituencies.

Mr Speaker: I call Mr Alan Mak. Where is the feller? I call Mr Stephen Phillips.

PUBLIC ACCOUNTS COMMISSION

The hon. Member for Gainsborough, representing the Public Accounts Commission, was asked—

National Audit Office

4. Stephen Phillips (Sleaford and North Hykeham) (Con): What assessment the Commission has made of the value for money of the National Audit Office. [904173]
Sir Edward Leigh (Gainsborough): The Public Accounts Commission, which I have the honour to chair, sets a strategy and budget for the National Audit Office. We assess the NAO’s performance against a range of measures. To highlight just three, the NAO’s work results in large savings for the taxpayer; in 2014, its work led to externally validated savings of £1.15 billion, which is £18 for every pound it costs to fund the NAO. Secondly, it has done this while at the same time reducing its own costs by 27%. Finally, the NAO is itself subject to annual value-for-money studies by its external auditor.

Stephen Phillips: As my hon. Friend says, for every pound we spend on the NAO, the NAO saves the taxpayer £18. The Comptroller and Auditor General has been very pessimistic in his budget estimation for next year in seeking to reduce his budget. Does my hon. Friend agree that, given that we get £18 back for every pound we spend on it, we should spend more on the NAO, not less?

Sir Edward Leigh: I am grateful to my hon. and learned Friend for that question, but the Comptroller and Auditor General and I are very mindful of the economic situation and of advice given to us by the Treasury, although I should say that as a body the NAO is entirely independent of the Treasury, about financial pressures. Above all, we believe that the NAO should practise what it preaches. I have assured the Comptroller and Auditor General—I say this to my hon. and learned Friend who asks a very serious question—that if extra work comes his way, such as auditing the BBC, I will not stand in his way to getting extra resources to do the job on behalf of this Parliament.

Alan Brown (Kilmarnock and Loudoun) (SNP): Does the Chairman agree that to provide value for Scotland, NAO spending on devolved matters should result in Barnett consequentials arising from the £6 million or £7 million budget?

Sir Edward Leigh: I do not really want to get involved in Scottish politics or what the Comptroller and Auditor General of Scotland does. Let me say, however, that the Comptroller and Auditor Generals from all over the United Kingdom work very closely together. They set best practice, and I believe that our Comptroller and Auditor Generals throughout the nations of the United Kingdom are world leaders in providing value for money.

CHURCH COMMISSIONERS

The right hon. Member for Meriden, representing the Church Commissioners, was asked—

Sustainable Power Generation

6. Dr Andrew Murrison (South West Wiltshire) (Con): What steps the Church Commissioners are taking to increase the sustainable generation of power on the Church estate. As of January 2016, over 400 churches and clergy homes were generating electricity from solar panels on their roofs, and both Winchester cathedral and Gloucester cathedral are planning to install solar panels this year.

Dr Murrison: Very conveniently, most of our ancient churches are built east-west, which means that there is a southerly elevation that is convenient for photovoltaic generation. What more encouragement will my right hon. Friend give the Church Commissioners to make sure that this important community resource is used to turn our ancient churches from the chilly places they currently are into something more accommodating?

Mrs Spelman: My hon. Friend’s question is timely, because it allows all hon. Members to hear that it is possible to put these renewable energy features on listed buildings. Churches have found all sorts of ways of installing renewable energy generation, and the planning authority within the Church, the Faculty, has become much more flexible when it comes to requests to install these renewable energy features.

Richard Benyon (Newbury) (Con): I hope my right hon. Friend will not mind if I get a bit Trollopian. In order to take these sorts of matters forward, we need leadership in the Church. In the diocese of Oxfordshire, we are lacking a bishop. There has been no Bishop of Oxford for such a long time that we are beginning to wonder whether Sir John Chilcot is involved in his appointment. Will my right hon. Friend convey that what we need is leadership in the Church—locally as well as nationally?

Mrs Spelman: I am not sure that this question has a great deal to do with renewable energy; it may have more to do with Trollope. The vacancy in the Oxford diocese is, of course, a matter of concern, but there has already been one attempt to bring a list of candidates before those who can help to make that decision. I believe that a second attempt to produce such a list will be evident in May.

Mr Speaker: I note that the hon. Gentleman acutely exploited the diverse meanings of the word “power” so that he could remain in order.

Representation of Women

8. Pauline Latham (Mid Derbyshire) (Con): What support the Church Commissioners are giving to the Church of England to increase the representation of women in leadership positions. [904177]

Mrs Spelman: I am very pleased to say that No. 10 Downing Street has just announced that the Venerable Jan McFarlane, currently Archdeacon of Norwich, will take up the post of Bishop of Repton. She will be the first female bishop in the east midlands.

Pauline Latham: I welcome that announcement—I am delighted to hear that we are to have a woman bishop at Repton—but will my right hon. Friend also join me in welcoming the Lords Spiritual (Women) Act
2015, which will enable the Bishops Bench in the other place to better reflect the gender diversity in the Church and in wider society?

Mrs Spelman: Absolutely—and how hard my predecessor worked on that legislation. There are now two female Lords Spiritual, and for the next nine years the 2015 Act will enable any new female diocesan bishop to be introduced before the next available man.

Sir Peter Bottomley (Worthing West) (Con): We are enjoined to do mathematics. Does my right hon. Friend agree that, given that women were held back for so many decades, it should not be a surprise if positions of responsibility and power are over-represented in new appointments, so that the balance of merit reflects the talents of both men and women in the Church of England?

Mrs Spelman: I could not agree more, and that is the justification for the very mild positive discrimination that is being applied in this instance with the aim of introducing more women to the House of Lords. Women now make up 41% of the total number of full-time ordained clergy.

Cathedrals

9. Grahame M. Morris (Easington) (Lab): What support does the Church Commissioners provide to cathedrals to contribute to the cultural and economic life of the UK.

Mrs Spelman: Cathedrals play a significant part in the local economy. Attendance is increasing, and their contribution to the economy has increased by 27%. No doubt that was partly responsible for inspiring the Chancellor’s generous doubling of the £20 million that was originally provided for the cathedral repair bill as part of the centenary world war one fund.

Grahame M. Morris: Durham cathedral, which is in my area, is a particularly fine example. Let me also give a plug for that great working-class gathering, the Durham miners’ gala, which will take place on Saturday 9 July. Could any of that £20 million be used to renovate some of the churches and church assets in other mining communities? St Mary the Virgin church in Seaham, for example, is one of only 20 Viking churches in the country.

Mrs Spelman: I could not agree more with the hon. Gentleman about the magnificence of Durham cathedral. In fact, it is about to launch an Open Treasure project that is designed to produce a sustainable future for the cathedral. However, a sustainable and flourishing cathedral has a knock-on effect on any city and its regional economy. As we have seen in other dioceses, a cathedral can act as a hub, attracting more and more visitors, and also drawing their attention to the magnificent things that can be seen in surrounding churches.

Michael Fabricant (Lichfield) (Con): Tonight Lichfield cathedral will switch on the new lights whose installation was made possible by the last £20 million grant from the Chancellor. However, the chapter roof is now leaking, and it holds the medieval library. May I engage my right hon. Friend in helping us to try to get some more money with which to restore and maintain the library?

Mrs Spelman: I am sure that, following the Chancellor’s generosity yesterday in agreeing to provide an additional £20 million to help with the cathedral repair bill, Lichfield will be one of the first contenders to dip into that fund. As is so often the case after a Budget, the Church of England now has an opportunity to say a very big thank you for the additional money.

Jim Shannon (Strangford) (DUP) rose—

Mr Speaker: I will call the hon. Gentleman if it is to be one short sentence.

Jim Shannon: Thank you, Mr Speaker. This is my one short sentence. Is there a case for cathedrals to reach out and host events, whether they are classes or simply community events that help to bring the community together while also encouraging more people to visit cathedrals? I hope that that is short enough, Mr Speaker.

Mrs Spelman: It is clear from the increasing attendance figures that Church of England cathedrals do bring more people together. It is also significant that, in the last decade, there has been a 14% increase in the number of educational visits, which demonstrates that cathedrals appeal to all generations.
Business of the House

10.34 am

Chris Bryant (Rhondda) (Lab): Will the Leader of the House give us the future business, please?

The Leader of the House of Commons (Chris Grayling): The business for next week is as follows:

MONDAY 21 MARCH—Continuation of the Budget debate.

TUESDAY 22 MARCH—Conclusion of the Budget debate.

WEDNESDAY 23 MARCH—Proceedings on the High Speed Rail (London - West Midlands) Bill, followed by consideration of Lords amendments, followed by motion relating to Section 5 of the European Communities (Amendment) Act 1993, followed by motion relating to Short money.

THURSDAY 24 MARCH—Debate on a motion relating to court closures, followed by matters to be raised before the forthcoming Adjournment. The subjects for these debates were determined by the Backbench Business Committee. I should add that, as you will be told formally, Mr Speaker, owing to the absence of one of the two of us, you will see a duel next week between the Deputy Leader of the House and the shadow Deputy Leader of the House. We look forward to that with interest.

FRIDAY 25 MARCH—The House will not be sitting.

The provisional business for the week commencing 11 April, when we return from the Easter recess, will include:

MONDAY 11 APRIL—Second Reading of the Finance Bill.

TUESDAY 12 APRIL—Debate on a motion on reform of support arrangements for people with contaminated blood. The subject for this debate was determined by the Backbench Business Committee. Following this, the Chairman of Ways and Means is expected to name opposed private business for consideration.

WEDNESDAY 13 APRIL—Opposition day (unallotted day). There will be a debate on an Opposition motion. Subject to be announced.

THURSDAY 14 APRIL—Business to be nominated by the Backbench Business Committee.

FRIDAY 15 APRIL—The House will not be sitting.

I should also like to inform the House that the business in Westminster Hall for 24 March will be:

THURSDAY 24 MARCH—General debate on the NHS in London.

Chris Bryant: The Leader of the House means that I am not going to be here next week, so my eminently capable deputy, my hon. Friend the Member for Great Grimsby (Melanie Onn), is going to be taking up the cudgels on our behalf.

What a dreadful two-fingers Budget! Two fingers up to the most vulnerable in the land—people who cannot dress or clean themselves—and two fingers crossed behind the Government’s back in the hope that the £56 billion black hole will all come right by the end of this Parliament. And what a turnaround, isn’t it? Only weeks ago, the Chancellor told us that the future was sunny but now he says that storm clouds are on the horizon. That is a quick-change routine that Dame Edna Everage would be proud of. Every single target has been missed—he is no William Tell either, is he? Growth figures—wrong. Productivity—wrong. Trade—wrong.

The deficit was meant to have been abolished by 2015. Now the Chancellor hopes beyond hope to have a surplus of £10 billion in 2020. Does anyone really believe that? Does even the Leader of the House believe it? The Institute for Fiscal Studies certainly does not. Is this not yet another pledge not worth the vellum that it is not printed on? More leaks than Wales. More spin than a whirling dervish in a washing machine. The Chancellor actually boasted yesterday about extra money for school sports when he is the person who cut it in the first place. That is like a burglar going to the police and begging for a reward for turning himself in. And frankly, burglars can’t be choosers.

Will the Leader of the House explain the commitment to turn every school into an academy? There are 15,632 schools in England that are not yet academies. The cost of converting a school to academy status is £44,837. That comes to a total of £700 million, but the Chancellor allocated only £140 million to academisation, so where will the shortfall of £560 million come from?

Mind you, Mr Speaker, I have to say that there were some things in the Budget to rejoice about. I am particularly glad that the Severn bridge tolls will be halved, thanks to the campaign by my hon. Friend the Member for Newport East (Jessica Morden) and her colleague sitting next to her, my hon. Friend the Member for Newport West (Paul Flynn). As I am sure you will remember, Mr Speaker, I announced last week that the obesity strategy would be out soon, and now we have it—or at least part of it: the sugar tax. I am delighted that the Chancellor has finally realised the dangers of Coke. [Laughter.] It is just a shame that he could not bring himself to use the word and said “cola” instead. Perhaps the Leader of the House can explain why.

Will the Leader of the House explain how the changes to personal independence payments will be introduced? Should they not be in primary legislation? [Interruption.] I think things have just been explained to the hon. Member for Northampton North (Michael Ellis). Seriously, though, the changes should be brought through primary legislation to enable proper scrutiny in both Houses. Given other recent cuts in disability benefits, will the Government publish a cumulative impact assessment? There is something deeply distasteful about imposing a £3,000 per person cut on the 200,000 most vulnerable people in our country while the richest get a £200 tax handout. I am unsurprised that Graeme Ellis, a lifelong Conservative voter and disability campaigning from Lancaster, has resigned from the Tory party. We will fight the changes. I warned the Leader of the House not to try to pull a fast one on working tax credits by using unamendable secondary legislation and I do so again now.

Incidentally, yesterday saw the Government defeated three times in the House of Lords on the Trade Union Bill and by big majorities, too—nearly two to one in every case. There is more to come. Is it not time for the Government to give up on this vindictive and partisan piece of legislation?
I have been told to be calm about this bit, Mr Speaker. I see that the motion on Short money is tabled for next Wednesday. Our usual channel discussions have been productive, and I thank the Leader of the House for the part that he has played. I hope that the House will be able to welcome the package when it is finally published, but will that be this afternoon or on Monday?

Many Members have had recent difficulties with banks, which have been implementing the laws on money laundering in a disproportionate manner. We all want to tackle money laundering across the EU, but it is crazy that MPs, their family members and even their friends are now being denied bank accounts simply because they are connected to a “politically exposed person”. Will the Government ensure that a proper debate on the matter will be held in Government time so that we can get the balance right and tell the banks where to go?

Holy week starts on Sunday, so I wish all Members, their families and staff a happy Easter. It is also Purim next week, when Jews remember the attempt to kill all the Jews in Persia. That was not, of course, the last attempted annihilation of the Jews. Seventy-four years ago today, the first Polish Jews were gassed at Belzec extermination camp. Sadly, anti-Semitism is still alive today, and I am sure that the Leader of the House will join me in saying that we must do everything in our power to stop religious intolerance and racial hatred infecting our politics and our political parties. That means calling out anti-Semitism wherever we find it, even if that is inconvenient to ourselves, and expelling from our political parties those who peddle such vile arguments. I hope that the Leader of the House will agree that all religious prejudice is equally despicable and will disown the Tories campaign against Labour’s candidate for Mayor of London, which is the most desperate, divisive and racially charged campaign that London has ever seen. They should be ashamed.

Chris Grayling: I echo the words of the shadow Leader of the House about wishing a happy Easter to all those who work in the House.

I will start by briefly addressing Members’ security again. There were a number of incidents at Members’ offices following a recent vote, which is and will always be completely unacceptable. I hope that the police will deal with things in the strongest possible way. I remind Members that the new Independent Parliamentary Standards Authority security package is now available both to them and, importantly, to their staff. If any Member experiences teething problems with the new package, I ask them to tell either myself or the Chairman of Ways and Means and we will seek to get things sorted.

We have just heard a lot about the Budget. To be frank, we heard more noise from the Opposition Benches today than we heard when the Leader of the Opposition was speaking yesterday. I can always tell when Opposition Members are embarrassed. It is normally easy to catch the shadow Leader of the House’s eye—he is always chatting across the Chamber—but when the Leader of the Opposition was speaking yesterday, I could not catch the shadow Leader of the House’s eye for one moment, because he knew just how bad it was. Next week, we will see a continuation of the Budget debate. I could not make head nor tail yesterday of what the Leader of the Opposition was saying he would do, but at least this week we have another insight into Labour’s economic policy. It turns out that the shadow Chancellor draws his inspiration from Marx, Trotsky and Lenin, an approach that has clearly influenced his current policy, given that Lenin once said:

“The way to crush the bourgeoisie is to grind them between the millstones of taxation and inflation.”

That is precisely what Labour’s current policies would do, not just to the middle classes, but to working people up and down this country. On this morning’s “Today” programme, the shadow Chancellor could not even say that he supported capitalism—that is where Labour has got to as a party.

The shadow Leader of the House raised a question about the changes to personal independence payments. We will publish details of our plans on that front in due course, and of course all measures are produced with an impact assessment. He mentioned the Trade Union Bill in the Lords. I simply remind the House that what we are seeking to do is give trade union members the choice about whether or not they contribute to the Labour party. Donations to my party come from people who choose to donate to our side of the political spectrum. Labour has to depend on people who are obliged by the current system to donate, and that is what has to change.

On the Short money motion, I am also grateful for the collaborative discussions that have taken place. The motion will be published shortly and in good time for next week.

On the money laundering point, I absolutely agree with what the hon. Gentleman said and this concern should be shared by hon. Members in all parts of the House. We cannot have a situation where not only individual Members, but members of their families are affected by a change that, in my view, would be utterly unacceptable. We have discussed this matter with the Treasury and received its assurances that it believes people should not be affected, but clearly they are being affected. I will therefore treat this as a matter of great importance, as we all should, collectively, across the House.

The hon. Gentleman made the point about anti-Semitism. It has featured recently in a number of political activities and events, and that is wholly unacceptable and should always be so. He makes a comment about the election in London at the moment, but I remind him that anti-Semitism was also present a year ago at the general election in London, and not from our side of the political spectrum. I hope he will take the words he has said today and make sure that they are properly put into action in his party. It is not acceptable in any part of our life for there to be anti-Semitism. It must not occur ever. It has occurred and it should not happen.

Finally, this week we had the revelation that the shadow Leader of the House does not want to be the shadow Leader of the House at all. He wants to be Speaker, so much so that he appears even to be preparing a campaign team. Of course there is not actually a vacancy for your job, Mr Speaker, but I did have an idea for him. This week is apprenticeship week and I wondered whether you might consider taking him on as an apprentice Speaker. But of course there is one small problem: if he wants to be the next Speaker, he really does need to
remember one thing, which is you do actually need to be popular and respected across the House. I think he has still got some work to do.

Pauline Latham (Mid Derbyshire) (Con): May we have a debate on the TUC’s “Dying to Work” campaign, which focuses on strengthening legal protections for terminally ill employees such as my constituent Jacci Woodcock, who has been treated extremely badly by her employer, which tried to force her to resign?

Chris Grayling: My hon. Friend raised this issue yesterday and it is clearly a matter of great concern to her. She is absolutely right to bring forward a case such as this. I would hope that every employer would treat with respect and care anybody in such a terrible situation, whether in the public sector or the private sector. What we expect from our employers in this country is decency.

Pete Wishart (Perth and North Perthshire) (SNP): May I, too, thank the Leader of the House for announcing next week’s business? Well, it is the usual day after the Budget’s night before and already the wheels are coming off and the old smattering of fiscal fairy dust is wearing thin, revealing the useless and spent out old banger underneath. All of us who listened to this morning’s “Today” programme enjoyed greatly the evisceration of the Chancellor of the Exchequer, when he was asked by a gently inquiring John Humphrys: “What’s a bloke got to do in your job to get the sack?”

The Chancellor was defiantly trying to defend his own targets.

We must also commend the Conservative disabled activists who have made their voices heard in the past 24 hours, especially in regard to what happened with the website. Even Conservative Members are recognising the redistribution aspect of this Budget—redistribution from the poorest and the disabled to the wealthiest in our society. That is what characterises this Budget more than anything else.

The Leader of the House often talks about him and I wandering through the same Lobby. Perhaps we will have that opportunity next week when we vote on the tampon tax. I oppose that tax because women are being taxed because of their biology. The Brexiteers oppose it because of what they see as Brussels meddling. I say to the Leader of the House, come on, we can march through that Lobby together to oppose that Chancellor and his EU politicised Budget.

Regulations that deprive overseas pensioners of the uprating adjustment to the state pension have been forced through this House without any debate whatsoever. With 550,000 pensioners being affected by this adjustment—more than half a million—surely we must have some sort of debate, or a statement from the Government, about that intention in this regard. I hope that the Leader of the House will give some satisfaction on this matter.

There was an absolute disgrace in this House last Friday. My constituents got in touch with my office after seeing the spectacle in this place. They were appalled by the behaviour of a small number of politically motivated predominantly Conservative Members filibustering on private Members’ Bills just to stop the consideration of Bills that they do not personally like. We saw that behaviour in all its destructive glory when they filibusted against the NHS Reinstatement Bill. Of course they are entitled to do that under the rules of the House, but did they take advantage of those rules. Why do these rules apply only to private Members’ Bills? The rest of the legislation going through this House is properly timetabled and regulated. This behaviour must end, as our constituents are taking an increasing interest in private Members’ Bills. I accept that the Procedure Committee is looking into this matter, but a strongly worded statement from the Leader of the House and this Government to say that such behaviour cannot go on would be really helpful, so that we can change that practice.

Lastly, tucked away in the Budget statement yesterday was a plan to extend to income tax the principle of English votes for English law, but, apparently, legislation is required for that. Will the Leader of the House explain how that will be progressed, what type of legislation will be put in place, and whether it will give us the opportunity properly to scrutinise this dog’s breakfast that is EVEL—an opportunity that we did not get when the measure was rushed through in the first place? I would love to hear his remarks on that.

Chris Grayling: For a start, the hon. Gentleman talked about eviscerations in interviews. I presume that he heard the interview with Nicola Sturgeon, Scotland’s First Minister, on “Sunday Politics” last week when she could not explain how her sums added up. She could not explain how it was possible for Scotland to carry on spending the same amount of money without tax increases, or how she would deal with a huge budget deficit without spending cuts. If we are talking about people who have no idea at all about how to manage an economy and how to manage finances, we just have to look to Edinburgh.

The hon. Gentleman talked about the Budget more broadly, and about people on low incomes. I simply remind him that our policies, since 2010, have put literally millions of people back into work, and have lifted more than half a million children out of households where no one worked and put them into an environment where people get up in the morning and go to work and bring a sense of responsibility to their lives. By 2019, the top 20% of our population will pay 50% of all taxes. This is a Government who are proud of their record and who have made a difference to this country. All we hear from the parties opposite is carping about what has been real success.

The hon. Gentleman talked about the Bill last Friday. I find it slightly baffling that he is standing up complaining about the handling in this House of an NHS Bill. The last time I looked, the NHS in Scotland was devolved, so why is it that the Scottish National party is so concerned about debates in this House on the national health service when we know that this House has nothing to do with the NHS in Scotland? Surely this is not just another example of SNP opportunism.

The hon. Gentleman mentioned English votes for English laws. We were very clear in the initial debates that that would also apply to those tax measures that do not apply in Scotland. It does not seem to be entirely sensible and fair that, as we devolve to Scotland more tax-raising powers on which the Scottish Parliament
Mr Christopher Chope (Christchurch) (Con): May I follow up on my right hon. Friend’s response on money laundering? When are we going to have a debate about money laundering? Will the Government commit themselves to voting against the proposals? Does my right hon. Friend agree that the current proposals show, in effect, that we are being contaminated in our public life by the corruption that is in the rest of the European Union?

Chris Grayling: My hon. Friend makes an important point. I am looking into the matter urgently. It is important that we get it right, not just for Members of this House, but for family members. I can give him an assurance that we will discuss this on a cross-party basis and in the House. We want to sort the matter out to make sure that it cannot affect our family members, our parents, our children, our siblings or ourselves.

Ian Mearns (Gateshead) (Lab): The Leader of the House and I are becoming good pen-friends, writing to each other regularly. Following our recent correspondence, I welcome his commitment to ensuring that sufficient Chamber time will be found for the number of days allocated to the Backbench Business Committee. That is provided for in Standing Order 14. However, I note that our views are not entirely aligned on the number of days that remain to be allocated this Session. Standing Order 14(4) is quite clear that only days where Back-Bench business has precedence over Government business should be counted towards the allocation, and I think there is some dispute about the number of days that remain to us. May I suggest that there might be merit in the office of the Leader of the House contacting the Clerks of our Committee to ensure that there is clarity about the amount of Back-Bench time remaining this Session so that the Government do not find themselves in the unfortunate position of having fallen short of the amount of time they were required to provide on the Floor of the House? Lastly, I did not realise I had so much influence. Last week when I spoke, I expressed my exasperation about Newcastle United, and within 24 hours there was a change of management.

Mr Speaker: The office of Chair of the Backbench Business Committee exercises an influence beyond what we previously knew.

Chris Grayling: Let us hope, for the hon. Gentleman’s sake, that the result of that change is that his team marches to survival in the premier league, although I notice that it did not manage to do so last week in its match against Leicester. I suspect, however, that most of us who are supporters of other teams—perhaps not Tottenham supporters, but most of the rest of us—are, for at least the last eight weeks of this season, Leicester City supporters. We wish the team well for the remainder of the season, and I hope the hon. Gentleman manages to turn up at St James’ Park next season to cheer on a premier league team.

On the allocation of time, the difference between us, I think, is simply that there was a period of time at the start of this Session after the general election and before the Backbench Business Committee could be formed. A number of days were therefore set aside for general debates. I am happy to meet the hon. Gentleman to talk about that, but inevitably, if the Backbench Business Committee exists for only part of a Session, there are pressures on time that we have to cater for. I specifically remember making sure that there was time for general debates in the period before his Committee was formed, but I am happy to talk to him about it. I know that discussions are taking place also between the Committee Clerks and my team.

Sir David Amess (Southend West) (Con): Will my right hon. Friend find time for a debate on the erecting of statues in the centre of London? I find it extraordinary that in Westminster Square there is no statue of the first female Prime Minister and, more pertinently, that there is no statue of Her Majesty the Queen, the longest-reigning monarch ever, who is about to celebrate her 90th birthday.

Chris Grayling: We are all looking forward to celebrating the Queen’s 90th birthday. We look forward to activities up and down the country. We should all thank my hon. Friend the Member for Uxbridge and South Ruislip (Boris Johnson), the Mayor of London, and my right hon. Friend the Secretary of State for Transport for deciding that Crossrail should be named the Elizabeth line, which is a fitting tribute to the Queen. On the subject of a statue of Margaret Thatcher, I know that the shadow Leader of the House, as a champion of equalities and of opportunities for women, would join me in thinking it entirely appropriate for Britain’s first female Prime Minister to be celebrated in such a way.

Paul Flynn (Newport West) (Lab): Did not the House reach an historic low in political opportunism yesterday when the Prime Minister defended himself and his lamentable record on air pollution by claiming credit for the Clean Air Act 1956, which was passed by this House 10 years before he was born? The subject is a serious one. I recently had a debate that was pulled because the Government could not make a suitable Minister available. Some 9,000 people die in this city every year because of air pollution, and 70 die in the city that I represent, but there are no plans to make our policies even legal. This is a shame and a scandal that should be addressed.

Chris Grayling: I would simply make two points. First, it is an issue that we are addressing—for example, through the work we have put in to incentivise hybrid and electric cars, and by looking at ways to cut emissions from power stations. I think, therefore, that we have done as much as any previous Government. However, the point the hon. Gentleman misses is that Conservative Members are proud to be part of a party that, over the last 150 to 200 years, has been responsible for most of this country’s great social reforms. That is a track record that we regard as a foundation on which to build for the future.

Amanda Milling (Cannock Chase) (Con): Across Cannock Chase there are many voluntary groups that support the families and carers of those who suffer with
dementia. On Saturday I attended an excellent dementia companions conference organised by St Joseph Roman Catholic church in Rugeley. Will my right hon. Friend join me in commending the work of those involved and of all those who provide such incredibly valuable practical support? May we have a debate in Government time to discuss what further support can be provided to families affected by dementia?

Chris Grayling: As my hon. Friend may know, members of the Cabinet went through the training module to become a dementia friend a couple of years ago, and it was immensely enlightening—I had experienced dementia in my family, but the training taught me things I did not previously know. The work done by groups such as the one in my hon. Friend’s constituency makes a real difference, not only to those who are suffering, but to those who help them. I commend my hon. Friend, her colleagues and, indeed, all those involved in this important area on the work they do.

Paula Sherriff (Dewsbury) (Lab): While I welcome the Budget news on further small business rate relief, I am concerned about the impact it will have on local authorities such as mine—Kirklees Council. May we have a debate to discuss what measures will be put in place to ease the burden on cash-strapped councils, many of which are already struggling to balance the books?

Chris Grayling: Last week, a number of Opposition Members said that we needed to do something about the impact of the business rate on small businesses, and I am delighted that the Chancellor did so in his Budget statement, although I did not notice a welcome for that in the remarks by the shadow Leader of the House. However, the hon. Lady makes an important point, and she will, of course, have the opportunity, in the debates today, next Monday and next Tuesday, to ask Treasury Ministers specifically about what has taken place.

Michael Ellis (Northampton North) (Con): The front page of the Jewish Chronicle today gives a litany of the anti-Semitism that, sadly, we are beginning to see more and more frequently in the ranks of the Labour party and in other institutions, such as universities, in this country. [Interruption.] May we have a debate on the increasing anti-Semitism in our public bodies and institutions?

Chris Grayling: This is a very important point. I agree with the shadow Leader of the House and my hon. Friend that anti-Semitism has no place in our society. However, when we hear words such as “disgrace” from Labour Members, we should remember that we have seen too many occasions in the past 12 months where they have tolerated anti-Semitism in their ranks and where Labour campaigners have used anti-Semitism in their campaigns. That is unacceptable—it is something they should change.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): I was shocked to learn that the House is still using Betamax tapes for parliamentary recordings, although it will now have to stop because Sony is going to stop producing them. In the House, technological adaptation is evidently slow on occasion. Will the Leader of the House give us an update on the steps he is taking to modernise the archaic voting system in the House?

Chris Grayling: Hon. Members will be aware that trials have been taking place in the last few weeks on the use of tablets in our Division Lobbies. Those trials are now beginning to show distinct improvements. That is likely to affect the way we record things in the future because it allows us to publish Division lists very quickly. However, I do not support, I am afraid, the idea of going further on swipe-card voting, electronic voting and similar, because passing through a Division Lobby gives individual Members an opportunity they simply would not otherwise have to talk about mutual issues.

Mark Pritchard (The Wrekin) (Con): HMS Shropshire, a County class heavy cruiser, was completed for the Royal Navy in 1929 and served with distinction until 1942. May we have a debate on when the Royal Navy and the Ministry of Defence will once again name a Royal Navy ship after the beautiful county of Shropshire?

Chris Grayling: My hon. Friend makes his point in his customary way. He is a great champion for his county. I am sure that the Secretary of State for Defence will have noted what he said. We are investing in more capabilities for our Royal Navy, and that will provide plenty of opportunities for him to lobby for the ships coming on stream in the next few years to carry the name of his glorious county.

Diana Johnson (Kingston upon Hull North) (Lab): Can the Leader of the House help hon. Members who are very keen to meet their young constituents who are coming to the excellent new education centre but find getting into it quite a trial? In fact, it is probably easier to get into Fort Knox than to get into the education centre, with the level of security. Will he look into this?

Chris Grayling: As you know, Mr Speaker, this subject is of concern to me as well. I can assure the hon. Lady that the matter is subject to discussion. Of course we have to take appropriate steps for child protection, but we also have to make sure that common sense applies.

Mr Peter Bone (Wellingborough) (Con): Sometimes with a Budget, one has to read the Red Book, as I have, to see what it was really about and what the Chancellor meant. Clearly, there is a lot of back-end loading of public debt reduction. I think I understand what the Chancellor is at. He has realised that on 24 June, when we come out of the EU, he will have £15 billion a year to reduce the public debt. In that regard, we have had a tie produced for him with his initials—G. O. for George Osborne—on it. It does two jobs: it shows that really he wants to come out of the EU, and he can promote himself with it. May we have a written statement on that next week?

Mr Speaker: Far be it from me to comment on the aesthetic virtues or otherwise of the tie, but the use of props in this place is generally deprecated. However, the hon. Gentleman has got away with it.
Chris Grayling: As we know, Mr Speaker, my hon. Friend is always ingenious in a whole variety of different ways. He makes his point in his customarily effective way. I know that he is playing an active part in the campaign to leave the European Union. I suspect that he may have more of a challenge than he thinks in persuading the Chancellor to change his view on this matter. I am afraid that he may have even more of a challenge, though, in persuading him to wear a tie of that somewhat bright colour.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Leader of the House might not know this, but it is estimated that autism costs this country £23 billion a year. On the day after the Budget, it is worth thinking about that sum. You are a great supporter of autism charities, Mr Speaker, and often host charity events in your rooms. It was recently found that the educational element has been taken out of the personal allowance that people on the autism spectrum receive, which means that they cannot get education. That is very serious. May we have a debate on that in the House?

Chris Grayling: I share the hon. Gentleman’s understanding and view about autism. Some fantastic work is done in our society to help young people on the autistic spectrum. I pay tribute to Linden Bridge School in my constituency and its counterparts around the country which do a fantastic job in working with young people on the autistic spectrum. As a Government we have put more into education and—notwithstanding the current debate—we have put more into the support that we provide for people with disabilities. There is also enormously good work being done by the voluntary sector around the country, and long may that continue.

John Howell (Henley) (Con): The Leader of the House may be aware that the newly refurbished Townlands hospital in Henley has now reopened and treated its first patient. Will he agree to have a debate on the future of community and local hospitals so that we can reinforce the message that what has come to be called ambulatory care is in the best interests of patients?

Chris Grayling: I remember that I backed this saga when I was helping in the campaign to get my hon. Friend elected for the first time some years ago, so I am delighted to see that all the work he has done since then has come to fruition and that his town has a great new facility. On Tuesday he will have the opportunity to tell the Secretary of State for Health exactly how much of a difference it is going to make to the constituency of Henley.

Mhairi Black (Paisley and Renfrewshire South) (SNP): Given that the recess is fast approaching, the uprating regulations that will deprive approximately 550,000 overseas pensioners will be enacted by the time we return to this House. Will the Government bring forward a debate to allow us to consider this properly?

Chris Grayling: This issue has been raised on many occasions over the years. When those pensioners moved, they were aware of the nature and structure of our pensions system. The issue has been considered by Governments of both persuasions, and it would cost many hundreds of millions of pounds to sort it out. I am afraid that the Government have no current plans to do so.

Dr Matthew Offord (Hendon) (Con): Further to a previous question, can the Leader of the House ask a Treasury Minister to attend the Chamber to announce what representations the Treasury proposes to make, on behalf of individual bondholders, to the imminent Supreme Court hearing into the decision by Lloyds bank to redeem enhanced capital notes early rather than pay interest until contractual maturity?

Chris Grayling: I know that my hon. Friend has been pursuing this matter with great concern. Of course, we will debate the Budget over the next three days, and financial services will be part of that. I suggest that my hon. Friend takes advantage of that opportunity—the Chief Secretary will be here on Tuesday, for example—to raise the issue.

Albert Owen (Ynys Môn) (Lab): I very much welcomed the Prime Minister’s statement about universal superfast broadband by 2020, but it was made a few months ago. May we have a statement from the Minister for Culture and the Digital Economy, or a debate in Government time, so that we can consider the mechanisms? We are all in favour of it. It should be debated and we should know exactly what to do, and I would like to offer the isle of Anglesey for a pilot scheme.

Chris Grayling: I am sure the hon. Gentleman would like to do that. It is a Government priority to proceed with superfast broadband and, indeed, 4G and eventually 5G connectivity to all of our rural areas, and we certainly want Anglesey to be included. We have made good progress so far. We have got as far as any other country in Europe in developing modern communication networks, but there is still work to do.

Henry Smith (Crawley) (Con): In the last Parliament, the Government tasked the Law Commission with drafting a wildlife Bill, which it has now duly done. When is it likely to be introduced?

Chris Grayling: Of course, we cannot give advance billing of what will be in the Queen’s Speech on 18 May, but I have spoken to the Ministers involved and they tell me that they are looking at the issue carefully and hope to respond over the course of this year. Law Commission Bills are usually given a parliamentary slot when time allows, but I am afraid that I cannot commit to an exact timetable.

Liz McInnes (Heywood and Middleton) (Lab): Yesterday the Government claimed to be on the side of the workers and the next generation. Could we therefore have some action beyond the rhetoric and have an urgent debate on the sad irony that workers aged under 25 are excluded from the Government’s new national living wage?

Chris Grayling: The evidence that we are on the side of workers and young people is the massive increase in the number of apprenticeships and the substantial drop in the number of unemployed young people. We are making real progress in creating opportunities for young people. When I took over as Employment Minister in
2010, I regarded with some trepidation those sessions I had with sixth formers and college students talking about their future prospects; I would have no such trepidation today. They have real opportunities, low unemployment and business investment. It is a transformed picture compared with six years ago.

David Mowat (Warrington South) (Con): For the past two decades, transport infrastructure spend per capita in London has dwarfed that in the English regions, with a ratio of 10:1 with the north-west. The Government now propose to build Crossrail 2 for £28 billion, but it has so far not received any scrutiny in this House. Could the Government make time for a debate on Crossrail 2 so that we can consider it vis-à-vis other transport priorities?

Chris Grayling: My hon. Friend is absolutely right about the need to provide balance across the country in investment in infrastructure. If we look back at the Labour Government years, we will see that projects sat on the shelf. When in opposition, I would go around the country and spend time as shadow Transport Secretary talking about the need for projects, but when I go around the country now, I see that they are being built. I was in Newcastle last week, where the A1 is being improved, and the link road between the M6 and the M56 is being built in Cheshire. There is real improvement and change happening around the country in a way that simply did not happen when the Labour party was in power.

Ian C. Lucas (Wrexham) (Lab): May we have an urgent debate in Government time on personal independence payments and the withdrawal of Motability cars from vulnerable disabled people, which is preventing them from carrying out jobs they have secured? Does it make any sense to put disabled people out of work in that way?

Chris Grayling: There will be debates on the Budget and on any changes that we bring forward to the welfare system. I simply remind the hon. Gentleman that it is important for the Government to ensure that we provide support where and when it is needed, but that we also seek to get the best value for taxpayers’ money in delivering that support.

Rebecca Pow (Taunton Deane) (Con): Trees are important to us all, and some might say that they are important in transforming much of the hot air that we expel. [HON. MEMBERS: “Withdraw!”] I say that tongue in cheek. Ancient trees, in particular, are so biodiverse, and there are only 2% left in this country. Will the Leader of the House kindly permit us time in the Chamber for a debate about the protection of our precious ancient woodland?

Chris Grayling: It is important to ensure not only that we protect ancient woodland, but that we create woodlands for the future. One of the most exciting developments over the past two or three years has been the Woodland Trust’s plan for new forests in England, Wales, Scotland and Northern Ireland to commemorate the centenary of the first world war. There is one in my constituency, where farmland is being turned into forest that will be enjoyed by generations to come. My hon. Friend is absolutely right. We need to protect what we have got, but we need to create the ancient woodlands of the future as well.

Kirsten Oswald (East Renfrewshire) (SNP): I have yet to hear a satisfactory response to questions I have asked on the Women Against State Pension Inequality campaign and the Connaught income fund, so it is no surprise that the Government are trying to force through uprating regulations that will have a devastating impact on fully paid-up UK pensioners living overseas. The Government cannot keep ignoring all these groups of people, who have done the right thing. Surely, we must have an urgent debate to allow that matter to be properly discussed.

Chris Grayling: There has just been a debate on the issue of women’s pensions. I think the hon. Lady does not accept that we do not agree with her. My view on the issue of women’s pensions is that it is a difficult one. Putting in place any transition is difficult, because somebody will always be affected by the changes. The reality is that, if we are to have an affordable and fair pension system, we have to put through some of those changes and sometimes not make changes, even though people may want them.

Edward Argar (Charnwood) (Con): Many of my constituents in Thurmaston are concerned about Post Office plans to move their local branch, despite strong local objections and concerns. Given that many such changes, good and bad, will be made by the Post Office in constituencies across the country in the coming years, can we have a debate on the Post Office’s approach to its branch modernisation programme, and on its approach to consultation and taking into consideration the views of local people?

Chris Grayling: That is something visible to Members across the country. As my hon. Friend has said, there has been a range of changes in the Post Office. At least this is about upgrading post offices; we have been through many years of battles to try to save post offices from closure. There is now a real opportunity for our post offices. Sadly, as we have heard in previous business questions, we have seen the disappearance of many local bank branches. The Post Office offers an alternative to many small businesses. I hope that that will help to secure its future in many of our communities.

Valerie Vaz (Walsall South) (Lab): This probably does not need a debate, but this morning, my question to the Department for Environment, Food and Rural Affairs was unceremoniously dumped by the Department. Could the Leader of the House look at the possibility of ensuring that, when such a thing happens, the Department contacts the Table Office, which is assiduous at contacting Members, rather than letting Members know by letter? I received the letter only yesterday.

Mr Speaker: I believe that the hon. Lady wants a statement on the matter.

Chris Grayling: The hon. Lady does, indeed, and I am happy to give her a short one. I am aware of the circumstances, and the question concerned was transferred
Mr David Nuttall (Bury North) (Con): Can we please have a debate on inward investment? That will give the House the opportunity to consider the announcement in the past few days from Avon Products, which intends to move its worldwide headquarters from the United States of America to the UK, and the announcement in the past few days from the South African-owned MotoNovo, which plans to create almost 600 jobs in south Wales.

Chris Grayling: Those two announcements are really good news. The latter is good news for south Wales, which we very much welcome. Given all the pressures on the steel industry, we want as many new investments as possible in Wales. /Interruption./ The hon. Member for Rhondda (Chris Bryant) says it is because of Labour. Actually, it is because this Government have made the United Kingdom a strong place for international businesses to invest in. We have also had the decision to build a new factory to make Aston Martin cars in south Wales. It is reassuring that, even at a difficult time internationally, the United Kingdom is still seen as a strong place for international investment for the long term.

Ian Blackford (Ross, Skye and Lochaber) (SNP): As of today, 78 Members of the House from seven parties, including the party of Government, have signed early-day motion 1235, which seeks to annul a statutory instrument to freeze pensions.

That an humble Address be presented to Her Majesty, praying that the Social Security Benefits Up-rating Regulations 2016 (S.I., 2016, No. 246), dated 25 February 2016, a copy of which was laid before this House on 1 March 2016, be annulled.

Regulations that deprive overseas pensioners of the uprating adjustment to their state pension have been forced through this House without a debate. Will the Government heed the cross-party initiative to annul the regulations, and hold a debate urgently to assess the devastating impact of these charges on UK pensioners living abroad? Perhaps this time the Leader of the House might just answer the question.

Chris Grayling: I have answered the question. I have been a Work and Pensions Minister, and I have previously looked at the issue. The Government have no intention of changing the current situation. The cost of doing so would be enormous, and the situation that pensioners face has been the same for decades.

Mark Pawsey (Rugby) (Con): Haul-It Nationwide Ltd, a recruitment business in Rugby, has developed IT software to match up agency HGV drivers with haulage contractors. Last year, the NHS spent £3.3 billion on agency staff, and Ministers are working hard to reduce that figure. The owner of Haul-It Nationwide believes his system can help by matching available medical staff with hospital trusts. In fact, he has already started talking to the NHS innovation team. May we have a debate to consider how companies in the private sector can share innovative ideas and technologies with the public sector?

Chris Grayling: My hon. Friend talks about what sounds like a very interesting project and opportunity. One of the tragedies of the argument made, particularly by SNP Members, for removing the private sector altogether from the NHS is that we would lose the opportunity for that kind of innovation to improve healthcare, to improve the effectiveness of the health service and to enable it to treat patients more quickly.

Holly Lynch (Halifax) (Lab): GPs in my constituency of Halifax are under unprecedented pressure, and we are facing a quite serious hospital reconfiguration. We now understand that pharmacies face a cut of 6%, which the Government expect will lead to anywhere between 1,000 and 3,000 pharmacies closing nationally. May we have a debate in this Chamber to discuss the role that pharmacies play in alleviating the pressures on GP surgeries and our A&E departments, and how those pressures will only get worse if up to 3,000 pharmacies close nationwide?

Chris Grayling: I know that this is an issue of concern. The Government are seeking to ensure that we use the money we have as effectively as possible and that we fund the right mix of pharmacies. We obviously want there to be pharmacies in all communities that require them. I have no doubt that this issue will be brought before the House in due course. I can only say that my right hon. Friend the Minister for Community and Social Care, who is the Minister with responsibility for this issue, is incredibly sensitive to the concerns the hon. Lady raises. I know he will seek to do the right thing in making sure that we have a proper balance in relation to spending money wisely and maintaining the right mix of pharmacy services.

Cat Smith (Lancaster and Fleetwood) (Lab): Will the Leader of the House provide time for a debate on the effects of sodium valproate? This drug is given to treat epilepsy and other neurological conditions, but it has a powerful impact on unborn babies. My constituent Janet Williams has campaigned about this for a great many years, following the birth of her two sons, who had foetal abnormalities because of that drug, which is still being prescribed today.

Chris Grayling: This is obviously a very difficult and sensitive issue. I do not know enough about the circumstances of the drug, but I will make sure that the Health Secretary is aware of the concerns that the hon. Lady raises. I believe that he will be in the Chamber next week, and I ask her to bring up this issue with Health Ministers then.

Chris Law (Dundee West) (SNP): I have previously asked the Leader of the House whether we could have an urgent debate on the disproportionate size of the House of the Lords compared with the House of Commons. However, my question was dismissed, so I will try again. May we have an urgent debate on the role of a bicameral Parliament in a representative democracy in the 21st century to consider whether it continues to
be appropriate for more than half the Members of the United Kingdom Parliament to be appointed by the Prime Minister, rather than elected by the people?

Chris Grayling: I seem to remember that SNP Members praised the House of Lords last week for one of its votes. I would say to the hon. Gentleman that this country has greater priorities on its desk right now than sorting out, changing or reforming the House of Lords.

Alison Thewliss (Glasgow Central) (SNP): The Leader of the House did not quite respond to one of the points made by my hon. Friend the Member for Perth and North Perthshire (Pete Wishart). There is an amendment to the Budget resolutions on the Order Paper, tabled by the hon. Members for Dewsbury (Paula Sherriff), for Berwick-upon-Tweed (Mrs Trevelyan) and for Leeds North West (Greg Mulholland), to remove the tampon tax. Will the Leader of the House support the amendment in solidarity with women across the country?

Chris Grayling: The imposition of VAT on women’s sanitary products is a matter for the European Commission. The Government have made representations, and we are expecting a response shortly. It is my hope that the Commission will agree with virtually every Member of this House that this tax is wholly inappropriate.

Brendan O’Hara (Argyll and Bute) (SNP): If no one has yet done so, Mr Speaker, may I, with a certain amount of Irish blood in me, wish you and the whole House a very happy St Patrick’s day?

It is absolutely unacceptable that this Government choose to do nothing, not even allow a debate, on the hugely important uprating regulations on state pensions that lead—as my hon. Friends have said—to half a million or more overseas pensioners having their pensions frozen. As the Leader of the House is well aware, that provision will come into force while the House is in recess. Given the clear depth of feeling on the Opposition Benches and across the House, surely that issue is worthy of an urgent debate.

Chris Grayling: That issue has been considered many times over the years and the Government’s position has not changed.

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): The First Minister of Scotland is committed not to 95% or any other figure, but to 100% coverage for superfast broadband for Scotland. Given that the UK controls the regulations on mobile signals, may we have a debate on how the UK Government might achieve that coverage for mobile signals across the UK?

Chris Grayling: We are working hard to achieve that for mobile signals across the UK, and we are beginning to look ahead to the introduction of 5G in this country. I wait with interest to see how successful the First Minister of Scotland will be having made that substantial promise, because as far as I can see, some of the promises that she has made in the past have not really come to fruition.
Macur Review

11.29 am

The Secretary of State for Wales (Stephen Crabb): With permission, Mr Speaker, I will make a statement on the publication of the report of the Macur review.

On 5 November 2012, the Prime Minister announced the establishment of an independent review of the scope and conduct of Sir Ronald Waterhouse’s inquiry into allegations of child abuse in care homes in Clwyd and Gwynedd between 1974 and 1990. Let us be clear: we are talking about dark and shameful events that are a stain on our nation. The children were in the care of the state because they were vulnerable, and the state let them down. That is why our first thought will always be with the victims, supporting them and bringing the perpetrators to justice.

The Prime Minister’s announcement of a review of Waterhouse followed significant public concern that its terms of reference were too narrow, and that allegations of child abuse were not properly investigated by Waterhouse, particularly where those allegations concerned prominent individuals. The Waterhouse inquiry was established in 1996 by the then Secretary of State for Wales, now Lord Hague of Richmond, following allegations of endemic child abuse at care homes in Clwyd and Gwynedd. Waterhouse’s final report, “Lost in Care”, published in 2000, concluded:

“Widespread sexual abuse of boys occurred in children’s residential establishments in Clwyd between 1974 and 1990”,

and that there was a paedophile ring operating in the north Wales and Chester areas, but no reference was made to any abuse being carried out by nationally prominent individuals.

On 8 November 2012, the then Secretary of State for Justice, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), and my predecessor, my right hon. Friend the Member for Clwyd West (Mr Jones), announced that the review would be headed by Mrs Justice Macur DBE, a High Court judge of the family division. Her terms of reference were to review the scope of Waterhouse; determine whether any specific allegations of child abuse falling within the Waterhouse’s terms of reference were not investigated; and to make recommendations to the Secretaries of State for Justice and for Wales.

Lady Justice Macur submitted her report to the Secretary of State for Justice and me on 10 December 2015. I pay tribute to her and her team for their work and for their thoroughness and diligence in carrying it out, particularly in the light of the huge amount of material that needed to be considered. She and her team have examined the 1 million-plus pages of documents relating to Waterhouse provided to her from many sources. She has conducted interviews with individuals closely involved with the work of Waterhouse; with those who provided written submissions to Waterhouse; with those involved in police investigations; and with those who worked on the prosecution files of those accused of abuse of children in care in north Wales. She published an issues paper, in English and in Welsh, with suggestions of broad areas of interest, to prompt written submissions from those affected. She also arranged a public meeting in Wrexham specifically to engage those in the local area.

Having completed that work, Lady Justice Macur’s main finding is as follows:

“I have found no reason to undermine the conclusions of Waterhouse

“in respect of the nature and the scale of abuse.”

Lady Justice Macur looked carefully at the specific issue of nationally prominent figures and concluded that there was no evidence of the involvement of nationally prominent individuals in the abuse of children in care in North Wales between 1974 and 1996.”

While the Government welcome that finding, the context in which it is made must never be forgotten.

In addressing concerns about the time taken by the former Welsh Office to set up the Waterhouse inquiry in the mid-1990s, Lady Justice Macur does recognise that there was some reluctance in that Department to undertake a public inquiry. However, she concludes that any reluctance to undertake a public inquiry was “not with a view to protect politicians or other establishment figures” and that “the government was right to consider the different options since a public inquiry...was correctly understood to be a major undertaking”.

Lady Justice Macur is also clear that waiting until Crown Prosecution Service investigations had been completed was the correct decision, as “the government would be justifiably subject to criticism in creating any situation that compromised ongoing criminal investigation or prospective trials of accused abusers”.

Lady Justice Macur makes it clear that she is satisfied that Waterhouse’s terms of reference were not framed to conceal the identity of any establishment figure, nor have they been interpreted by the tribunal with a design to do so. She has also found that, despite the Welsh Office being both the commissioning Department and a party to Waterhouse, there was ample independence of Waterhouse from the Welsh Office.

Freemasonry has been a persistent theme of concern in relation to the events in north Wales and is referenced extensively in Waterhouse. I am grateful to Lady Justice Macur for her thorough explorations of this issue, but she is satisfied that “the impact of freemasonry on the issues concerning the Tribunal was soundly researched and appropriately presented and pursued” and that “there is nothing to call into question the adequacy of the Tribunal’s investigations into the issue of freemasonry at any stage of the process”.

As I mentioned earlier, Lady Justice Macur states:

“I make clear that I have seen NO evidence of child abuse by politicians or national establishment figures in the documents which were available to the Tribunal, save that which could be classed as unreliable speculation.”

On the direct evidence before them, she also found that it was “not unreasonable for the Tribunal to conclude that there was no evidence of a further paedophile ring in existence” outside of that described by Waterhouse.

In addition to her main finding that she has no reason to undermine Waterhouse’s conclusions, Lady Justice Macur makes a total of six recommendations. Her first relates to ensuring that any public inquiry, investigation or review can be objectively viewed as

Macur Review

17 MARCH 2016

Macur Review

1108
beyond reproach. The Government agree. We have already been clear that, during the establishment of the independent inquiry into child sexual abuse in 2014, we did not get it right in initially appointing two chairs who had failed to win the trust of survivors. This is a principle that should be rigorously observed in the establishment of inquiries, investigations or reviews.

Lady Justice Macur’s second recommendation is that the preservation and correct archiving of material is an important prerequisite for an inquiry or review to be successful. This links to her third recommendation that all Government Departments should possess an accurate database of the documents and materials held by them. Again, we agree with both those recommendations.

When the Welsh Office, which established Waterhouse, was disbanded in 1999, the files it held on newly devolved issues such as social care and children’s services were transferred to the National Assembly for Wales. This included the Waterhouse computer database. When Lady Justice Macur requested this, it was found that in 2008 Welsh Government IT contractors had declared that its contents were “corrupted and unreadable” and they had therefore been destroyed. She finds that it was an “innocent mistake, rather than a calculated ploy”.

Files relating to Waterhouse will not be returned to the Wales Office; given their historical importance, they have been transferred to the Welsh Government for onward transmission to the National Archives.

The Government accept the criticisms made by Lady Justice Macur of the way documents were stored. Similar criticisms were made of the Home Office in the first Wanless and Whittam inquiry in 2014. Following the recommendations made by Wanless and Whittam on the management of files containing records of child sexual abuse, the Cabinet Secretary asked all permanent secretaries to consider how their Departments can learn lessons from the review and put in place appropriate safeguards. Likewise, following the establishment of the Goddard inquiry, the Cabinet Office announced a moratorium on the destruction of information, and put in place processes for the storage of such material. The failure of the new Wales Office in 1999, under a previous Government, to adequately archive the material is simply inexcusable, but a much more rigorous approach to records management is now in place in the Department, abiding by National Archives policy on records management.

Lady Justice Macur’s fourth recommendation is that due to the criminal process is better suited to the disposal of any unresolved complaints and allegations that were not investigated during the course of Waterhouse, rather than a public or a private inquiry. The Government agree, and welcome particularly the work of Operation Pallial in this area.

Lady Justice Macur’s fifth recommendation relates to consideration of criminal charges relating to events referenced in paragraphs 6.45 to 6.75. For the sake of clarity, let me say that this does not relate to the actions of the Welsh Office or any other Government Department. The police and the Crown Prosecution Service are aware of the specifics of this matter and it is for them to consider further.

The final recommendation relates to the process of establishing a review of previous tribunals or boards of inquiry. Lady Justice Macur notes that the conclusions of any such body will not meet with universal approval, and that those with an interest, personal or otherwise, will seek justification for their views and be unlikely to accept the contrary. The Government note this and understand that it is inevitable that some people will remain dissatisfied, despite the comprehensive work undertaken by the Waterhouse inquiry and now by Lady Justice Macur.

Hon. Members who have long campaigned on this issue have said that the report should have been published without delay. I absolutely share the same instinct for openness and full transparency. However, Lady Justice Macur has acknowledged that her final report contains information, including the names of some individuals, that it would not be possible to publish. In particular, she notes that certain parts of her report ought to be redacted, pending the outcome of ongoing legal proceedings or police investigations. We have worked closely with the Director of Public Prosecutions and the police—specifically representatives of Operations Pallial, Hydrant and Orarian—to ensure that no investigations or trials will be prejudiced by the release of this report. The names of those found guilty of crimes of child sexual abuse in a court of law have of course not been removed.

The names of contributors to the review and Waterhouse have not generally been redacted, but Lady Justice Macur also cautioned that, under the Sexual Offences (Amendment) Act 1992, victims of alleged sexual offences are entitled to lifelong anonymity. As such, these names, along with names of individual members of the Crown Prosecution Service and police informants, have been considered carefully by Sue Gray, director general of propriety and ethics in the Cabinet Office. We have accepted her advice in full, and a small number of redactions have been made in those categories. The full details of the process by which redactions in these areas were made is set out in a letter from Sue Gray that I am today publishing alongside the redacted report.

Lady Justice Macur urged caution in relation to releasing the names of individuals accused of abuse, or speculated to be involved in abuse, who have not been subject to a police investigation, have not been convicted of a criminal offence, and/or whose names are not in the public domain in the context of child abuse, whether establishment figures or not. She argued that to do so would be “unfair in two respects and unwise in a third:…first, the nature of the information against them sometimes derives from multiple hearsay;…second, these individuals will have no proper opportunity to address the unattributed and, sometimes, unspecified allegations of disreputable conduct made against them;…and third, police investigations may be compromised”.

We have followed that advice and removed those names from the report published today. It is a fundamental tenet of the law in this country that those accused of a crime are able to face their accusers in court, with a jury of their peers to consider the evidence, and not tried in the court of public opinion as a result of “multiple hearsay”. It would be irresponsible for the Government to behave differently. To provide total clarity on the process by which this group of names was redacted, I am also today publishing a letter from Jonathan Jones, Treasury solicitor and head of the Government Legal Department, setting this out.
I should also like to stress that a full and unredacted version of the report has been provided to the wider independent inquiry into child sexual abuse, chaired by Justice Lowell Goddard, to aid its investigations. It has also been seen by the Director of Public Prosecutions, the CPS and representatives of Operations Pallial, Orarian and Hydrant.

As a Government, we are determined to see those guilty of crimes against children in north Wales brought to justice, and this is happening through the excellent work of Operation Pallial. In November 2012, the chief constable of North Wales police asked Keith Bristow, director general of the National Crime Agency, to lead Operation Pallial, which would look into specific recent allegations of historical abuse in the care system in north Wales. A total of seven men have been convicted of one or more offences following investigations by Operation Pallial, and a further eight have been acquitted after a jury trial. That includes John Allen, who ran Bryn Alyn Community, who was sentenced to life imprisonment in December 2014 after a jury found him guilty of 33 charges of serious sexual abuse. Five members of a predatory paedophile group received a total of 43 years in jail in September 2015, having been found guilty of a total of 34 offences of abuse.

Operation Pallial has now been contacted by 334 people, who have had the trust and confidence to come forward to report abuse. A total of 102 complaints are actively being investigated at this very moment. A total of 51 men and women have been arrested or interviewed under caution, and work to locate further suspects is continuing. A total of 16 people have been charged or summoned to court as a result of Operation Pallial so far. Charging advice is awaited in relation to a further 26 suspects.

A total of 32 suspects are believed to be dead, and work is ongoing to confirm this. An independent review of evidence against 25 of these deceased suspects has indicated that there would have been sufficient evidence to make a case to the CPS for them to be charged with various offences. Those who made complaints in such cases have been updated personally by the Pallial team. A further two trials have been set for 2016, with further trials expected.

In closing, I would once again like to thank Lady Justice Macur and her team for their diligent and exhaustive work in providing this report. I would like to pay tribute to the courage of those victims for coming forward and reliving the horrible detail of their experiences to ensure that the truth can be established once and for all. I would like to pay tribute to the police, the Crown Prosecution Service and the Director of Public Prosecutions for their collective work to ensure that those who were involved in the abuse of children in north Wales, who perhaps thought that the mists of time had hidden their crimes for ever, are now being made to pay for what they did. I commend this statement to the House.

11.46 am

Nia Griffith (Llanelli) (Lab): I thank the Secretary of State for his statement and for advance sight of it.

The horrific abuse that was carried out at care homes in north Wales has shocked us all and our thoughts today must be with the survivors. Not only did they endure violence from those who were meant to protect them, but they have had to wait years—decades—to be heard.

I would like to pay tribute to my right hon. Friend the Member for Cynon Valley (Ann Clwyd) who has campaigned tirelessly for the survivors ever since these allegations came to light. As she has highlighted before, some of those who were abused at Bryn Estyn and other homes have since taken their own lives. It is therefore right that we think of their families today and of everyone affected by this scandal.

The extent of the abuse revealed by the Waterhouse inquiry was staggering. It found evidence of “widespread and persistent” physical and sexual abuse, including multiple rapes carried out against young boys and girls. This abuse was allowed to take place over many years, sometimes decades, in the very homes where vulnerable children should have felt safe. The scale of the abuse is shocking, but what is also shocking is that many of the inquiries into this abuse have encountered a reluctance to co-operate with them, and a refusal to publish their conclusions—in short, cover-ups and missed opportunities.

As the Secretary of State has indicated, the Macur review was “set up to examine whether any specific allegations of child abuse falling within the terms of reference of the Waterhouse Inquiry were not investigated.”

On behalf of the Opposition, I would like to extend our thanks to Lady Justice Macur and her review team for the work that they have undertaken. In the light of what has happened to previous reports and the overwhelming need for transparency, I welcome the fact that the Macur review has now been published.

There may be cases where redactions are needed, not least to ensure that no ongoing police investigation is compromised, but these redactions must be as few as possible and they must be justified to the survivors. Can the Secretary of State confirm that this review, along with the many other reports on and inquiries into abuse in north Wales, will be made available in full to the Independent Inquiry into Child Sexual Abuse, and that this inquiry will be able to see full, unredacted copies of these reports?

The Waterhouse inquiry found that most children did not feel able to come forward to report what had happened to them. The few who did were discouraged from taking matters further. In fact, were it not for the bravery of whistleblower Alison Taylor, many cases of abuse would not have been uncovered. Although we recognise that processes for safeguarding children have changed radically since many of these cases took place, we must always be ready to learn lessons to ensure that we can protect children better in the future.

Having studied the report, what changes in policy or practice do the Government feel are necessary? What steps will they take to ensure a co-ordinated response to any future cases, wherever they occur—in the public, private or third sector? Does the Secretary of State believe that there is sufficient protection for whistleblowers such as Alison Taylor?

We know that physical and sexual abuse has a lasting impact on the lives of those affected. In recent years, many survivors have felt able to come forward and report the abuse that they experienced. Indeed, we know that a number of people contacted the Children's
Commissioner for Wales following the announcement of the review, and it is possible that others will come forward as a result of the report’s publication. No matter how long ago the abuse took place, survivors need support to rebuild their lives. What support is being given to the survivors of abuse who have come forward, and what conversations has the Secretary of State had with agencies, including the Children’s Commissioner for Wales, to ensure that survivors of abuse know where to turn?

The scale of the abuse that has become apparent in recent years has shocked the whole of society. It is now clear that many thousands of children were targeted by predatory abusers in places where they should have felt safe. Far too many of those children were let down for a second time when they reached out for help, but nothing was done. Our duty is to make sure that survivors of abuse are heard and listened to, that those who report abuse are given sufficient protection, and that anyone who is responsible for acts of violence against children is brought to justice. Above all, we must ensure that this appalling abuse can never be allowed to happen again.

Stephen Crabb: I am grateful to the hon. Lady for her response to the statement, and for the spirit and tone in which she made it. I join her in paying tribute to the right hon. Member for Cynon Valley (Ann Clwyd) for her long-standing work in trying to achieve justice not only for her constituents who suffered abuse, but for the wider number of care home residents at the time.

When we discussed this issue during a recent session of Wales Office questions, the right hon. Member for Cynon Valley asked me about the redactions. I gave her a commitment that everything possible would be done to ensure that they were kept to a minimum, and that we would be able to explain the reasons for them fully. As I said in my statement, I believe that the letters that we have published alongside with the report set out those reasons very clearly, but I suggest that Members read Lady Justice Macur’s remarks in the report urging caution in relation to the publication of the names of individuals in the various categories that she describes. I hope that those explanations will provide ample justification for the redactions.

The hon. Lady asked whether we would make a full, unredacted version of the report available to the independent Goddard inquiry. The answer is yes, absolutely. We have also made a full, unredacted copy available to the Crown Prosecution Service, the Director of Public Prosecutions and Operations Pallial, Hydrant and Orarian.

The hon. Lady asked about changes in policy and practice, and about looking to the future. As I said in my statement, Lady Justice Macur has made a number of specific asks of the Government. She has asked for changes to be made, and made recommendations about, in particular, the way in which material is stored and archived. That is one of the weaknesses that she found in establishing her inquiry after 2012, when it was set up. She referred to the “disarray” that many of the files were in. There are important lessons to be learned by Government as a whole—devolved Administrations and the United Kingdom Government—about the way in which sensitive material is archived and protected for the future. Those lessons have been and are being learnt.

As for the wider issue of how we support the survivors and victims of abuse, I think that there has been an enormous cultural change in the last 30 years in Wales and throughout the United Kingdom. That is one of the reasons why more survivors now feel empowered to come forward as part of Operation Pallial, to relive those horrific events, and to make specific allegations, which are being pursued rigorously by the National Crime Agency.

The really positive developments that have taken place since the 1990s, including the establishment of the Children’s Commissioner for Wales, show that as a society we have made a lot of progress. Of course we do not get everything right, and there is much more that we need to learn to do, but we have made a lot of progress over the past 30 years on the way in which we support victims of sexual abuse and address this issue. I do not wish to sound complacent in any way, however, and indeed there is no sense of complacency in Lady Justice Macur’s report that we are publishing today. I hope that that addresses the hon. Lady’s specific question.

The hon. Lady also asked what support was being provided through the independent Goddard inquiry. The inquiry will shortly open an office in Cardiff to reach out to survivors in Wales, and it will work through the mediums of English and Welsh.

Mr David Jones (Clwyd West) (Con): I thank the Secretary of State for his statement. I also pay tribute to the work done by Lady Justice Macur. I know that it has been a monumental undertaking for her. The events she was investigating have cast a dark cloud over north Wales and the Chester area for many years. I am hopeful that the report published today will ease those concerns, but I have to say to my right hon. Friend that I continue to have my own concerns in two respects. The first relates to the absence of documentation. I fully accept what he has said about its storage, which has frankly been little more than a catalogue of disaster, but will he assure the House that not only his Department and Her Majesty’s Government but the Welsh Assembly Government, who had custody of the documents but lost them, have learned the lessons from this?

My second concern relates to the redactions, which I believe will cause the most concern in north Wales. I fully understand the reasons that my right hon. Friend and Lady Justice Macur have given for this, but can he confirm that Justice Lowell Goddard will have the right to pursue in her own inquiry the identities of those whose names have been redacted in today’s report?

Stephen Crabb: I am grateful to my right hon. Friend for his questions. He was one of the joint commissioning Secretaries of State for the foundation of the Macur review. He asked two specific questions. The first was about the absence of the relevant documentation. The conclusion that Lady Justice Macur comes to is that she is confident she has seen enough documentation from the Waterhouse tribunal to make some strong conclusions about the overall findings that Waterhouse reached, and that she supports the overall findings of Waterhouse based on her exhaustive trawl through 1 million-plus pages of documentation. Where there are gaps, she has concluded that they are not sufficient to cast into doubt her overall findings.
My right hon. Friend’s second point related to redactions. Again I make the point that a full unredacted copy has gone to the Goddard inquiry. He asked whether Goddard would be able to pursue those names in the unredacted report. Let us bear it in mind that one of the specific recommendations of the Macur review is that the police and the judicial process will be best placed to go after those people against whom specific allegations have been made, and that public or private inquiries are not the best forum in which to do that.

Paul Flynn (Newport West) (Lab): Page 300 of the Waterhouse report lists the names of 13 young men who could not give evidence to the new review because they had lost their lives. Most of them took their own lives following the case, when they appeared before those who had been accused. They were all used to give evidence in court, some of them because of their police backgrounds. The victims were mercilessly torn to shreds and several of them took their own lives as a direct consequence of the abuse being continued by our court system. That is still continuing today. What this report covers would not have been revealed were it not for the work of my right hon. Friend the Member for Cynon Valley (Ann Clwyd) and Bruce Kennedy and Paddy French, journalists at HTV. It is difficult to judge the report before giving it full consideration, but this is a heart-breaking story of abuse. Those who were responsible were laughing as they went away from court, and the lives of innocents were ended prematurely. We still need to look further into the matter and to consider carefully why some names are still redacted. Is this historical abuse continuing?

Stephen Crabb: The hon. Gentleman is exactly right. We are talking about heinous, horrific acts of abuse. We are talking about children who were in the care of the state and got anything but the care of the state. It is a long and tragic sequence of events. Of course, today’s report will not bring full closure to absolutely everybody who lived through those experiences, but Lady Justice Macur has been thorough and diligent in her task of trawling through all the paperwork of the Waterhouse inquiry to try to make sense of whether victims got a fair shout and whether questions about nationally prominent individuals, further paedophile rings, and the role of freemasonry were addressed appropriately. I encourage all hon. Members with an interest in these issues to do with social services, childcare, orphanages and other facilities, both in Wales and elsewhere in the United Kingdom, to contribute the best forum in which to do that.

Mark Pritchard (The Wrekin) (Con): What happened in north Wales is nothing short of a national scandal for Wales, but will the Secretary of State put on the record his thanks to all those who work day in, day out in childcare, orphanages and other facilities, both in Wales and elsewhere in the United Kingdom, and do so professionally and with care?

I am glad that the Government, the police and the National Crime Agency are taking action. What recent discussions has the Secretary of State had with the NCA about Operation Pallial to ensure that we get more people in court and prosecuted for these heinous crimes?

Stephen Crabb: We absolutely put on the record today our thanks for and appreciation of the hard work of those who work in the care sector, supporting vulnerable children wherever they are in the United Kingdom.

The National Crime Agency has kept me regularly updated with the progress of Operation Pallial. Just yesterday, I had further discussions with the agency’s deputy director. I am absolutely confident that the NCA is vigorously pursuing all lines of investigation.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Abuse survivors will be dismayed at this morning’s litany of name-concealing and the destruction of evidence. They may rightly feel that their evidence is transient, disposable and not worth safeguarding. How will the Secretary of State work with the Children’s Commissioner for Wales and the Welsh Government to ensure that lessons are learned and that this never happens again?

Stephen Crabb: The hon. Lady is right that people will still be feeling like that. All I would say is that they should take the time to go through the report and look at how Lady Justice Macur has handled to the very best of her ability all the sensitive, difficult questions that have plagued survivors for years and years. A lot of lessons have already been learned from the events we are talking about. As I said in answer to a question a few moments ago, that is not to say we are complacent, as there is always more we can learn as a society. But in terms of where we are in Wales right now, we have the Children’s Commissioner and the work that the Welsh Government are doing. There is good collaboration between UK Departments and the Welsh Government on these issues to do with social services, childcare and vulnerable people. The work is positive and will carry on.

Ian C. Lucas (Wrexham) (Lab): The people of Wrexham, where many of these horrible events took place, will be astonished by the contents of today’s statement. As a solicitor who practised in the courts around Wrexham in the ‘80s and ‘90s, I am astonished by its contents. I note that the Secretary of State referred only fleetingly to some reluctance in the old Welsh Office to undertake a public inquiry in the 1990s, and I will read the report closely in that respect. Will he please tell me why the prosecutions that are now taking place as a result of
Operation Pallial did not take place in 2000, following the Waterhouse inquiry? He did not address that at all in his statement.

Stephen Crabb: I thank the hon. Gentleman for his question. He expresses astonishment. What I say in response to that is that if he has specific information about specific individuals, he knows where to go with it—to the police. His question as to why the arrests are being made now and were not being made 30 years ago is a specific question that I have put to the NCA. Its response was that, first, this is because of the publicity of recent years and, secondly, it is because of the culture change, with a lot more witnesses feeling empowered to come forward. That is part of the reason why much greater convictions are being secured; the police are receiving greater, specific evidence from survivors and victims who feel willing to come forward.

Mark Tami (Alyn and Deeside) (Lab): Has the Macur review had unfettered access to those who can explain why the original Waterhouse inquiry did not name the persons of public prominence in its report?

Stephen Crabb: Some of the individuals who worked on the Waterhouse tribunal are no longer living, but Lady Justice Macur has pursued, to the very best of her ability, direct conversations with people who worked on the tribunal at the time. As I explained earlier, she has also reached out to survivors. She held that public event in Wrexham to explore this as fully as she possibly could. This was not just her trawling through boxes of documents to explore all these questions. She explains why names should not just be bandied about and she explains clearly why a redaction process is necessary, and I encourage the hon. Gentleman to look through that, along with the letters I am publishing alongside it today, in order to understand this.

Mr Robin Walker (Worcester) (Con): The Secretary of State was right to acknowledge the anguish and suffering that these events have caused and the fact that the police need to continue inquiries in respect of any of the perpetrators. Does he agree that it is vital that victims get support with mental health services and therapy? Will he be making representations to make sure that some of the money the Government are rightly investing in mental health goes to help victims of these types of terrible crimes?

Stephen Crabb: My hon. Friend makes an important point about the way we support survivors and victims of abuse, no matter how far back the events occurred. I assure him that for those people who have come forward it is not just a question of our listening and receiving evidence; consideration is given to what further support can be given. Some victims do not feel that they can come forward. Some have moved on and now have families of their own, and for them these are episodes in their past that they are keeping deeply buried. This is obviously a matter of choice for individual survivors.

Albert Owen (Ynys Môn) (Lab): Many of my constituents who have been abused have felt let down because of the long, long delays in this and other reports being produced. They feel that because their abusers have died they will not now get the justice that they deserve. Does the report cover records held by the local authorities in north Wales? I have encountered constituents who have found it difficult to obtain records, particularly those held by Gwynedd authority.

Stephen Crabb: Lady Justice Macur’s specific recommendations relate to records that have been kept by national Government. Parts of her report does go, in detail, into how information was handled by local authorities. We are talking about the former local authorities of Clwyd and Gwynedd, which were disbanded and turned into new local authorities. At this point in time, I would just encourage him to read through the report. If he has further questions, he will have an opportunity to explore this further next week in a Westminster Hall debate secured by the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts).
Ways and Means

Budget Resolutions and Economic Situation

AMENDMENT OF THE LAW

Debate resumed (Order, 16 March).

Question again proposed

That,

It is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

(a) for zero-rating or exempting a supply, acquisition or importation;

(b) for refunding an amount of tax;

(c) for any relief, other than a relief that—

(i) so far as it is applicable to goods, applies to goods of every description, and

(ii) so far as it is applicable to services, applies to services of every description.

12.10 pm

John McDonnell (Hayes and Harlington) (Lab): It has now been the best part of 24 hours since the Chancellor delivered his Budget. There are some things in it that I would like to welcome. On the sugar tax, we look forward to seeing more detail about how it will be put into practice. I agree with my right hon. Friend the Member for Islington North (Jeremy Corbyn) who said yesterday that we needed a comprehensive strategy to tackle the growing problem of obesity. I regret, therefore, that £200 million has been cut from public health budgets this year—those are the budgets that were to be used to develop that strategy.

We are also pleased that the Chancellor is looking at addressing savings overall, though we wonder whether the new lifetime individual savings accounts will do much to address the scandal of low retirement savings for the less well-off. On the rise in tax thresholds, we welcome anything that puts more money in the pockets of middle and low earners, but we wonder how that aim can sit alongside the Conservatives’ plans to cut universal credit.

It is about time that we had some straight talking about what this Budget means. It is an admission of abject failure by the Chancellor. For the record, in the six years that he has been in charge of the nation’s finances, he has missed every major target he has set himself. He said that he would balance the books by 2015, but the deficit this year is set to be more than £72 billion. He said that Britain would pay its way in the world, but he has overseen the biggest current account deficit since modern records began.

Sir Edward Leigh (Gainsborough) (Con): I want to help the Labour party in every way that I can. I want it to be credible at the next election, but the shadow Chancellor took to the airwaves this morning and talked about borrowing more money. Will he give us an absolute commitment that, if he were to become Chancellor, he would not borrow more money than the present Chancellor? He can just say yes.

John McDonnell: The present Chancellor has borrowed £200 billion more than what he promised. Let us be absolutely clear that like any company, UK plc under us will invest—it will invest in plant and machinery to create the growth that we need if we are to afford our public services.

Let me go back. The Chancellor promised us a “march of the makers”, but manufacturing still lags behind its 2008 levels. He said he would build his way out of our housing crisis, but we have seen new house building fall to its lowest level since the 1920s. He said that he had moved the economy away from reliance on household debt, but, yesterday, the Office for Budget Responsibility said that his entire plan relied on household debt rising “to unprecedented levels.” He said that he would aim for £1 trillion of exports by 2020. Yesterday’s figures suggest that he will miss that target by the small matter of £357 billion.

When it comes to the Chancellor’s failures, he is barely off the starting blocks. The fiscal rule he brought before Parliament last year had three tests. We already knew that he was likely to fail one of them, with the welfare cap forecast to be breached. Yesterday, it emerged that he will fail the second of his tests. Having already raised the debt burden to 83.3% of GDP, it is set to rise now to 83.7% this year. Therefore, since the new fiscal rule was introduced, it is nought out of two for the Chancellor’s targets.

Lucy Frazer (South East Cambridgeshire) (Con): The hon. Gentleman started by saying that we needed some straight talking. In order to be fiscally credible, one needs to have concrete figures. The Chancellor has said in his Budget that he will borrow £1 in every £14 in 2016-17. Will the shadow Chancellor tell us what his borrowing figure will be?

John McDonnell: Unlike the current Chancellor, we will not set ourselves targets that can never be realised, and we will create an economy based on consultation with the wealth creators themselves—the businesses, the entrepreneurs and the workers. In that way, we will have a credible fiscal responsibility rule.

Yesterday, the OBR revised down its forecast for growth for this year, and for every year in this Parliament—in some cases by significant margins. That is reflected in lower forecasts for earnings growth. The Resolution Foundation says that typical wages will not recover to their pre-crash levels before the end of this decade. It is not just forecasts for economic growth and wages that are down. Those are driven by productivity, which has also been revised down for every year of this Parliament. Any productivity improvements last year have disappeared. As the OBR said, it was, “Another false dawn”. Perhaps that is not surprising. After all, productivity is linked to business investment, which should be driving the recovery, but which plunged sharply last quarter.

Helen Whately (Faversham and Mid Kent) (Con): I have noticed that the hon. Gentleman does not like answering the question on how much he would be willing to borrow were he Chancellor. Is there any limit to the amount that he would be willing to borrow and to the debt that he would be willing to pass on to future generations?
John McDonnell: I find it extraordinary that this Government want to talk about debt. Under this Government, the debt that our children will inherit will be £1.7 trillion. Under their watch, the debt has risen significantly—it has almost doubled. When we go forward, we will ensure that our borrowing will be based on sound economic advice from the wealth creators. Unlike this Government, we will create economic growth. This Chancellor is borrowing to fund cuts in public services, not to invest in growth or productivity.

Several hon. Members rose—

John McDonnell: I will press on, and then I will give way—[Interruption.]

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Members may think that this noise is not loud, but it is very loud when you are in the Chair trying to listen to the shadow Chancellor. The problem is that it does not do this Chamber any good in the eyes of the public when they cannot hear either.

John McDonnell: Thank you, Mr Deputy Speaker—[Interruption.]

Mr Deputy Speaker: Did somebody wish to comment? Okay, we will carry on.

John McDonnell: Let me assure Members that I will give way, but let me proceed a bit further.

As I have said, perhaps the fall in productivity is unsurprising, because productivity is linked to business investment, which should be driving the recovery, but which plunged in the last quarter.

Jeremy Quin (Horsham) (Con) rose—

John McDonnell: I will give way in a moment. I can tell the House what happened to business investment—[Interruption.] None of this should be a surprise for the Chancellor. Forecasts—they were revised down again in this Parliament. When you are in the Chair trying to listen to the shadow Chancellor, it is not doing this Chamber any good in the eyes of the public when they do not do their job.

Jeremy Quin: That actually produces better results than were forecast."


Rishi Sunak (Richmond (Yorks)) (Con) rose—

John McDonnell: I will come back to the hon. Gentleman. The Secretary of State for Work and Pensions said this last week about the autumn statement:

“If you can’t forecast more than two months, how in heaven’s name can you forecast the next four or five years.”

That is what we all want to know.

Jeremy Quin: Productivity, to which the shadow Chancellor is referring, is also linked to employment. Does he welcome the extra 2.3 million people in work since 2010?

John McDonnell: Of course we welcome that employment growth, but we are concerned about the insecurity of that employment. The number of zero-hours contracts has gone up by another 100,000 over the past month, and the insecurity of that employment, unfortunately, is affecting people’s long-term investment plans as well.

Yesterday the Chancellor pointed repeatedly to global economic headwinds as an explanation for his failure. His problem is that we have known about them for a while. Many of us were warning him last summer about the challenges facing the global economy. I spoke about them in this place, as did others on the Labour Benches, but rather than adapting his proposals to deal with the global reality, the Chancellor has charged headlong into another failure of his own making. He has failed to heed our warnings and the warnings of others, he has failed to invest in the key infrastructure that our economy needs, and as a result he has failed to boost Britain’s productivity figures.

Rebecca Pow (Taunton Deane) (Con): Is it not the case that our Chancellor is being very adaptable, as we heard yesterday? Is it not the case that the Opposition have an economic credibility strategy which essentially reverts to exactly what they did before—more borrowing, more spending, and higher taxes? It did not work then, so why would it work now?

John McDonnell: The hon. Lady might describe the Chancellor as adaptable. Most of the media and most independent analysts described him today as failing—failing on virtually every target he set himself under his own fiscal rule.

Imran Hussain (Bradford East) (Lab): Is it not the case that this Budget has failed on growth, productivity and fairness? Is this not a failed Budget that has been sugar-coated?

John McDonnell: Regrettably I do not think it has been sugar-coated for many of those who will be suffering the cuts included in this Budget.

On productivity, it is the Chancellor’s failure to boost Britain’s productivity that is at issue. The Office for Budget Responsibility is very clear on this point. British productivity, not global factors, is the reason the Chancellor is in trouble. Robert Chote, the head of the OBR, confirmed in an interview last night that “most of the downward growth revisions were not driven by global uncertainty, but by weaker than thought domestic productivity.” As a result of that, we now see drastically reduced economic forecasts and disappointing tax revenues.

The Chancellor has been in the job six years now. It is about time he took some responsibility for what has happened on his watch. It is not just on basic economic competence that the Chancellor has let this country down. Unfairness is at the very core of this Budget and of his whole approach.

Lucy Frazer: Will the hon. Gentleman give way?

John McDonnell: I will press on, if the hon. and learned Lady does not mind.

The Chancellor said in 2010 that this country would carry the burden of fiscal consolidation. The facts prove that that is just not accurate. According to the Institute for Fiscal Studies, the long-run effect of all tax and benefit changes in last year’s autumn statement would mean percentage losses around 25 times larger for those in the bottom decile than for those in the top decile.
Alok Sharma: The hon. Gentleman and the Opposition are suffering from some form of collective amnesia. Does he not remember that the British economy was on life support in 2010 when the Chancellor took over? The body of the economy was barely twitching. Why does he not acknowledge the fact that since 2010 growth is up, wages are up, employment is up and the deficit is down? He should be praising the Chancellor, not saying the economy is going down.

John McDonnell: Will the hon. Gentleman acknowledge that the objective statements of the past 48 hours have demonstrated that all the factors that he mentions are falling back, and that we now face a serious problem that should be addressed by a responsible Government when they see their own fiscal rule and economic policies failing?

Let me repeat what the IFS said so that everyone is clear: the percentage losses were about 25 times larger for those at the bottom than for those at the top. So much for the Government’s statement about the broadest shoulders taking the strain. Furthermore, time and again, it is women who have borne the brunt of the Chancellor’s cuts. Recent analysis by the Women’s Budget Group showed that 81% of tax and welfare changes since 2010 have fallen on women.

Rachael Maskell: Does my hon. Friend agree that if the Chancellor is not going to think again, he should campaign now for more housing construction. That means investment, and sometimes you have to borrow to invest.

Christopher Pincher: Will the shadow Chancellor give way?

John McDonnell: I will come back to the hon. Gentleman. On disability, I am appealing to the Chancellor to think again. We will support him in reversing the cuts in personal independence payments for disabled people. If he can fund capital gains tax giveaways for the richest 5%, he can find the money to reverse this cruel and unnecessary cut.

Andy McDonald: Does my hon. Friend agree that if the Chancellor is not going to listen to the Opposition on the draconian cuts to these benefits, he will perhaps listen to Graeme Ellis, the chair of the Conservative Disability Group, who, as a result of these pernicious cuts, is cutting all links with the Conservative party?

John McDonnell: I just say this across the House: this is a very important issue—we will not make party politics of this. As someone who has campaigned on disability issues in the House for 18 years, I sincerely urge all Members to press the Chancellor to think again. This cut is cruel, and it is, unfortunately, dangerous for the wellbeing of disabled people.

Several hon. Members rose—

John McDonnell: With the greatest respect, I have just been reminded that I have spoken for more than 20 minutes, and I know there is a crowded schedule. I have given way extensively, and I would like to press on.

If corporation tax—already the lowest in the G7—can be reduced yet further, money can be found so the Government can think again about making yet more cuts to people with disabilities.
Finally, I want to talk about the future. Yesterday's Budget does not meet the needs and aspirations of our society. It fails to equip us for the challenges ahead. It fails to lay the foundations for a stronger economy that could deliver prosperity shared by all.

The Chancellor has repeatedly told us we are the builders, and yesterday we heard more of it. On infrastructure, we are back to press-release politics: projects announced with no certainty of funding to complete them—projects that should have started six years ago. It is always tarmac tomorrow. If stories about garden suburbs sound familiar, it might be because we have heard them before. Announcements about garden suburbs have become a hardy perennial of the Chancellor's announcements.

However, despite all the rhetoric, all the re-announcements and all the photo opportunities in high-vis jackets, one statistic is in black and white in the OBR's documents: public sector investment as a share of GDP is scheduled to fall from 1.9% last year to 1.5% by the end of this Parliament—a lack of investment in our infrastructure that will hold back the growth of our economy.

On education, it seems that we are back to the politics of spin and stunts. Forcing schools to become academies will do nothing to address the shortage of teachers, the shortage of school places and increasing class sizes. Forcing schools to compete for the extra-hour funding places more bureaucratic burdens on headteachers, with only a one-in-four chance of gaining that additional funding.

We have learned this morning that there is a half-a-billion-pound black hole in the funding needed for the Chancellor's plans for schools. I would welcome the Secretary of State for Education confirming whether she will find the money to ensure that, if academisation is funded, schools are fully funded for that process.

As for long-term financial planning, it is increasingly clear that the Chancellor is determined to flog off anything that is not nailed down, in a desperate attempt to meet his self-imposed targets.

Several hon. Members rose—

John McDonnell: I have spoken for more than 25 minutes. You have made it clear, Mr Deputy Speaker, that there are many Members who want to speak. I have been extremely generous in giving way—more than any other shadow spokesman before.

Last year, we noted that the Chancellor could meet the conditions of his fiscal rule only by selling off profitable state assets, even at a loss to the taxpayer. That is despite a 98% customer satisfaction rate. It makes no difference to this Chancellor: everything must go, everything is up for sale. When will he learn that you cannot keep paying the rent by selling the furniture?

The Chancellor has consistently put his political career ahead of the interests of this country. Yesterday he tried to do the same, and he failed. His disastrous economic failures are the result of putting personal ambition ahead of sound economics.

The Chancellor is clinging to the tattered remains of his fiscal charter, using it to justify brutal cuts to vulnerable people. In contrast to his rule—widely savaged by economists, and now on the point of being torn up by Government statisticians—Labour has a real alternative. Labour will build a society based on a fair tax system, where the wealthy and powerful pay their fair share. In line with recommendations from the OECD, the IMF, the G20, the CBI and the TUC, Labour will invest to grow opportunity and output. Labour will eliminate the deficit by growing our economy. Labour will invest in skills for a high-wage, high-tech economy.

In contrast to the Chancellor's broken promises, we will balance Government spending, using a fiscal credibility rule developed, and recommended to us, by the world's leading economists—our economic advisory council. We will balance Government spending, but not, like the Chancellor, by bullying those who will not fight back. We will invest to deliver shared prosperity, with people able to fulfil their potential, and a country meeting its potential.

Let me make this clear: Labour does not want to see the Chancellor drive the economy over a cliff, blinded by his adherence to a fiscal rule that everyone now knows cannot work. In the interests of this country, we are making him an offer: let us work together to design a fiscal framework that balances the books without destroying the economy. However, let me also make this clear: if he refuses our offer of co-operation, Labour will fight every inch of the way against the counter-productive, vindictive and needless measures the Chancellor has set out in this Budget. Britain deserves better than this.

12.37 pm

The Secretary of State for Education (Nicky Morgan): It is a pleasure to respond to the shadow Chancellor on behalf of the Government. Let me welcome him to his place on the Front Bench for his first Budget debate contribution in that role.

The shadow Chancellor recently unveiled Labour's fiscal credibility rule, which we are told is part of its economic credibility strategy. Well, let me suggest that what Labour is missing is a political credibility rule, which would go something like this: the British people expect the same rule to apply to politicians as applies to them; they expect Governments to live within their means, and that is what my right hon. Friend the Chancellor has been doing for the past six years.

The shadow Chancellor proved today that he is incapable of answering any of the questions put to him by my colleagues on the Government Benches. However, he is able to tell us a few things. He has told us he wants to transform capitalism. He has told us his heroes are Lenin and Trotsky. He has told us that he wants to borrow more—in fact, had we carried on with the Labour party's plans from when it was in government in 2010, we would have borrowed £930 billion more in the past six years.
Listening to the Labour party speak on economics is a bit like listening to the arsonist returning to the scene of his crime. It is a constant criticism from Labour Members that the firemen are not putting out the fire swiftly enough to correct the mistakes they made.

The Budget presented to the House yesterday by the Chancellor puts education at its core and invests in the future of young people right across Britain. I noticed that the shadow Chancellor got on to education only right at the end of his speech. This Budget will ensure that we give young people the best possible education, no matter where they are born, who their parents are, or what their background is.

Alex Cunningham (Stockton North) (Lab) rose—

Nicky Morgan: Let me make a bit more progress and then I will give way.

Having listened intently to the shadow Chancellor, I have to ask this: why has he found it impossible to welcome in its entirety a Budget that puts the next generation first? He talks about productivity, but I did not detect any mention at all of investment in skills and the future education of the young people of this country.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Did it strike my right hon. Friend, as it struck me, that the hon. Gentleman made no mention at all of the Government’s commitment to fairer funding for our schools, which will even help schools in Labour Members’ constituencies—in Doncaster and in Barnsley? This is not about party politics; it is about helping the next generation.

Nicky Morgan: I thank my hon. Friend for his comments. I completely agree with my hon. Friend. As in so many areas of Government policy, we will of course finish the job that was not even started by the previous Labour Government.

Julian Knight (Solihull) (Con): I congratulate the Secretary of State on the bold steps on academisation. I will relate to her my own personal experience in Solihull, where the majority of secondary schools are academies and we have some of the finest schools in the country. We have found the academisation process to be transformative, and I now want to see it spreading out across the United Kingdom.

Nicky Morgan: I thank my hon. Friend for his comments. Not long ago, I had the pleasure of visiting a school in Solihull with him and my right hon. Friend the Member for Meriden (Mrs Spelman). He is absolutely right to talk about transformative education, which is what Conservative Members want to see. It is a basic right for every young person in this country to have an excellent education. We now have 1.4 million more children in schools rated “good” or “outstanding”.

Bill Esterson (Sefton Central) (Lab): Does the Secretary of State realise that many people outside this Chamber will think it extremely odd that, a week after the head of Ofsted described very serious weaknesses in the main academy chains, her answer to that criticism is to force every single school in this country to become an academy?

Nicky Morgan: No. I think that what people in the country will want, particularly parents, who often are not spoken about nearly enough in this debate—

Nic Dakin (Scunthorpe) (Lab): Why not ask the parents?

Nicky Morgan: Absolutely. I suggest that the hon. Gentleman read the White Paper and then he will see exactly how parents are going to be involved in this. What parents want is for their children to be in a good school.

Stephen Timms (East Ham) (Lab) rose—

Mr Gareth Thomas (Harrow West) (Lab/Co-op) rose—

Nicky Morgan: Let me just answer the intervention by the hon. Member for Sefton Central (Bill Esterson). The head of Ofsted, who did the right thing in identifying weaknesses that we have said we will tackle, said in his report:

“I also want to be clear that there are some excellent”
multi-academy trusts
“that have made remarkable progress in some of the toughest areas of the country.”

Stephen Timms rose—

Mr Thomas rose—

Nicky Morgan: I am going to make some progress.

What the next generation really needs is better schools, the skills they need to succeed in life, affordable housing, and secure pensions. The Budget that the Chancellor outlined yesterday is designed to give them all those things. It is designed to achieve that while making sure that we are managing the economy properly, protecting the next generation from the burden of debt and affording them the bright future that they deserve. It is a Budget in which we have chosen to act now so that the next generation does not pay later.

I know that the shadow Chancellor will understand me when I say that in 2010 we had to embark on a “long march” to reform our schools because we inherited an education system that was more concerned with league tables than with times tables, where an “all must have prizes” culture prevented the pursuit of excellence, and where the centralised structure and bureaucratic control of schooling stifled the sort of leadership and classroom innovation necessary to drive improvement.

Stephen Timms rose—

Mr Thomas rose—

Nicky Morgan: I am going to make some progress and then I will give way again.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): On a point of order, Mr Deputy Speaker.

Mr Deputy Speaker (Mr Lindsay Hoyle): Are you sure it is?

Mr MacNeil: Fairly sure, Mr Deputy Speaker. This debate is about schools in this country. Clearly, “this country” is not the UK—it is England. This debate does not apply to Scotland. That is not made clear, and in the days of English votes for English laws, it should be clear.

Mr Deputy Speaker: That is not a point of order.

Nicky Morgan: We owed it to our young people to tackle the soft bigotry of low expectations and to give them the education they deserve: an education that will help them to fulfil every ounce of their potential; an education with knowledge at its core, even if that does include the shadow Chancellor’s greatest influences—self-confessed—of Lenin and Trotsky. This Budget will include the shadow Chancellor’s greatest influences—a gold standard internationally—one that is based on high expectations and an intolerance of failure, treats teachers as the professionals they are, and unlocks real social justice in allowing every young person to reach their potential. Those who are saying that we are not addressing the critical issues could not be further off the mark, because our White Paper published today is a vision for raising standards in teaching, and raising them higher than any Government have before. Teachers will be better qualified and accredited, they will have access to the best development opportunities, and they will command more respect than any generation of teachers before them, taking their rightful place among the great professions.

Rebecca Pow: Did we not go through years and years under Labour when our standards fell so low that we did our children absolutely no favours? I applaud this White Paper. I would like to tell the Secretary of State that a school in my constituency, Court Fields, which was turned into an academy, has seen its maths GCSE results improve by 20% in the past year.

Nicky Morgan: My hon. Friend sets out very well the transformative effect that academies and great teaching have on the lives of young people. It is really quite extraordinary that Labour Members, who started the academies programme, have now moved so far away from their original intent.

Mr Gareth Thomas: On the point about the forced academisation of all remaining schools, may I ask the Secretary of State specifically about the 800 Co-operative schools? A few of those are run by the Co-operative Academies Trust, but the vast majority are Co-operative trust schools. Will she comment on the implications for those schools? Is she willing to commit either herself or her Schools Minister to meet representatives of those schools to discuss the implications for them?

Nicky Morgan: I thank the hon. Gentleman for that very sensible, measured question. The Schools Minister or I would be delighted to meet him and those representatives. When I go around the country, schools say to me that they understand that the direction of travel is for academisation. We want to work with schools. I suggest that the relevant schools speak to their regional schools commissioner, but also of course to the Department, to make sure that we are able to help them to academise in a way that continues with excellent education and continues to transform the lives of young people, because that is what we all want to see.

Let me turn to the longer school day. We know the difference that positive character traits can make to the life chances of young people, including the resilience to bounce back from life’s setbacks, the determination to apply themselves to challenging and confidence in their own ability to improve themselves. Such traits also include persistence and grit—the sorts of characteristics that some Labour Back Benchers might need to
demonstrate as they face years in the wilderness under their current leadership. With those traits, we know that young people are more likely to achieve their potential and make a positive contribution to British society.

Frank Field (Birkenhead) (Lab): I thank the Education Secretary for giving way and rewarding character and grit. Although most of us agree that the extension of the school day is welcome, there are schoolchildren who are hungry and therefore find it most difficult to benefit from any reforms. One welcomes the Chancellor’s sugar tax, which will give more children the ability to start school with food in their bellies, but will the Education Secretary break convention and lead a cross-party group to meet the Chancellor, who is sitting next to her, so that we can lobby for some of that sugar tax to feed the poorest children during the school holiday?

Nicky Morgan: I and the Chancellor would be very happy to meet the right hon. Gentleman to discuss that. One of yesterday’s announcements that has not received attention—I will come on to it—is the significant additional funding for breakfast clubs. Of course, the Government have also committed to continuing the pupil premium, which is another way in which schools are able to support those most disadvantaged children. I agree with the right hon. Gentleman about the need for holiday funding and feeding, and I am certainly prepared to look at that.

Kevin Foster (Torbay) (Con): A recent Public Accounts Committee report looked at the pupil premium and highlighted that, due to the vagaries of the existing funding system, funding per pupil in deprivation can vary massively. Does the Education Secretary agree that fairer funding will help to tackle that and mean that schools such as those in Torbay will not have to explain why a child there is worth hundreds of pounds less than a child elsewhere?

Nicky Morgan: My hon. Friend makes an excellent point. One of the reasons we are having a two-stage consultation is to make sure that we get the factors in the new formula right. One of those factors will be to reflect those children who are disadvantaged and in need. One of the figures we uncovered during the course of preparing the consultation was that a child with characteristics of need could receive about £2,000 in Birmingham and £36 in Darlington. That cannot be right if we want to have a proper national funding formula across the country.

The new investment in education means that £559 million is going towards a longer school day to support more schools in offering vital enrichment activities. I welcome the support of the right hon. Member for Birkenhead (Frank Field) and others. There is evidence, including from the Sutton Trust, that a longer school day is likely to be particularly beneficial for pupils from disadvantaged backgrounds. Participation in physical activity and sport in particular is associated with better cognitive functioning, better mental health and improved concentration and behaviour in the classroom.

It is an investment that will particularly raise the life chances of the most disadvantaged young people, who may otherwise struggle to access enriching activities. The new funding will allow 25% of secondary schools to extend their school day by up to five hours per week per child. There are added benefits, as we continue to lighten the burden of childcare costs to parents who can work longer, knowing that their children are engaged in worthwhile extracurricular activities such as sport, debate and music, and are receiving additional support for their academic studies. We are doing that because we are determined to spread opportunities. As a one nation Government, we want to make sure that as many young people as possible have access to those opportunities.

The £413 million promised for education in yesterday’s Budget will double the primary sports premium, because we know that getting young people engaged in sport and fitness early is vital to tackling the growing levels of obesity in children. This significant investment in school sport will have a game-changing impact on the health of young people.

Stephen Timms: The Education Secretary will know that there were very impressive school sports trusts in place up to 2010, with a big focus on secondary and feeder primary schools working together. Unfortunately, they were lost in earlier budget cuts. Will the funding that has now been announced be used for that purpose again?

Nicky Morgan: The funding that has been announced will be used even more effectively, because we are not going to tell schools how to spend it, apart from the fact that we want them to be doing more sport and more physical exercise. The belief that runs right through my party’s education policies is that the people who are best placed to make decisions in schools are the heads, the teachers and the governors — those who know the needs of their pupils best.

What is more, that will be paid for by the new levy on producers of excessively sugary drinks. I thank the Labour party for putting on record its support for that policy. I hope that in the longer term the levy will serve as an incentive for the industry to offer products that are lower in sugar and therefore healthier for young people.

Mr Steve Reed (Croydon North) (Lab): rose—

Nicky Morgan: The hon. Gentleman is leaping up and down, so I must give way to him.

Mr Reed: The Education Secretary says she is not going to tell schools how to spend the sports money. Is she going to tell schools that they must convert to academies, even if parents make it crystal clear that they do not want that to happen?

Nicky Morgan: The academies policy was started under the Labour party. We have adopted it and taken it forward, and it is providing a transformative education for young people in this country.

On breakfast clubs, £26 million will go towards developing and running breakfast clubs in up to 1,600 schools over three years, so that children can receive a healthy breakfast and start school ready to learn. The money promised for the longer school day, sport and breakfast clubs underlines this Government’s commitment to happy, healthy students who will be well placed to become the active citizens of tomorrow, contributing more to our economy and relying less on the welfare system.
We want to be absolutely certain that the investment in education promised by the Chancellor yesterday is felt up and down the country. Our new “achieving excellence areas”, supporting, among other regions, the northern powerhouse, will do exactly that. The Budget has given £70 million of new funding for the education powerhouse to add to the Department’s existing commitment to prioritise its programmes in the areas that most need support, and to deliver a comprehensive package to target an initial series of education cold spots where educational performance is chronically poor, including in coastal and rural areas. The investment will help to transform educational outcomes and boost aspiration in areas that have lagged behind for too long.

Paula Sherriff (Dewsbury) (Lab): On the northern powerhouse, a recent written answer to my hon. Friend the Member for Sheffield, Heeley (Louise Haigh) shows that 100% of the Treasury’s senior civil servants are based in Whitehall and that 60% of them are men. Apparently, the Chancellor really does think that the man on Whitehall knows best—he had a lot of men on Whitehall making decisions for this Budget. Is that why they have failed to come up with a solution to the tampon tax?

Nicky Morgan: I had the pleasure of working in the Treasury with my right hon. Friend the Chancellor in the last Parliament, and hon. Members could not find anybody who is more supportive of promoting women and of women’s causes. On the tampon tax, we hope very much that we will make progress with the EU on the VAT rate. I know that the hon. Lady is new to Parliament—she joined last year—but the last Labour Government, including female Ministers at the Treasury, had 13 years to tackle the issue. My right hon. Friend the Chancellor has put aside money and there is a fantastic list in the back of the Red Book of the charities and organisations that will benefit from it. We can all agree that it would be better not to have VAT levied on sanitary products, but we support those organisations.

I have talked about support for the northern powerhouse. The review of northern schools will be carried out by the eight Dixons Academies in Bradford.

Imran Hussain rose—

Nicky Morgan: I invite the hon. Gentleman, who is a Bradford Member, to make an intervention.

Imran Hussain: I thank the Secretary of State for giving way. To be fair, we welcome the £20 million for northern powerhouse school strategy. Nevertheless, as the shadow Chancellor has put aside money and there is a fantastic list in the back of the Red Book of the charities and organisations that will benefit from it, we can all agree that it would be better not to have VAT levied on sanitary products, but we support those organisations.

I have talked about support for the northern powerhouse. The review of northern schools will be carried out by Sir Nick Weller, executive principal of the eight Dixons Academies in Bradford.

Imran Hussain: I thank the Secretary of State for giving way. To be fair, we welcome the £20 million for the northern powerhouse school strategy. Nevertheless, does she not think that that would operate a lot better without the forced academisation agenda?

Nicky Morgan: No, I do not. Nick Weller is the executive principal of the eight Dixons Academies in Bradford and they are transforming young people’s life chances. Academies are bringing in strong multi-academy trusts. I cannot think of anyone better to conduct the review. I hope that the hon. Gentleman and other Bradford Members will work with him to make sure that we identify exactly how we can continue to transform education in Bradford and elsewhere.

We have already discussed the national funding formula in interventions, but I just want to put on the record that we believe that the same child with the same characteristics deserves to attract the same amount of money, wherever they live in the country. A national funding formula will mean that areas with the highest need attract the most funding, so pupils from disadvantaged backgrounds will continue to receive significant additional support to overcome the entrenched barriers to their success. We are going beyond our manifesto pledge to protect per pupil funding for the core schools budget by investing an extra £500 million in the schools budget. That means that, as part of our consultation on these reforms, we can aim to deliver a fair funding formula allocation to 90% of schools that should be gaining by 2020. That further demonstrates that we deliver on our promises.

Jeff Smith (Manchester, Withington) (Lab): rose—

Nicky Morgan: I will give way briefly, but then I will make some progress.

Jeff Smith: The Chancellor yesterday announced a plan to teach maths until age 18. That may be a laudable aim, but how can it possibly be delivered when there is a chronic shortage of maths teachers—a teacher shortage that she is presiding over and failing to tackle?

Nicky Morgan: We are looking at that for precisely this reason. One of the reasons why recruitment is difficult is the recovering economy. I welcome that, in many ways, but as Education Secretary I recognise that it means that there are more opportunities for graduates to go into careers other than teaching. The number of students taking A-level maths, which enabled them to study it further and perhaps to become teachers, fell under the last Labour Government. There are fewer such people around, so we are having to look very hard, but that is the purpose of the review. As I have said, the review also needs to look at the shadow Chancellor’s calculations about how we can afford the full academisation policy. The numbers set out are from the spending review.

Helen Whately: Quality of teaching is the most important factor in education. I welcome the focus on quality of teaching, teacher training and recruitment in the White Paper that has been published today. May I welcome the Government’s grip on that factor in education? That is such a contrast to the previous Labour Government, who spent so much money on buildings rather than on teachers.

Nicky Morgan: I thank the Secretary of State for looking at that for precisely this reason. One of the reasons why recruitment is difficult is the recovering economy. I welcome that, in many ways, but as Education Secretary I recognise that it means that there are more opportunities for graduates to go into careers other than teaching. The number of students taking A-level maths, which enabled them to study it further and perhaps to become teachers, fell under the last Labour Government. There are fewer such people around, so we are having to look very hard, but that is the purpose of the review. As I have said, the review also needs to look at the shadow Chancellor’s calculations about how we can afford the full academisation policy. The numbers set out are from the spending review.

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have identified the important subjects that we want our young people to study, and we will make sure that teaching is a rewarding and exciting profession that the best people want to go into.

I have already talked about full academisation. We firmly believe that the policy continues to put power into the hands of school leaders and teachers so that they can decide how best to teach and nurture young people, as the great leaders in our best academies already are. We want schools to have the freedom to innovate and demonstrate what really works, but they will be able to do so within the scaffolding of support needed to realise the full benefits of autonomy. Crucially, this funding will support the reform and growth of multi-academy trusts with the people and the systems they need to enable them to drive real, sustainable improvement in schools’ performance.

For Opposition Members who say that the structure of the school system is not important, let me quote a Labour leader who knew how to win elections:

“We had come to power saying it was standards not structures that mattered...This was fine as a piece of rhetoric...it was bunkum as a piece of policy. The whole point is that structures that mattered...”

What an acknowledgement from the former Prime Minister who started the academies programme of the fact that this policy has the power to transform our school system. That is another demonstration of the current Labour party’s lack of ambition for England’s schools, and of the way in which it has retreated into the fringes of the political consciousness. It is another demonstration of the current Government’s commitment to education for as long as we can, we have to be sure that we are offering them the education that they need to get a job and to stay on in life. Among OECD countries, we have among the lowest level of uptake of maths among young people post 16. That is of great concern, but, more importantly, it is of concern to universities and employers, who need young people with sound maths skills. The review will be led by Professor Adrian Smith, vice-chancellor of the University of London. He will review how to improve the study of maths from 16 to 18 to ensure that the next generation are confident and comfortable using maths. That will include looking at the case for, and the feasibility of, more or all students continuing to study maths until the age of 18.

It is national apprenticeships week, so let me bang the drum for apprenticeships for a moment. The Government have championed apprenticeships consistently since taking office. We have delivered more than double the number of apprenticeships delivered by Labour in their last term of office, and we have committed to 3 million more by 2020.

Liz McInnes rose—

Nicky Morgan: I will give way very briefly for the last time.

Liz McInnes: Will the Secretary of State tell me how she envisages the future of the national curriculum, given that academies do not have to follow it? The forced academisation of schools will create a free-for-all when it comes to what schools teach our children.

Nicky Morgan: The hon. Lady’s question demonstrates an absolute lack of trust and belief in the professionals who run our schools. The national curriculum will be a benchmark. If the hon. Lady goes and talks to those who are running our schools, she will find that many academies are teaching above and beyond the national curriculum.

Stephen Timms: Will the Secretary of State give way?

Nicky Morgan: I have already given way to the right hon. Gentleman several times, and I really need to finish now.

The Budget has been all about setting the next generation up for the future. The shadow Chancellor, unlike the Leader of the Opposition yesterday, finally got around to recognising and congratulating the Government on the enormous progress that has been made on the employment figures. The creation of jobs is a true success. The female employment rate is at a record high, with 1 million more women in work since 2010. The OBR is forecasting 1 million more jobs across the economy throughout this Parliament.

It is essential that we have a well-rounded, well-educated and highly skilled generation of tomorrow, and they need the security that only the Conservative party can deliver. The next generation also need the ability to secure their own future, with incentives to save, both to buy their own home and to make provision for their retirement. In the past, people have had to make a choice between the two, but the measures announced yesterday leave them in no doubt that we are on their side. The ISA allowance has been increased to £20,000, and in the new lifetime ISA the Government will give people £1 for every £4 they save.

This is a Budget in which the Government have had to take the difficult decisions that will continue to deliver the economic security that has been the hallmark of this Government’s time in office. The decisions have
been made because we want to balance the books fairly across all generations. Let me point out that while we have been making the right decisions, gender inequality in the labour market is down in our society. We have the smallest gender pay gap ever, but we are not complacent, which is why we are taking action to make sure that it is reduced even further.

We know from Labour’s great recession that those who suffer most when the Government run unsustainable deficits are people who are already at a disadvantage. When Government spend recklessly, the next generation are burdened with debt. At a time of public sector spending restraint, education has not been spared difficult decisions, but the Government have chosen to invest in the next generation. The choices that we have made represent a huge boost to funding for children and young people. As I have outlined, we have put in place plans to use it effectively and ensure that it is targeted where it is needed most. Later today, I will set out more about our vision for the entire school system and how we truly deliver educational excellence everywhere.

**Stephen Timms:** Will the Secretary of State give way?

**Nicky Morgan:** No, I am going to draw to a close. Labour’s plans to spend, borrow and tax more are exactly what got us into a mess before, and they led to a rise of almost 45% in youth unemployment. We cannot risk the kind of youth unemployment seen today in places such as Spain and Greece.

**Bill Esterson** (Sefton Central) (Lab): On a point of order, Mr Deputy Speaker. I wonder whether you can give me some guidance. I understood that when a Minister had a major announcement to make on policy, as I think the Secretary of State just said she had about education policy, they are supposed to come to the Chamber and make it first before it is reported elsewhere. Why has she not done that as part of her speech?

**Mr Deputy Speaker** (Mr Lindsay Hoyle): Of course, all statements of policy come through this Chamber.

**Nicky Morgan:** Let me just remind the hon. Gentleman that I am standing here and giving the House information about the White Paper. It is kind of him to allow me the opportunity to talk again about the White Paper that we are publishing today, setting out our vision of the school system. He can also read the written statement that I have laid before the House.

**Stephen Timms:** Will the Secretary of State give way?

**Nicky Morgan:** I will give way, as the right hon. Gentleman asks so nicely.

**Stephen Timms:** I am extremely grateful to the Secretary of State for giving way. She has talked about the policy of converting all schools into academies. Will she assure us that that will not be done by expanding underperforming multi-academy trusts?

**Nicky Morgan:** We have been very clear that we want good and outstanding schools to expand and we do not want to hold them back. As the right hon. Gentleman has asked that question, I hope he will offer support to new free schools that are set up in his constituency and elsewhere to challenge the expansion of places in schools that require improvement or are in special measures.

As I was saying, we cannot risk the kind of youth unemployment seen today in places such as Spain and Greece. We should not forget that the shadow Chancellor has recently asked for and taken on board the advice of Yanis Varoufakis, that successful Greek economy Minister. In Spain and Greece, there have been thousands of school closures and there have been cuts to teachers’ pay, because they have failed to balance the books. We know that the previous Labour Government left 287,000 more young people unemployed than when they came into office. That cannot be allowed to happen again.

As we promised in our manifesto last year, this is a Government with a plan for every stage of life. From the start of a young person’s life, their schooling and the decisions they make about their career to the choices they make on housing and pensions, which will determine their future happiness, this Budget will deliver the most confident and secure generation ever.

This is a Government who deliver on their promises. From fair funding to further support for families and giving every child the best start in life, we have shown the British people that this Government are on their side. It is clear that Labour Members have not learned from their mistakes. They spent and borrowed too much last time they were in power, and the shadow Chancellor’s speech last week revealed that they are happy to do so again. It should have been entitled a speech on fiscal implausibility, because the Labour party has no credibility when it comes to the economy. They would repeat the same mistakes again and expect a different result—the very definition of madness.

**Mr Kevan Jones** (North Durham) (Lab): Will the Secretary of State give way?

**Nicky Morgan:** No, of course I will not give way.

The truth is that not only would Labour Members fail to deliver, but their economic policies would risk our nation’s security, our economy’s security and the security of families up and down Britain. The Conservatives will continue to deliver fairness, stability, security and opportunity for everyone. We, the Conservative Government, will continue to put the next generation first.

1.12 pm

**Dr Eilidh Whiteford** (Banff and Buchan) (SNP): Yesterday, the Chancellor highlighted the huge uncertainties and risks facing the global economy, and he painted a fairly bleak picture of what might lie just around the corner. These have been very tough years for a lot of people, characterised by financial insecurity and drops in living standards, which have started to recover only in very recent times.

One response, as advocated by the IMF and the OECD, would be to boost public investment as a means of pushing up productivity and growth. Instead, yesterday’s Budget confirmed a decade of austerity—‘austerity of choice, not of necessity; austerity that is falling on the shoulders of those least able to carry the burden; and
austerity that is harming our public services. There are £3.5 billion of new cuts in this Budget. Even if we exclude cuts to capital spending and social security, the Office for Budget Responsibility estimates that funding for day-to-day public services is forecast to fall by the equivalent of £1,000 per head over the course of this Parliament.

Yet all this pain has failed to deliver the economic benefits that we were promised. As the shadow Chancellor said earlier, the Government have failed to meet their own targets on debt, borrowing and bringing down the deficit. They have missed every key economic target they have set themselves. Another target that the Chancellor quickly glossed over yesterday was the fact that the Government are once again set to miss their own self-imposed limit on welfare spending. In fact, the OBR predicts that the Government will breach their welfare cap by £4.6 billion in the coming financial year, and will miss their own target in the next four years as well.

The quagmire that is the implementation of the new universal credit is right at the heart of the Chancellor’s problems. The difficulties with universal credit are not new. However, the OBR has said that universal credit is “one of the largest sources of uncertainty” in forecasting spending on social security, and that it has identified “new sources of significant concern” in trying to assess the impact of universal credit on spending. I think we all appreciate that predicting spend on universal credit presents some inherent challenges and that certain aspects of universal credit spend will be driven less by policy than by the economic cycle and the state of the labour market, but given the OECD and others’ sobering account of the turbulent global economic outlook, the problems with universal credit are likely to become much more acute.

In that context, I am not convinced that the Government’s arbitrary welfare cap is helpful. The reality is that the austerity cuts of recent years have fallen heavily on budgets for social protection. The £12 billion of cuts already identified in the autumn statement will largely come out of the pockets of low-income households with children and of those who need support to cope with illness or disability. The cuts to work allowances and other changes to the tax credit system, which are due to come into effect from April, will significantly reduce the support to parents working in low-paid jobs, some of whom are going to be thousands of pounds worse off, even when we take into account the increase to the minimum wage, the increase to the personal allowance and other changes confirmed or announced yesterday.

The research published in recent days by the Women’s Budget Group has shown how austerity cuts have fallen disproportionately on women—that point was well made earlier—and points out that women face “triple jeopardy” because they are more likely to be in low-paid work, more likely to work in the public sector and more likely to be in receipt of tax credits or other benefits subject to cuts or freezes. Its research suggests that as many as one in four women are earning less than the living wage.

I want to pick up that point about wage levels and say a wee bit about terminology. It is very important that we distinguish between the minimum wage, which is now being rebranded as the national living wage, and the real living wage, which is calculated on the basis of the actual cost of living and is significantly higher. I of course welcome the increase in the minimum wage to £7.20 an hour for those over 25, but let us not pretend that it is a living wage. Let us also not forget that those under 25 are not so fortunate. For the life of me, I can see no rationale for such a significant differential in pay as the one experienced by younger workers.

The real living wage is currently £8.25 an hour, although we should bear in mind that that calculation was based on the assumption that low-paid workers would be claiming their full entitlement to tax credits at the present rate, not the new reduced rates. In Scotland, we have a higher proportion of workers paid the real living wage than in any other part of the UK, and there are ambitious plans to increase further the number of accredited living wage employers. However, I think we all recognise that there is a long way to go if we are to tackle low pay.

One of the questions I want to ask Ministers today on the subject of the minimum wage is whether and when they plan to raise the carer’s allowance earnings threshold. They seem to be ficherin’ about with their papers, so I do not know whether they have even heard that question. There is no automatic link between the level of the national minimum wage and the carer’s allowance earnings limit. In the past, the limit has just been raised on a very ad hoc basis as something of an afterthought. The limit has huge implications for carers who might be working part time and receiving tax credits, so I hope Ministers will confirm that they plan to increase the carer’s allowance earnings limit in line with the increase in the minimum wage and to do so at the same time. I put it to Ministers that it might make more sense for this to be included in the annual benefits uprating order in future.

I want to return to the guddle of the Government’s social security spending and their cack-handed attempts to save money. The Chancellor confirmed yesterday that the Government intend to take a further £1.2 billion from sick and disabled people through changes to the assessment points awarded to sick and disabled claimants for personal independence payments on the basis of the aids and appliances that they need to carry out daily living activities. PIP is in the process of replacing disability living allowance. This is yet another transition process in the Department for Work and Pensions that has been fraught with problems and lengthy delays.

Jonathan Portes, principal research fellow at the National Institute of Economic and Social Research, has pointed out that “delivery and implementation failures related to welfare changes, particularly related to disability benefits, continue to push up OBR forecasts of welfare spend”. In his view, the £1.2 billion cut in support for aids and appliances within PIP is being done partly to offset such failures. Personal independence payments are, however, really important. They are the means through which those with very substantial disabilities and long-term health conditions receive extra support to help them to meet the extra costs they incur because of their disability. For many, DLA or PIP is what enables them to work and live independently, and what allows them to participate in their community.

These further cuts come hard on the heels of a raft of measures that have reduced the incomes of sick and disabled people since the start of the Government’s
Scotland said that individuals who need help can expect to receive.

The transition from DLA to PIP has been blown far off course. By making it more difficult to qualify for PIP, the Government thought that they could save money, and they expected 20% fewer claimants to be eligible for the new benefit. However, they grossly underestimated how many, and how badly disabled, those claimants were. Making disability benefits harder to claim does not change the health or support needs of claimants. In practice, cuts in support have meant that many sick and disabled people have been pushed further into poverty, and some into destitution or worse.

Around 370,000 people in the UK are likely to be affected by this new cut, including around 40,000 in Scotland. That comes on the back of a string of austerity measures that adversely affect disabled people, from the bedroom tax—eight out of 10 households affected in Scotland were the home of a disabled adult—to cuts to the independent living fund, the loss of eligibility for Motability vehicles, and the most recent changes to ESA that we debated the other week, which will reduce support to some disabled people by £30 a week.

Nigel Huddleston (Mid Worcestershire) (Con): I have heard what the hon. Lady is saying, but does she recognise and accept that disability spending is going up, and that there will be more than £1 billion of spending on disability? Is it not appropriate for welfare spending to go to those in most need?

Dr Whiteford: I am grateful to the hon. Gentleman for raising that issue because those figures deserve much greater scrutiny. The rise in the overall budget for disability spending to 2020 is easily explained by the fact that as the baby-boomer generation start to lose their health, and as life expectancy increases but healthy life expectancy does not increase at the same rate, there is more demand for disability support.

I accept that those with the most extreme disabilities need more support—that is definitely the case—but those who are losing out from PIP are probably those who are closest to the labour market, and their PIP, or DLA, enables them to participate in that market and support themselves. Those people have ongoing additional extra costs, whether for aids and adaptations, transport, or because they do not have sight and need support to get to and from their place of work. Such people need and deserve support, so why should they be put on the frontline when many other able-bodied people are not being asked to bear the same level and proportion of that burden? I hope I have addressed the hon. Gentleman’s point, and I am grateful for the opportunity to unpack those top-line figures that sound so generous to disabled people, but mask systematic cuts to the support that individuals who need help can expect to receive.

In response to the Budget yesterday, Citizens Advice Scotland said that “the confirmation of changes to the Personal Independence Payment will mean that disabled people are set to lose entitlement of up to £3,000 per year to support them to live an independent life.”

Liz Sayce of Disability Rights UK said that the cuts to aids and appliances “will impact on people’s ability to work, enjoy family life and take part in the communities they live in.”

Before I conclude, let me address the Chancellor’s announcements on savings. In the weeks leading up to the Budget, it was widely reported that he was planning to reform pension tax relief, to rebalance the pension system and make it fairer for basic rate taxpayers and other modest earners. That opportunity was missed yesterday, and instead we got measures that will further widen the gulf between the haves and have-nots, and which lay bare the stark priority that this Government seem to attach to maintaining, and even celebrating, the gross income inequalities that characterise modern British society.

There were some great wheezes for very high earners, not least the increase to the personal allowance. Although everyone can potentially benefit from that, those set to benefit the most are higher rate taxpayers like ourselves. The Resolution Foundation estimates that a third of the benefit of that change will accrue to the top 20% of earners. Meanwhile, a lot of low-paid and part-time workers—most of them women—will not even earn enough this year to take them over the threshold.

Similarly, raising the ISA limit to £20,000 will benefit only those who happen to have a spare twenty grand lying around. To take full advantage of that tax break, someone would need to save more than £1,666 pounds a month, which is a lot more than many people’s take-home pay. The same applies to the new lifetime ISA, because a young person would need to save £333 pounds a month to take full advantage of it. For a 20-year-old working full time on the minimum wage, that represents 38% of their gross salary. It is not realistic. Even among better paid young people, many of those eligible for the scheme are likely to struggle to pay grossly inflated rents in the private sector, and many will be servicing substantial student debts and be unable to take full advantage of the scheme.

Mr Kevan Jones: The hon. Lady raises an interesting point, because the assumption is that people have spare money sloshing around to put into a lifetime ISA. Does she agree that even if someone saved the maximum amount every year over the period allowed, they would not be allowed to buy a pension at the end of that, and in many cases—especially in London—they would not even be able to buy a house?

Dr Whiteford: The hon. Gentleman makes an important point and highlights the fact that young people’s housing problems are caused by undersupply of affordable housing. With the best will in the world, people on normal wages will never be able to buy a house in an urban area such as London, or in places such as Aberdeen and Edinburgh where the housing market is inflated.

Michelle Donelan (Chippenham) (Con): Will the hon. Lady give way?

Dr Whiteford: I will make some progress.
The lifetime ISA is a nice little bung for trustafarians and others with munificent parents or grandparents. An 18-year-old whose wealthy parents put £4,000 into a lifetime ISA every year until he or she is 40 will get a tidy wee £22,000 handout from the Government. That stands in sharp contrast to the Help to Save scheme under which people on breadline incomes—if, by some miracle, they manage to save £600 pounds a year—will get £300 from the Government. In other words, they receive less than a third of the annual benefit available to those who are already wealthy and privileged.

Michelle Donelan: Will the hon. Lady give way?

Dr Whiteford: I will not give way at the moment. No wonder that the Chancellor did not have much to say about the Help to Save scheme yesterday. It is a sham opportunity that is being dangled in front of people who can never hope to insulate themselves properly against financial shocks, whose financial security is increasingly precarious, and who are most exposed to the risks of global economic instability. Some people have already started calling the lifetime ISA the LISA, but out of deference to my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Lisa Cameron) I will resist that temptation. Instead, we might consider calling it the PIERS—for People Inherently Entitled to Rich Savings.

However, this is a serious point because we all recognise the need to encourage people to save more for later life, and for almost all of us the best way to do that will be through a workplace pension to which an employer can contribute. At best, the lifetime ISA is a fairly gimmicky sideshow, and at worst there is a danger that it could undermine auto-enrolment, which is the key vehicle for incentivising savings and promoting fairer universal pensions. We must shore-up confidence in auto-enrolment and not distract focus from it. The pensions industry and sector has suffered a real crisis of confidence over recent decades because people have not seen adequate rewards from the process and do not believe that that is the best way to protect themselves for the future.

This morning the Resolution Foundation published a graph that shows how the Government’s income tax cuts will benefit people across the income distribution. It shows that the lowest 20% of incomes will gain a miserly £10 on average, while the wealthiest 20% will gain an average of £225 each. For me, that encapsulates the best way to protect themselves for the future.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. There are 29 Members who wish to speak. I will start with a time limit of eight minutes, although that will inevitably drop down if people make too many interventions.

1.28 pm

Dr Liam Fox (North Somerset) (Con): Perhaps the most important thing about the Budget is also the most understated, which is that it is occurring against a veritable job creation miracle in this country. Since world war two, jobs have never been created at the rate that they are being created now, and that is the starkest difference between the economic management of this Government, and that of Labour when it was in power in recent years.

There is much in the Budget to boost that job creation further: the increase in tax thresholds, which is a further incentive to work; the doubling of small business rate relief, which will help to generate more wealth and jobs; the lifetime ISA, which is an encouragement to saving; and the cut in corporation tax, although that will not happen for a number of years.

There was a great welcome in the west country for the measures specifically outlined by the Chancellor. It is great to see the west country getting that long-overdue recognition from the Treasury.

Neil Parish (Tiverton and Honiton) (Con): My right hon. Friend rightly emphasises that the Chancellor has provided funds for the west country. Rail, road, housing and broadband are all needed there.

Dr Fox: That advertisement for the west country’s economic potential was nicely put, and does not really require any response from me.

I share the disappointment that the Chancellor expressed about the fact that the growth figures were downgraded and that debt was rising as a proportion of GDP. The figures make it more difficult to see how we can achieve the substantial and sustainable surplus that is needed to make a meaningful reduction on the level of debt. However, I must say to some Conservative Members and many of the commentators who call for faster fiscal consolidation that they cannot get it by wishful thinking. Their objection to every tax rise and every spending cut proposed by the Chancellor makes it all the more difficult to achieve what we all want.

The Chancellor yesterday set out his view on the European Union element and the impact on our economy. It will not surprise anyone to learn that I do not take the same view as he does, but I want to tackle one or two of the myths and the claims that are made. The first claim, which comes from the Governor of the Bank of England onwards—I almost said “downwards”, but I am sure that is not correct—is that being in the European Union is key to our economic wellbeing. Of the OECD countries, 16 of the 20 with the highest unemployment are in the European Union. Of the 10 OECD countries with the highest unemployment, only one is not in the European Union. Unemployment averages 6.5% in the OECD; 5.5% in the G7; 8.9% in the EU; and 10.3% in the eurozone—if we extract Germany, it is something like 14% or 15%. I should therefore like to know in the response to the debate the answer to this question: if the EU is so good and so key for economic wellbeing, why is it failing almost every other country in the EU?

The second claim is that inward investment in the United Kingdom comes because of our membership of the European Union. That does not strike me as being logical. If the UK gets the lion’s share of inward investment in Europe, it cannot by definition be simply because we are a member of the EU—we would otherwise get an proportionate share of inward investment. There must be other reasons that are nothing to do with our EU membership that enable that inward investment.
Stephen Timms: Chinese companies looking to move into the Asian business park in my constituency want to come to the UK because it is the best place in Europe for them to be located, it is English speaking and so on. Is it not the case that they want to address the European market, and that if we have left the European market, they will not come?

Dr Fox: I simply do not believe that that—the idea that, if we are not in the EU, we will no longer trade—is credible. Countries do not trade with countries; companies sell to consumers. They will sell to consumers when they have products of the appropriate quality at the appropriate price. The worst case scenario is having World Trade Organisation tariffs, but sterling’s depreciation since November was a far bigger change in the financial costs to business than anything tariffs could produce.

Mr Steve Baker (Wycombe) (Con): Will my right hon. Friend give way?

Dr Fox: I will not.

I believe we will get investment into this country because we have a skilled workforce, a good tax structure, and fiscal and political stability. I also believe that money will go to where money can be made and moved. Our commercial law is one of the main reasons why money will continue to flood into this country. Those who invest in this country know that they can take their profits out, unlike other countries where they might consider investing.

Rather than providing the great opportunity, the EU provides two major risks to our economic stability, the first of which comes from the euro. The decision not to join the euro was one of the most beneficial in recent British politics. The euro is a vanity project. It is a political project dressed up as an economic one. The wrong countries were allowed to join, and when they joined, they were allowed to follow fiscal policies that caused them to diverge from the original premise. As a consequence, millions of young Europeans face structural, high and long-term unemployment, sacrificed on the altar of the single currency.

That will have a huge cost, and it has an economic cost to the UK because of the budgetary mechanism by which we support the EU. In other words, the more our economy continues to grow in relation to the EU, the higher our contributions will be, because they are a factor of our GDP. We in this country and our taxpayers will be penalised for our economic success and for remaining outside the project that we said from the very outset was doomed to failure. The one thing that we did not hear yesterday in the Budget was how we could otherwise spend the £350 million a week we currently send to Brussels.

The second instability that affects our economy is free movement. According to the Government’s figures, 1.162 million have settled from the European Union in the past decade. That puts pressure, including economic pressure, on the number of school places and the number of houses we require before we see any benefit to the UK population. It also puts pressure on health services. It might well be that those who fund the remain campaign, such as Morgan Stanley and the big oil companies, are not particularly worried about the lack of school places in this country—they will probably not use those places—but free movement has a huge impact in large parts of this country and applies financial pressure on the Government if they are to provide those things. That is even before we take into account the mass migration coming across Europe, which is leading to political and social instability, which will have an economic cost in the longer term.

I want briefly to deal with a completely separate issue that the Chancellor raised yesterday. In his Budget statement, he said:

“We have also agreed a new West of England mayoral authority”.—[Official Report, 17 March 2016; Vol. 607, c. 960.]

That is not true. We have not reached such an agreement. A draft agreement will be put to some of our councils in the coming weeks, but we have not agreed to the authority. Let me make it clear that the Members of Parliament—the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Weston-super-Mare (John Penrose), my hon. Friend the Member for North East Somerset (Mr Rees-Mogg), my hon. Friend the Member for Bath (Ben Howlett) and I—fundamentally and totally oppose the concept of a mayor being applied to the west of England.

We had the experience of Avon, when the outlying areas became nothing much more than an automated teller machine for Bristol’s spending plans. We have no wish to see it re-imposed on us by stealth. I am completely opposed to it and urge my colleagues in North Somerset to reject the proposal when it is put in front of them. If we want devolution, let us devolve down to existing democratic local government structures. We do not need another layer imposed on top of us—a metro mayor. That it works in the north of England is not a reason for it to be applied to the south of England. I have always believed it is a great Conservative policy to have whatever works in place, and not to apply a one-size-fits-all policy from Whitehall.

As I have said, the Budget comes against an extraordinarily good economic backdrop. Britain is outperforming almost all other EU countries, and almost all other developed countries. We have sound finance, free markets, low taxes, deregulation and political stability. The Government have presided over a veritable job creation miracle in this country while the European Union stagnates. We have a chance in the referendum on 23 June not only to reboot Britain, but to deliver much needed electric shock therapy to a sclerotic, failing and stagnating EU. I hope we take the economic opportunities available to us.

1.39 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): I am told by the House of Commons Library that I have been in the House for 41 Budget debates. I have not spoken in all of them, but I have a lot of experience of Budgets and Budget debates. They are always such high octane occasions: the Budget comes out and then there is usually a fundamental disagreement across the Benches. I have always believed, however, that we never really know what a Budget contains, or how it has been received, until we at least get to the Sunday papers. Let us wait for the Sundays to see how it is going down, and wait even longer to see how it will affect the people we represent.
In the run-up to the Budget, one of the most interesting speeches I heard was from someone who is a very classy journalist, Andrew Neil. Many people think, well he is humorous and he has “The Politics Show” and so on, but he used to be the editor of The Sunday Times. He has a sharp intellect. I heard him speak to the Engineering Employers’ Federation only two or three weeks ago. His analysis was chilling: the world economy, as the Chancellor himself said, is in a febrile and delicate state. If we look at what is happening with Putin in Russia, what has happened in the middle east and the lack of leadership in the United States, with the possibility of a President Trump, it is an unstable and worrying world. He said that if people think the UK leaving the EU would be just a little local ripple, they should think again. It could well lead to a breakdown in the world economy. I believe that that analysis is correct.

I get on quite well with the right hon. Member for North Somerset (Dr Fox) on a personal level. I do not know what people do in North Somerset, but I represent a university town. We in this country receive more research income from Europe than any other country per capita. The other day we could not find anyone in the higher education world to speak in favour of Brexit. Not only do we have all that research money and research partnerships, we have, because of the English language, the tremendous stimulus of many European students coming to this country. I do not want to detain the House on this point, but I believe we are successful, will be successful and have to be successful in Europe. We have been successful in Europe. We have been weathering the storm, but that is largely because of our own efforts within Europe.

I would like to say, very briefly, something about what was not in the Budget. I know that that is permissible under the rules. The missing element is health. Dr Mark Porter, chair of the British Medical Association Council, said earlier this week that George Osborne should use Wednesday’s Budget to stop the NHS heading to “financial ruin”. He said there is a “complete mismatch between the Government’s promise of extra funding and the reality on the ground…If the Chancellor squanders this chance the NHS will continue to slide further into financial ruin.”

We are told that the NHS is ring-fenced. The truth is that one third of hospital trusts across the country are in deadly distress and trouble. My local hospital serves the big university town of Huddersfield and one of the biggest urban areas in the country, Kirklees. Unless we win the fight, we are likely, very shortly, to not only lose accident and emergency for the whole of Kirklees—Dewsbury, Huddersfield, Holmfirth; it is a very big area—but not have a major, proper hospital.

Mr Kevan Jones: My hon. Friend says there was nothing in the Budget about health, but there was a stealth tax on the NHS. It was the announcement that employers’ contributions to pensions, including in the NHS, will increase. That will be another burden on the budgets of his local health trusts and mine.

Mr Sheerman: My hon. Friend makes a very good point and I absolutely agree with him. I spoke to the chief executive of my local trust the other day—I would like the right hon. Member for North Somerset to listen to this—and he said that if it was not for the Spanish nurses we have been able to recruit from Spain, we could not provide a service in the hospital.

Dr Fox: I regard that as an entirely irrelevant argument. We would be able to employ whomever we wanted outside the European Union. The difference is that we would be making that choice, rather than having the numbers imposed on us by free movement.

Mr Sheerman: Moving on—the House would expect me, after 10 years as Chair of the Education Committee, to say something about education today. I am very concerned about the proposal for the academisation of all our schools. I spent a lot of time with the former Prime Minister, Tony Blair, talking about academies. The previous Labour Government created academies because none of us in this House should put up with the underachievement of young people. If we know that there are towns, cities and coastal communities where kids are not getting the opportunity to find that spark to realise their potential and get good qualifications, and, through those qualifications, gain entry into a good life, we should all be ashamed of ourselves—on all Benches in this House. That is the fact of the matter.

Too often, however, Governments look for a holy grail or silver bullet to produce good standards across the country in a hurry. I do not believe that such a holy grail or silver bullet exists. My experience as an amateur historian looking at the history of education policy leads me to believe something quite revolutionary: we do better on education policy when we co-operate across these Benches, rather than when we are ideological and fight over education policy, Forced academisation and the finishing of local education authorities as a real power in the land are deeply damaging to the future of education, deeply damaging to local government and deeply damaging to our local democracy.

The Government say they are in favour of giving power to the people. If we keep taking resources and functions away from local government, what will be the point of local government? Local government must have local roots. The right hon. Member for North Somerset said the same thing just now, in relation to his opposition to the big elected mayors. I have an open mind on that, but if we take away functions from local authorities, we have no trust in them. Good local authorities have been brilliant at education. They have produced some of the greatest educators and experts on education that this country has ever known. If we get rid of that wonderful core of people and cease to have them coming into the system, we will do great damage to the future of education. Many of those people have been very fine chief inspectors, including two of the recent ones. We need to fight for a real, accountable education system.

The way things are going under this Government, we will have a top-down, tiny Education Department in London with 20,000 schools and just the inspect state. Time and time again, we will have crises in our schools, as we had in Birmingham. We will then have to have a firefighting exercise. We will have to find a former chief historian looking at the history of education policy and say silver bullet to produce good standards across the country in a hurry. I do not believe that such a holy grail or silver bullet exists.
inspector of schools to sort it out. I believe the Budget should not have been about education. That is the job of the Secretary of State for Education. It is not up to the Chancellor to make these decisions; these decisions should have been made independently. If we make a highly ideological divide between those people in favour of academies and those against them, it will damage not only our education system but our young people who deserve the very finest education for their lives.

1.49 pm

Sir Edward Leigh (Gainsborough) (Con): Compared with the hon. Member for Huddersfield (Mr Sheerman), I am a mere callow youth in the House, having sat through only 35 Budgets, I think, and spoken in most of them. I sometimes feel I am constantly repeating the same theme, but generally in this place, unless one stays with a personal theme and keeps repeating it, one will probably not get anywhere.

Over those 35 Budgets, I have argued constantly for tax simplification. For instance, the cut in corporation tax is no doubt greatly welcomed by our larger companies, which have been the biggest cheerleaders for our remaining in the UK, but whatever they save from these modest cuts in corporation tax has been clawed back in other parts of the Budget. Unless we can achieve tax simplification and move gradually towards a flatter tax system, instead of having one of the longest tax codes in the developed world—as long as India’s—we will never make progress on tax avoidance.

The Minister for Security (Mr John Hayes): My hon. Friend’s consistency and sagacity are well established in the House, and I take his point about tax simplification, but would he not agree that the best form of simplification is to take people out of the higher tax band and out of tax altogether? Is that not the ultimate simplification and precisely what the Chancellor has done—once again—in this Budget?

Sir Edward Leigh: Yes, of course I acknowledge that, and I congratulate the Chancellor, the Government and my right hon. Friend the Minister on creating an economy in which more people are in work than ever before and more people are being taken out of tax than ever before. We are returning to the historical position of actually making work pay for people at the bottom of the heap. Helping people at the bottom of the heap and taking them out of tax is what the Government should be doing. So everything he says is absolutely right.

If I make a few suggestions or criticisms in the few minutes allowed to me, I do not want it to take away from the Government’s achievement in their macroeconomic management of the economy, and nor do I want to rely on the criticism of Labour Members, who must learn from history and become a credible Opposition. It is not good enough for the shadow Chancellor to come to the House today and refuse to answer any questions about his borrowing plans. There is no point just repeating a generalised mantra about borrowing to invest. It is fair enough to say that—it is the old golden rule of Gordon Brown, and we know how that was broken—but one must be prepared to provide concrete facts and figures. Would the shadow Chancellor borrow more than the present Government?

I repeat, however, that I am in favour of a much-simplified, flatter tax system, and in that context, I recognise that the Chancellor is at last—I have been campaigning for this for years—indexing the higher 40p tax band.

Mr Kevan Jones: I do not disagree with the hon. Gentleman in terms of the position he describes in respect of the Opposition. That did not stop his party in opposition agreeing to all the tax and spending proposals and all the budgets right up to 2008 but then, as soon as it was in government, condemning the Labour Government for overspending—we heard that again today from the Front Bench.

Sir Edward Leigh: All I can say is: not in my name. I agree with tax simplification. The sugar tax is a fairly benign proposal and is not coming in for two years, but, generally speaking, as a Conservative, I believe we should cut people’s taxes and then let them make their own choices. We all know there is as much sugar in Heinz tomato soup, which I love and is not going to be taxed, or in some of these baguettes one can buy from one of the increasing number of coffee shops in the Westminster village, as there is in Pepsi or Coca-Cola. These companies, of course, will find a way around it—they will probably just ensure that a Diet Coke costs the same as a normal bottle of Pepsi.

I should mention, however, that the Chancellor is repeating a mistake perhaps made in the 18th century. The 1765 Sugar Act, which imposed a tax on sugar, led to boycotts of British-made goods in Boston and sporadic outbreaks of violence on the Rhode Island colony. It was one of the Acts, along with the more famous Stamp Act, that provided ample inspiration for the American revolution. I say to the Chancellor, if he is listening, that we should be aware of that lesson from history.

My right hon. Friend the Member for North Somerset (Dr Fox) mentioned the proposal for a mayor. I was quietly sitting over there, gently dozing, as the Chancellor was going through his complicated plans for business rates, when suddenly I sat up with a start, because he said we were going to have a mayor of Lincolnshire. I was not consulted, although when I talked to a colleague last night—I will not say who—he said, “Well, of course we didn’t consult you, because we knew you’d be against it.”

It is true that some of the greatest achievements in local government have been made by the mayors of great cities—I am thinking of the likes of Joe Chamberlain—and I have nothing against cities such as Bradford, Manchester, Birmingham and London having mayors, but mayors are for towns. Are they for huge rural areas such as Lincolnshire? It takes an hour and a half to drive up the southern part of Lincolnshire to Stamford, where the Minister’s constituency lies, and another hour and a half to get up to Grimsby. Does it make sense to have a mayor? None of my local councillors wants a mayor, but they have been bribed into accepting one, although it is only a draft proposal, and they can still vote it down in their councils.

If councils want a mayor, I will not stand in their way, but they should consider it very carefully. The fact is they would have preferred a devolution of power from the centre, which is fair enough. They are being offered another £15 million a year. They would like a co-operative
body, comprising the existing district and county councils, with a rotating chair, to disburse the extra £15 million, but they have been told by the Chancellor that, unless they accept a mayor, they will not get the £15 million. That is quite wrong. It is not true devolution; true devolution is passing powers down.

We have experience of this, in the imposition of the police and crime commissioner. It was not done with public consent, there was a derisory turnout, an independent was elected in Lincolnshire, and the first thing he did was to fall out with the chief constable, and we have barely made progress since then. I say to the Chancellor and the Government: we are Conservatives and we believe in true devolution. They should not attempt these top-down solutions. An elected mayor might work fine in the big cities, but it is not necessarily the right thing for a large rural county such as Lincolnshire. Like my right hon. Friend the Member for North Somerset, who talked about money being sucked into Bristol, I worry about money being sucked from rural areas up into Grimsby, Scunthorpe and Lincoln.

The Conservative-controlled county council is doing an excellent job. It is not fair that a large part of its budget will be sucked out through the academisation of schools, leaving it with a share of the extra £15 million. I am a strong supporter of academies, but I believe in true independence and devolution. We have a mixed system in north Lincolnshire; we have grammar schools and some very good comprehensive schools. We should not insist, in an area such as Lincolnshire, which has some excellent schools, that the county council give up control of all its schools. In rural areas, we have some very small schools, with just 50, 60 or 100 children, and a top-down, imposed solution is not necessarily right for the education of the kids.

In conclusion, there are many good things in the Budget and in what the Government are doing, but I urge them to pause and listen to local opinion on the imposition of mayors in rural areas.

1.58 pm

Dan Jarvis (Barnsley Central) (Lab): In common with all right hon. and hon. Members, I listened very carefully to the Budget that the Chancellor delivered yesterday. It was his eighth Budget—an opportunity to show that, after six hard years nearly, his plan has worked. Although I welcome the introduction of the sugar tax and his clear commitment to a Britain that seeks to reshape the state on the back of our country's poorest. This was from a Chancellor who frankly focuses too much on the politics and not enough on the economics.

I want to speak today about the Chancellor's fiscal record, his Budget rhetoric and his short-sighted approach to the future of our economy. First, on the fiscal record, the Chancellor stood here in 2010 and said he was going to get a grip on our country's finances. In his Budget shortly after the general election, he said:

“This emergency Budget deals decisively with our country's record debts.”—[Official Report, 22 June 2010; Vol. 512, c. 166.]

Despite that bold claim, six years later, public debt is still rising and household debts are growing. The Chancellor also said he would eliminate the deficit, but we learnt yesterday that this year the deficit will be over £70 billion. It has been just a few months since the Chancellor came to Parliament and presented his “long-term economic plan”—what was supposed to be the plan for the next five years. Yet already those plans are being revised, with deeper spending cuts, growth revised down and borrowing and debt as a percentage of GDP revised up. I have had goldfish that have lasted longer than some of the Chancellor's fiscal rules.

Secondly, let us look at the Chancellor's Budget rhetoric. Each year, he stands up and delivers a great line, but if we look at it more closely, we find it is just rhetoric, a mirage. In yesterday's Budget, the Chancellor said that this was a Budget “for the next generation.” The reality? The Children's Society says that the Budget “fails the next generation”, and the Child Poverty Action Group says that the next generation are to be the poorest generation for decades. The Chancellor has now been found out for what he is—someone who when he says “long-term economic plan”, really means “short-term political gain”.

The Chancellor says that he wants to talk about the future and that he wants to build a northern powerhouse, but he is not willing to fund it. He is spending three times more on transport in London than in Yorkshire and the Humber, and we now know that the Department for Business, Innovation and Skills, which is responsible for the northern powerhouse, is closing its Sheffield office, moving to London and taking the 200 jobs along with it. You could not make it up. I do not think that the people of South Yorkshire will think that this is what a northern powerhouse should look like.

Infrastructure is crucial to our country's future. Although I welcomed yesterday’s announcement of money to scope the trans-Pennine tunnel, a project that has been championed by my hon. Friends the Members for Penistone and Stocksbridge (Angela Smith) and for Stalybridge and Hyde (Jonathan Reynolds), the reality is that investment is too low. Where it is happening, things are moving too slowly. Figures show that just 114 out of 565 infrastructure projects are in construction. If our economy is going to compete in the “global race” the Prime Minister has talked about, R&D spending will be key to our future success. Despite that, Britain is spending less than France, less than Germany, and less than half of what South Korea spends on R&D.

Speaking of our future, where were the measures to build more homes? Where were the measures to help the NHS? Where were the policies to boost the earnings of those living on low pay? These are crucial issues that will define our future, yet we got nothing from the Chancellor yesterday.

On the one issue relating to our future where the Chancellor was decisive, he was completely wrong—our children's education. Forcing every school to become an academy is an ideologically motivated policy, and there is simply no evidence that standards will be improved. There are already concerns about the rapid expansion of a number of academy chains. This policy is likely further to antagonise the biggest asset in our education system—the teachers.
[Dan Jarvis]

Who is going to pay for the Chancellor’s fiscal failure? It is my constituents in Barnsley and people across the country. As the Resolution Foundation said this morning, it is those in the bottom half of the income distribution who will lose £375 a year by the end of this Parliament. It is the disabled people who will be denied personal independence payments, the single biggest spending cut announced in the Budget, and one made on the same day that taxes are cut for big business. As the charity Sense said yesterday, it was “a bleak day” for disabled people. Parents who use the children’s centres in my constituency of Barnsley Central—centres that are rated outstanding and good by Ofsted—have seen their nursery provision stopped as a result of Government cuts. Women, too, have suffered from the Chancellor’s tax and benefit changes, with 81% of savings coming out of the pockets of women.

That is the cost of this Chancellor—a Chancellor who puts his own interest before the national interest; a Chancellor who talks about fixing the roof while the sun is shining, but who should be fixing the foundations; and a Chancellor whose economic record is now being exposed as a mirage.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. Before I call the next speaker, I am going to reduce the time limit to six minutes.

2.5 pm

Alok Sharma (Reading West) (Con): My hon. Friend the Member for Gainsborough (Sir Edward Leigh) described himself as a “callow youth” when it comes to the number of Budgets he has attended. By that calculation, I am probably an infant when it comes to Budget debates.

The hon. Member for Barnsley Central (Dan Jarvis) referred to the emergency Budget of 2010. I and many other Members were in their places to hear it. Let me take us back to what the economy was like in 2010. It is all very well for Labour Members to criticise what has happened over the last six years, but let us just examine what the economy was like. Actually, it was not growing. In 2009, growth was going down. There was a 4% drop in growth. Wages were going down and unemployment was high—all the things we do not want to see again in our economy. The markets had given their chilling verdict on Labour’s management of the economy.

Mr Kevan Jones: Let me remind the hon. Gentleman that, when his party was in opposition, it actually agreed with our spending targets and the measures we took to rescue this country from the world crash. Moreover, what the emergency Budget did—I am sorry, but the hon. Gentleman is wrong because economic growth was moving in the right direction and unemployment was coming down—was suck out demand from the economy, which perpetuated the decline.

Alok Sharma: I have to disagree. If the hon. Gentleman looks at what Tony Blair said in his autobiography—he won three elections, but it does not look like any of this lot are going to—he will see that Tony Blair realised that Labour was spending more in the good years and that is why we got into the position we did. At the time, Bill Gross, the founder of global investment management firm PIMCO, said this about the UK economy. He described it as a “must avoid” and said that UK gilts were “resting on a bed of nitroglycerin”.

Those were incredibly strong words from the market. We were looking over an economic precipice. Thank goodness we had a change of Government. That is why we are in a much better position now, with growth and wages up and the deficit down.

I of course welcome this Budget. It is a Budget for business and for individuals. It is a Budget for young people and a Budget for investment in infrastructure. When it comes to schools, I welcome what the Secretary of State said. In my constituency, I have helped to found two free schools and academies, and they are doing incredibly well. One that has been going for a few years was rated as outstanding in its first year.

Michael Tomlinson: Was my hon. Friend, like me, surprised that the Labour party did not welcome, or even mention the subject of fairer funding, which will have such positive effects on our schools?

Alok Sharma: My hon. Friend is absolutely right. As the Secretary of State said, Labour had 13 years to fix this and it did not. This Government are now getting that right.

I spoke this morning at the Association of Chartered Certified Accountants, which is much more interesting and exciting than it sounds. It greatly welcomed the business measures in the Budget, particularly the drop in corporation tax. I have to say to the shadow Chancellor, who is now back in his place, that if we drop corporation tax rates, investment will come into the country, which will allow us to raise more money. That is something that he needs to understand if he ever hopes to become Chancellor himself.

The changes to business rates are incredibly welcome to many small businesses, for which business rates constitute a large component of their fixed costs. I welcome, too, the abolition of class 2 national insurance. I hope that we are seeing a move towards a merger of national insurance and income tax. I know that this is potentially very complicated, but the dividends it will pay in terms of tax simplification will be huge, as will be the benefits for businesses.

Investment in infrastructure—many billions have been invested since 2010, and there is more to come during this Parliament—has been a hallmark of this Chancellor’s Budgets. My own constituency has benefited from significant rail investment: nearly £1 billion has been invested in Reading station, and Crossrail is coming, as is rail electrification. There has been investment in local stations as well. However, may I issue a plea to those who are looking at the Hendy report consultation? Two stations in my constituency, Thame and Green Park, are fully funded, but their development has been delayed. I hope that, as a result of the consultation, we can actually get moving so that my constituents can benefit. I welcome the work that the National Infrastructure Commission is doing in driving forward investment and infrastructure in the United Kingdom.
A few weeks ago, I was appointed the Prime Minister’s infrastructure envoy to India. I think that the experience that will be gained by us in this country, and by our companies, will be fantastic. It will not only allow us to help countries such as India with growing economies to raise finance in the London market, but enable our world-leading businesses that are involved in infrastructure to go out and assist those economies.

Finally, let me say something about Europe. I am very much in favour of a stronger, safer, better-off, reformed European Union, and I will be campaigning for us to stay in the EU. I know that we have a limited amount of time today, and I do not want to initiate a huge debate on the subject, but I will say this: if, on 24 June, we wake up and find that the British people have chosen to leave the European Union, there will be a period of uncertainty. That is the one thing with which no one can disagree. There will be uncertainty because we will not know how long it will take us to renegotiate some kind of relationship with Europe, what the cost will be, or how investors will react. I have heard Conservative Members say that investment will continue to flow in, but I do not agree. Given what is being said by foreign countries and foreign companies, I think that they will think twice, and will wait to see what our relationship with Europe looks like before investing in the United Kingdom.

Uncertainty has two impacts. Businesses hate it, which means that they stop investing, and consumers hate it, which means that they stop spending money. The effect of all that will be very bad news for our economy. Both the Office for Budget Responsibility’s book and the Red Book contain all sorts of predictions about how our GDP could be hit if we left the European Union, but, by any measure, it will go down. All the net savings that my colleagues who want us to leave the European Union say we will gain will, I think, disappear as a result of the losses that will follow a fall in GDP and a consequent hit on tax revenues. Therefore, I hope that all of us, not just in the House but throughout the country, will think very carefully before voting in the referendum on 23 June.

Dr Andrew Murrison (South West Wiltshire) (Con): Does my hon. Friend remember the same concerns being expressed when this country was considering whether it would be wise to join the eurozone?

Alok Sharma: I have never been keen on our joining the euro. All I can say is that I think there will be a huge amount of uncertainty if we decide to leave the European Union. That is what I want to guard against, so I ask everyone to vote to remain in the EU.

I commend the Budget to the House.

2.13 pm

Joan Ryan (Enfield North) (Lab): We heard a lot from the Chancellor yesterday about creating stability, ensuring fairness, and choosing to put the next generation first. I must say that his promises sound particularly hollow today, as we debate the important issues of education, women and equalities.

I want to join other Labour Members in raising concerns about the impact on women of the Chancellor’s economic failures. I agree with the assessment of the Fawcett Society that women are facing the greatest threat to their financial security and livelihoods for a generation. Changes in the welfare system and Government cuts in local authority funding and social care budgets have hit women hardest, and many women and young families in my constituency have been driven into abject poverty as a result. According to the Trussell Trust, the London borough of Enfield now has the fifth highest food bank usage in London. That is not a record of which the Government can be proud, and in the light of it I have little confidence that they will be able to deliver on the Chancellor’s promise to do “the right thing for the next generation”. —[Official Report, 16 March 2016; Vol. 607, c. 963.] I do support the proposal for a sugar levy on the soft drinks industry. The rise in childhood obesity is alarming. However, although the funds raised from the levy are due to go towards the money that is available for primary school sport, we now learn that there is a £560 million black hole at the heart of the Government’s academisation plans for schools. That forced academisation programme will therefore not be fully funded. It seems that the Chancellor could do with some extra maths lessons of his own.

I have serious reservations about the drive to turn all schools into academies. In some parts of the country where standards remain a concern, all schools are already academies, and the Government seem to have no other school improvement strategy for those areas. What will it be like when all the schools in the country are academies? Academies were introduced with the aim of lifting failing schools and helping to improve standards, but the model is now being stretched to fit all schools. This is an ideological approach on the part of the Government, and it constitutes an attack on local education authorities, which will become surplus to requirements. It is disheartening to note the virtual silence from the Government on the important role that LEAs play, both in supporting schools and in helping them to build positive working relationships with each other.

The Chancellor may claim that the academy process offers a “devolution revolution”, but in fact it will centralise power in the hands of the Department for Education. Local parents will no longer be able to hold elected councils, as well as the Government, to account for education standards and provision. Indeed, they will have no say whatsoever. That is a very backward step in democratic accountability.

I know from speaking to parents in Enfield that the structure of the education system is not the first thing that springs to their minds when they are discussing their children’s schooling. They want to know that their children are happy and settled, are doing well at school, and can achieve their full potential. Where are the Government’s grand plans to tackle the teacher recruitment and retention crisis? How do their structural reforms resolve that pressing issue? This matter is of great concern to parents and headteachers in my constituency, and the situation is getting worse, not better.

The Chancellor said yesterday that the performance of the London school system had been one of the great education success stories of recent years. I agree, and I would like to keep it that way. However, the inability of schools to recruit and retain the staff they need is liable to have a lasting impact on the standard of education on offer to children in Enfield and throughout
the capital. It will prove very difficult for schools in my constituency to maintain their strong track record of raising standards if their funds are substantially cut, but that is what the new national funding formula threatens to do.

Most London boroughs have per pupil funding rates that are above the national average to reflect the higher costs of education in the capital, but headteachers now face the prospect of money being taken away. That does not seem very “fair”, despite the Chancellor’s claim. We need to be levelling up, not down. I know that the consultation on the funding formula is under way, but I think that schools in my constituency would appreciate reassurances from the Secretary of State today that the Government will continue to invest fairly in the London school system. Such reassurances are vital. I recently conducted a survey involving headteachers in my local primary schools, secondary schools and colleges, which established that real-terms budget cuts were their No.1 concern. Several said that they would be running significant budget deficits within the next three years.

Despite the evidence from schools of increasing levels of poverty and social deprivation, there has been a significant drop in the number of pupils who are eligible for free school meals. According to the Enfield schools forum, that has “resulted in a drastic and untimely reduction of funding provided to schools.”

The Government need to give further consideration to reviewing the indicators that they use to measure deprivation for funding purposes. Rather than putting the next generation first, this Budget—particularly in relation to school reforms—could do great damage to the provision of high-quality education for all pupils. That is not fair on children, schools or families.

2.19 pm

Michael Tomlinson (Mid Dorset and North Poole) (Con): It is a pleasure to speak in the debate and warmly to welcome the Budget. There is much in it for my constituents and for small businesses in my constituency to welcome, including the tax-free personal allowance, the fact that fuel duty has been frozen yet again and the introduction of the lifetime ISA. I also welcome the measures to tackle homelessness. Poole has an issue with homelessness, and I am delighted to have been elected as an officer on the newly formed all-party parliamentary group for homelessness. The measures announced yesterday will help to raise awareness; they represent a small step in the right direction.

Today, however, the focus is on education and I want to focus on three areas: a fairer funding formula, academies and the sugar levy. I disagree with the hon. Member for Huddersfield (Mr Sheerman) that Budgets should not be about education, because education and money go hand in hand. The Budget has to be right and the funding formula has to be right for our education to flourish. The manifesto pledge that I stood on was to deliver a fairer funding formula, and I congratulate the Secretary of State for Education and the Chancellor on delivering it. I have campaigned with F40 and I am a parliamentary patron of it. I also pay tribute to my hon.

Friends the Members for Worcester (Mr Walker) and for Beverley and Holderness (Graham Stuart) for their steadfast campaigning on this issue.

Poole and Dorset fall within the bottom two and the bottom 11 respectively in terms of funding per pupil. I hear Labour Members chuntering. I am surprised and disappointed that there is no support for fairer funding from the Opposition. When Labour was last in power, the then Secretary of State—I believe it was Ed Balls—admitted that the formula was unfair, and it is time that Labour Members recognised that fact.

Mr Kevan Jones: No one is opposed to fairer funding, but some Labour Members believe that this Government should be done under the Trade Descriptions Act for their track record on dealing with so-called fairer funding, especially in local government. They clearly take out the element of need, which leaves us in the ridiculous situation in which poor parts of the north-east are getting their local government budgets cut, while areas such as the hon. Gentleman’s, which have less demand as a result of poverty, are getting their budgets increased. That cannot be fair.

Michael Tomlinson: I disagree with the hon. Gentleman, and I can give him three examples. Local authorities in Doncaster, Barnsley and Leeds will all benefit under a fairer funding scheme. There is no rhyme or reason to the current scheme. I understand what the hon. Gentleman is trying to say, but the present funding formula is in place due to an historical anomaly. The right hon. Member for Enfield North (Joan Ryan) mentioned levels of deprivation, but it must be understood that that is not the basis for the funding formula. For example, funding can differ by up to 50% in two areas that share exactly the same characteristics. That is neither right nor fair. Indeed, the top 10 schools receive £2,000 more per pupil than the bottom 10 schools. If the formula were based on areas of deprivation, I could understand that and I could explain to my constituents why their funding was in the bottom two and in the bottom 11, but that is not the case. I therefore welcome the changes.

I also welcome the fact that there is to be a consultation and I invite Opposition Members, who are still chuntering, to join in the two stages of that consultation and to make their case. I also welcome the announcement on timing, and the fact that 90% of schools can expect to have this funding by the end of this Parliament. I shall be inviting all schools in my area to contribute to the consultation, and I urge all hon. Members to do the same.

Turning to the subject of academies, I am a parent governor at my local primary school and I know that there will be concerns about academisation. I pay tribute to the teachers in Poole and Dorset, who work so hard.

Bill Esterson: Has the hon. Gentleman had a chance to read the White Paper? Paragraph 3.30 states that there will no longer be parent governors. Does he realise that he would have to stand down as a parent governor as a result of that?

Michael Tomlinson: Doubtless there are many on the governing body who would be relieved if I had to stand down, but I am sure that there would be opportunities
for others to step forward. I have not yet had the opportunity to read that paragraph, but I am grateful to the hon. Gentleman to drawing it to my attention. I shall look at it in due course.

I was about to pay tribute to the hard work of our teachers in Poole and Dorset, and indeed across the country. They work tirelessly. The school of which I am a governor recently went through an Ofsted inspection and I saw the hours that the headteacher and everyone else in the school put in. It is right to pay tribute to our hard-working teachers. There is a risk that the rhetoric from the Opposition Benches will come across as talking down the teaching profession, and that must not happen. It will certainly not happen here, because every time I stand up to speak on this subject I pledge to pay tribute to the hard work of our teachers.

However, academisation will be unsettling to our teachers. I urge the Secretary of State to reassure the teaching profession about the structuring and the process involved and to offer support. I know that she will do this. Dare I say that communication will be absolutely vital in this regard, as will setting out the positives—including the financial positives—that can result from academisation. It will be critical for our schools to be supported.

I want to touch briefly on the sugar tax. My hon. Friend the Member for Gainsborough (Sir Edward Leigh) went into great detail about a previous sugar levy, but I do not share his pessimism that we risk such disastrous consequences this time round. Instinctively, I too am a low-tax Conservative and therefore cautious about this measure, but I warmly welcome the direction in which this money will go in. I am passionate about sport and I believe that the additional funding for sport in primary and secondary schools will be warmly welcomed.

I will invite secondary schools in my area to bid for funding so that they can be among the quarter of secondary schools to benefit from these measures.

Sport is vital in our schools. I hugely benefited from playing sport on Wednesday afternoons and on Saturdays, and I miss those days. I miss the opportunity to play sport at the weekends. Perhaps, Madam Deputy Speaker, there should be time on Wednesdays for parliamentarians to play sport and to show the way. I put in that mini-bid to you today in case it is within your gift to make that happen. Perhaps time could be found in our busy lives to play sport. There is a serious point here: sport benefits our children and it can benefit everyone.

I support this Budget. In particular, I support the measures on education, especially those relating to a fairer funding formula for our schools, which will be vital for Poole and for Dorset.

2.28 pm

Jim McMahon (Oldham West and Royton) (Lab): I refer the House to my declaration of interest as a serving member of Oldham Council. I have found quite a lot of this debate rather patronising. The way in which the Secretary of State for Education addressed Opposition Members and gave us lessons in maths and other issues was quite condescending. I hope that we can raise the tone a little.

When we give people an education, we ought to do it in a way that is easy to digest and to remember when they leave. I tend to think that if I cannot explain something to my seven-year-old son, I am probably over-complicating it. That is the way I am going to pitch my speech to my friends across the House today. It is no more complicated than this: Georgie Porgie spun a lie. He kicked the poor and made them cry. When the rich came out to play, Georgie delivered a tax giveaway. It is really no more complicated than that: he is taking money from the poorest and giving it to the richest. And I can tell you that teachers in schools across the country will repeat that rhyme to the children when they realise the true implications of academisation for the future of their schools.

We accept that we have a complex and diverse education system. Councils must adapt, as must communities and schools. Indeed, many have done so, but if the question is “How do we address the disconnect between democracy, local accountability and leadership?”, how on earth can more fragmentation be the answer? Taking schools away from local control and dismissing the community in the mix makes no sense at all. Looking at my local area, I see Oldham getting a grip. Oldham recognised that it needed a different approach, which is why, with the support of Baroness Estelle Morris, the Oldham Education and Skills Commission was established. That was quickly followed by a political commitment to a self-improving education system owned by every school in the borough, parents, business and the wider community, all of whom had a part to play in ensuring that schools performed to the best of their abilities and that our young people were set up for the best possible future, to which they are of course entitled.

Mr Steve Reed: Does my hon. Friend agree that the Government’s decision to centralise the control of 24,000 schools in the Department for Education in Whitehall shows the hollowness of their rhetoric on devolution?

Jim McMahon: Most people accept that we have a diverse education system and most of us have reached the conclusion that we should allow for local determination and that councils should not be fighting schools that might want to consider a different model. Equally, councils should ensure that the right considerations have been taken into account and parents should be central to the decision-making process. For the Secretary of State to impose the change on local communities, whether they like it or not and whether they have a good track record or not, makes no sense whatsoever. It beggars belief that the Secretary of State has taken that approach. When the Oldham Education and Skills Commission report was finalised, the three borough MPs wrote to the Secretary of State to seek her support because we wanted the support of central Government and of the regional schools commissioner. Two months on, we have not even had the courtesy of a response. No Conservative MP can convince me that the Secretary of State has one jot of interest in education in Oldham.

Not all councils are the same in the same way that not all schools are the same. It therefore follows that not all academies are the same. We recognise that there is good practice across the board, that some excellent progress has been made, and that schools have been turned around, but what is true for state schools and community schools is true for academies. This polarised debate about having one or the other makes absolutely no sense.
and does nothing for the people we represent. If anything, it could send us backwards. The evidence suggests that where local partnerships work and where councils step up and take a wider leadership role, good results can be delivered for local communities.

The Chancellor made several references to the change being devolution in action. How can that be when the Government are saying, “You’re getting it whether you like it or not”? But that is a hallmark of this Chancellor. For example, people get a mayor whether they like it or not, and it is the same with schools. There will be no devolution at the grassroots level either. E-ACT, a sponsor with a school in Oldham and a range of academies across the country, decided to sack every single one of its community governors. I was so concerned by that, as were my constituents, that I again wrote to the Secretary of State to ask for her support in stopping it. Her response was that she was actually quite relaxed about it, because it was a decision for the academy, so we now have a school in Oldham with no community representation whatsoever.

Where are the safeguards to ensure that academy sponsors go out to tender for the support services provided to schools? Academies are required to seek such services at cost value if they do not go out to contract, but academies and trading companies will include an overhead, which will contain director and non-executive director salaries, gold-plated pensions, to which public sector workers are not entitled, and company cars. Where are the safeguards to ensure that that cannot happen?

Where are the safeguards to ensure that salaries are published in the same way as in local authorities? Everybody in Oldham knows exactly how much senior officers are paid, because the information is published every year. It is not the same for academies or their sponsors. The chief executive of one academy is paid £370,000 a year for looking after 37 schools. Were that to be replicated in Oldham, with its 100 community schools, the director of education would be paid £1 million a year, which is nonsense. How many people know that that is happening? It happens behind the scenes and is an exercise in smoke and mirrors.

Let us get a level playing field and ensure that academies and their sponsors publish every decision that they make in the same way as councils. Let us ensure that academies cannot give contracts to their parent companies through trading companies and that they are forced to go out to contract like councils. Let us ensure that they publish a pay policy statement and senior salaries just like councils do. Let us ensure that academies publish freedom of information requests in the way that councils do. It is ridiculous that the local education authority, which has been there since 1902, is being unpicked for short-term political gain without any safeguards being put in place. The Government cannot say that they are doing it for democracy, because that does not stack up. They cannot say that it is being done for the communities that we represent. We can no longer say that it is being done in the interests of the taxpayers, because the safeguards are just not in place.

Mark my words: this is heading towards disaster. The structures are not sound enough, the safeguards are not in place, and providers are not mature enough to step up and take on all schools. There are some real questions about who the Tories represent. Is it the pupils? Is it the teaching profession? Is it the wider community interest? Or is it the narrow sponsor interest? It would be an interesting piece of work to find out just how many Conservative party donors are involved in free schools and academies.

2.46 pm

Michelle Donelan (Chippenham) (Con): The Chancellor coined this Budget as one for the “next generation”. What struck me was the focus not only on today or next year, but on the years to come after that. “Long-term economic plan” has been said in this Chamber about as many times as “Thank you, Madam Deputy Speaker” but the Budget has highlighted that the phrase is not rhetoric or jargon, but a tangible plan to create a saving, home-owning, business-friendly and education-focused nation. Education is the bedrock of opportunity and key to helping the next generation, so it is necessary that a Budget with such a label focuses on education and is bold—and bold it is.

The acceleration of fairer funding to help 90% of affected schools by 2020 will ensure that some older children in Chippenham will also have the chance to benefit from just and equal funding. It will mean an end to the ludicrous existing funding system and will ensure that Wiltshire’s schools get the money they deserve and can continue to offer the fantastic education for which they have become known. Pupil funding in Wiltshire is over £2,000 per pupil less than the national average, so teachers, parents and pupils will be thrilled by this week’s announcement, because they will recognise that their cry has been heard.

I am also delighted that the Government are backing academisation. To be clear, I do not for one moment think that it is the panacea to solve all our problems, but it offers independence, choice, economies of scales and high standards. Abbeyfield School in Chippenham is going through the process and is desperate to become an academy because of the huge benefits and freedoms on offer.

Michael Tomlinson: Does my hon. Friend recognise that some schools will have genuine concerns about the change and will need support and guidance about restructuring and the rest of the process?

Michelle Donelan: I completely accept my hon. Friend’s point. One of the reasons for the announcement was to encourage schools to take ownership and the process will be school-led. We want schools to choose which multi-academy trusts they join, so it is very much a bottom-up reform.

Moving on, I must also stress my support for the sugar tax on soft drinks, which is another bold move. It sends a message that will educate and encourage consumers, parents, children and the drinks industry. With the two tiers, it will also encourage manufacturers to try to reduce sugar in order to move to the second tier. My grandmother died of diabetes when my father was very young. She had a complete addiction to soft drinks. Although it was a different era and we cannot be 100% sure that soft drinks were the cause of the diabetes, it is extremely likely. The household had a modest income, and I often think what a difference might have been...
made if we had had the tax back then. So I ask anybody who doubts this policy what they mean when they say it will not have any effect. Do they mean it will save only one or two people? Do they mean it will save only someone else’s grandmother or mother? This tax is not just about that; however, it is also about cutting the obesity rate, which means that we will have more money for the NHS to pay for dealing with ailments such as cancer.

This policy will not deter everyone, and nobody is suggesting it will. You can only lead a horse to water, you cannot make it drink. We can, however, send a strong message about the threat that these drinks pose. I believe that this policy is very Conservative; it is a responsible action by a responsible Government. It is a forward-thinking action, one that does not ban but which encourages personal responsibility. It encourages people to take ownership when they have the right facts and the right message from the Government. A recent study by Public Health England found that the average teenager consumes more than three times the recommended amount of sugar. The report also showed that if they cut down to the 5% target within five years, 77,000 lives would be saved and the saving to the NHS would be £14 billion. That makes the case on its own.

Using the money generated to double the primary school PE and sport premium from £160 million to £320 million per year is a great step forward in encouraging sport and fitness, and tackling childhood obesity. The £285 million a year to allow 25% of schools to extend their school day by an hour will assist parents and reduce childcare bills. That, too, is a forward-thinking move, one supported by the Sutton Trust. The use of the hour will be key, and I look forward to reading more information about that.

This Budget was business-friendly and it was aimed at combating our productivity crisis. It will help businesses in my constituency and around the country, and it will encourage start-ups. However, we also need to encourage and enable the next generation of business owners, managers, directors and employees, and they will need to be proficient in maths. We need to use this opportunity to bring maths to life—to teach practical and applicable maths. We need to teach maths for real life, to ensure that students are work-ready and life-ready. We need, thus, to be able to give them help with their mortgages, tax returns and balance sheets. We need to give them maths for technical applied roles and basic business mathematics—the list goes on. This is particularly important, given that we have a growing number of self-employed in the economy. There will be 40,000 self-employed people in Wiltshire alone in the next five years.

I must stress that we must not allow this to be the start of a journey towards compulsory A-level maths or a broad-based maths course pegged at this level. I hope that Sir Adrian Smith’s report will reflect the need to enliven and enrich students’ mathematical basis for the real world. We need to ensure that our system creates numerate and mathematically proficient young people, but we must also remember that not everyone needs to be a mathematician—as I well know. We will need to ensure that they have the element that is necessary for the workplace. I repeat that this report and this reform offer us a massive opportunity, but only if we go about this correctly. I also welcome the additional support to encourage lifelong learning, and the recognition it shows that the economy and labour market are moving at a fast pace in our international world.

There are many things I would have liked to have said, but the time limit has severely handicapped me. I just sum up by saying that this is a bold Budget. It is an opportunities-based Budget. It is a Budget designed not only to improve our education system in the long term, but to offer opportunities in the short term and the long term for all.

2.43 pm

Vicky Foxcroft (Lewisham, Deptford) (Lab): Yesterday, the Chancellor stood at the Dispatch Box proclaiming that this is a Budget for the “next generation”. Beyond the headlines what we heard was that debt is higher than it has ever been; that growth forecasts have been cut; and that he is missing his own targets for reducing the deficit. What we heard is the Chancellor admit that he is failing. He may have tried to add some fizz to his speech, but we know it was just sputterings of more cuts, more cuts and more cuts. These are cuts to the police, cuts to youth services, cuts to support for disabled people and cuts to the fire service. He has been Chancellor of the Exchequer for six years and no matter how much he wants to, he simply cannot blame Labour any more.

The Chancellor was quick to proclaim his Budget for the “next generation” but there is one glaring omission with that: he has forgotten this generation. To be honest, he has even forgotten the next generation, too. Research by the World Health Organisation puts us way down a list of 42 countries, with only the children of Poland and Macedonia being less satisfied with life than the British. The report says that our teenagers are suffering high levels of stress and have big worries about their health. They feel pressured by school work, and school-related stress is on the rise. What is the Government’s answer? It is: turning every school into an academy; removing democratic control; extending the school day; removing collective bargaining for teachers; and getting rid of governors. In short, the Government are restructuring a whole system, adding to teachers’ concerns and stress. We know that the Government do not have a good track record in top-down reorganisations. Have they learnt nothing? Clearly they have not learned, as this is another top down reorganisation that nobody voted for; they have no mandate. These proposed changes will turn our education system into the wild west, with everyone doing their own thing and with the Department for Education running it all—it is ridiculous. Will academies be able to run selections? Will we see a mass return of the 11-plus? This reform will increase the cost of education, make our country more unequal and embed unfairness throughout our education system. This reform takes us backwards, not forwards. Let it go on the record now that I will fight this every step of the way.

It is not just in education where we find problems, as the Government’s failures are letting young people down all over the place, with one example being on housing benefit. The Government have said they will cut housing benefit for 18 to 21-years-olds, without any consideration being given to the needs of any of those young people, what they might be escaping and what their situation is. What are the Government doing? This benefit is an essential safety net. Removing it just increases the risk
We are also seeing the death of youth services, which provide— or should I say provided—a vital safety net. Unison has reported that at least £60 million was cut from youth service budgets between 2012 and 2014, which meant that more than 2,000 youth workers have disappeared since 2010. But that is not all, because on top of this more than 350 youth centres have closed. What is going on? If we look at what happened from 2013 to 2014 alone, we see figures from the Department for Education showing a cut of more than £103 million from youth services. Children’s social care— cut; family support services—cut; adoption services—cut; youth justice teams—cut; Sure Start centres—cut; child protection services—cut; and looked-after children services—cut. The list goes on and on. More and more young people are falling through the gaps left by a lack of services. The choices that this Government are making are damaging young people’s life chances, worsening their mental health, and increasing the possibility of them getting into trouble, as they are open to abuse and potentially at risk of becoming involved in serious youth violence. Quite simply, the impact of the Government cutting council budgets is putting children’s lives at risk. Children are dying on our streets because councils can no longer afford to fund crucial services. That makes me angry, but what makes me really angry is the fact that, in the eyes of many young people, all MPs are the same, and that cannot be further from the truth. This is a shocking Budget, as it harms the country’s young, but it does not have to be like that. Young people do have the power to change things at the ballot box. More young people need to register to vote and to use that vote. Labour will invest in our young people, and we will do so not because we want headlines, but because we know that they are the future.

2.49 pm

Dr Andrew Murrison (South West Wiltshire) (Con): I followed the remarks of the hon. Member for Lewisham, Deptford (Vicky Foxcroft) with a great deal of interest. Clearly, I do not agree with many of them, but I do commend her for the passion with which she prosecuted them.

This is a good Budget, and it is a good Budget for the next generation. I am the father of five children, so the next generation is important to me. I also represent a number of schools that have benefited from the pupil premium and other such changes, and a large number of service families who have been particular beneficiaries of them. I most certainly welcome the acceleration of the move towards fairer funding for schools.

However, I am ever so slightly cautious about the maths thing. I noticed that we will be consulting on whether we should have maths to the age of 18. Maths can be great, particularly vocational or lifestyle maths—the sort of maths that my hon. Friend the Member for Chippenham (Michelle Donelan) had in mind—but it can also be demotivating and a somewhat depressing experience for children for whom the maths is not to their bent. I would be a little bit of cautious about making the introduction of that particular discipline compulsory to the age of 18.

I am a strong supporter of the sugar tax. The Opposition has suggested that this may be a pun-rich artefact to draw attention away from the three fiscal tests. That is grossly unfair, because the sugar tax will come to be seen as an historic tax. It is an indication that the Government are prepared to act on important public health measures when it becomes clear that voluntary measures have not succeeded.

I am very conscious of Robert Chote’s clarification of the position of the Office for Budget Responsibility on Brexit and the importance of not misrepresenting organisations such as his. However, as we have already had talk of the European Union as part of this Budget debate, I would like to weigh in with my own observation about the tampon tax. I commend the Chancellor for his imagination in finding £12 million from this tax to spend on relevant women’s charities, but it is a great pity when a country such as ours has to tiptoe around a requirement instituted by the European Union. Where on earth is the sovereignty in a state that cannot determine even the tax paid by its citizens on tampons?

The Chief Secretary to the Treasury will be undertaking a drive for efficiency and value for money. In so doing, I hope that he pays attention to Lord Carter’s review of efficiency in hospitals, which was published last month. It is a marvellous piece of work that draws attention to the unwarranted variation across our national health service that is costing somewhere in the region of £5 billion a year. The concept of a model hospital and metrics such as the adjusted treatment cost and the weighted activity unit are absolutely necessary if we are to make what is an efficient service even more efficient, and bring our healthcare outcomes up to the level of the very best in Europe, and not, as is so often the case, around about the level of the worst.

Simon Stevens’ £22 billion funding gap seems unbridgeable without measures of the sort that has been presented by Lord Carter of Coles. Part of the answer is right-sizing the national health service estate, and we will increasingly have to get to grips with the need to regionalise our acute sector and secondary care hospitals. That will involve some difficult political decisions, but we must not baulk at them if we are to drive up healthcare outcomes.

Yesterday, I was called a health fascist by a colleague for my views on the sugar tax and on taxing tobacco. I make absolutely no apologies if indeed that is the case. I am particularly exercised about tobacco. Smoking is the captain of the men of death in this country. It kills 100,000 people a year, far more than obesity, alcohol and illicit drugs put together. It causes death before normal retirement age in 50% of those it kills. It causes 20 times as many smokers as die to have smoking-attributable diseases and disability. If we are serious about public health, we have to be serious about smoking, and although rates have fallen in recent years, they appear to have reached a plateau, and we need to drive them down much more and much more rapidly.

There is no safe threshold for smoking. Unlike many substances which we might like to control—I am thinking particularly of alcohol—there is no safe threshold. It is surprising, maybe, that this product is available for sale at all. Half of all health inequality between social classes 1 and 5 is thanks to cigarettes. Poorer people consume more, draw on their cigarettes harder, use
higher tax products and leave shorter stubs. Their smoking is worse not only in quantitative terms, but in qualitative terms.

Bravo to the Chancellor for listening to Action on Smoking and Health. Well done for raising the duty by 2%. I would like to see it higher. Well done for the innovative minimum excise duty tax to head off trading down. In all, it is a good Budget—a good Budget for the next generation.

2.55 pm

Albert Owen (Ynys Môn) (Lab): It is a pleasure to follow the hon. Member for South West Wiltshire (Dr Murrison). I have great respect for him and his views on health and I would never call him a health fascist. He is measured in the way that he presents health issues, particularly in relation to public health.

I will repeat some of what was said from the Front Bench by my hon. Friend the Member for Hayes and Harlington (John McDonnell). This is the eighth Budget of this Chancellor in six years—eight Budgets of big promises to eliminate the deficit by 2015. He has broken his own budgetary rules on debt and on welfare, and he is heading towards breaking his rules again on the budget surplus in this Parliament. Why? Because of the actions of this Chancellor. Yes, there are global issues that will impact on any country’s economy. That was the case when the Labour party was in government, it was the case when the previous Conservative Government were in office, and now this Chancellor is admitting that they will impact on his plans.

Early Budgets choked off growth. The initial emergency Budget in 2010 contained cuts and an increase in value added tax.

Mr Kevan Jones: Does my hon. Friend agree that it is remarkable that the Chancellor now refers to global headwinds that may knock him off course, but in 2010 when he choked off growth—and we have heard it again today—he claimed that the recession in 2008 was nothing to do with the global situation, but was all down to a Labour Government? Is it not ironic that he chooses to use the global situation as an excuse for what he blamed the Labour Government for in 2010?

Albert Owen: My hon. Friend is right. He and I and the Chancellor came into Parliament together and we know he has form on these issues, which have been laid bare in this Budget.

The early Budgets choked off growth. I mentioned value added tax because it is forgotten that initially this Government raised value added tax by 2.5p in the pound. That took money out of the economy at a time when there should have been a fiscal stimulus, as there was in many other countries, to ensure that we got out of the recession and out of austerity as quickly as possible. So it is the Chancellor, in his eighth Budget over six years, who is responsible for not being able to balance the books, which he promised he would do.

The poorest, the vulnerable are paying the price of extended austerity, and less so those on higher incomes, who have seen their income tax cut. Now we hear in this Budget that capital gains tax will be cut at a time when the personal independence payment is being taken away from some disabled people. That is the priority of this Chancellor, and that is why we are in the present situation.

I talk about value added tax being raised because the Chancellor is always talking about how thresholds are going up and how that is helping. However, that is eliminated by the additional value added tax that people have to pay on goods. The big announcement yesterday about a freeze in petrol duty and a freeze on beer duty is wiped out when people have to pay 2.5p on each pound when they buy petrol, drink beer or go out for a meal. This Chancellor is putting taxes up, not down, and families are suffering across the country. Ordinary people are paying the price.

I refer to the insurance premium tax. Yes, we all want to see investment in our flood defences, but again, it is ordinary families who will pay for that through a stealth tax. Rather than being the work of a tax-cutting Chancellor, the Osborne taxes are hurting ordinary families in this country.

The biggest losers are women and the disabled. The Chancellor really missed an opportunity to use the Budget to help the many women born in the 1950s through transitional pensions. He missed the opportunity to use some imagination to come up with a formula to try to smooth out the issue of those whose pension age is going up but who were not given sufficient warning to plan for that.

The Chancellor talked about an ISA for young people under 40. He needs to get out and about. I have two daughters under 40, and they are burdened with student debts—they are struggling to pay the bills. People like them do not have £4,000 in their back pockets to invest for the future. They need help and support—not to be told that they can get an extra £1 for every £4 they save. The Chancellor is out of touch.

I do agree with the sugar tax, but it is not a silver bullet. To deal with child obesity, there needs to be long-term, careful planning, and there needs to be a change in lifestyles as well. I welcome the proposals on sports provision in English schools—I do not think it has been cut in Welsh schools—but it was the Chancellor who cut the funding for it, which he is now reintroducing.

When the Chancellor talked about infrastructure for the future and the next generation, there was one area he missed out: digital infrastructure. The Prime Minister has promised universal superfast broadband coverage across the United Kingdom. Again, the Chancellor had an opportunity to stand up and say how we will fund that in a way that will allow us to compete with the South Koreas of the world and to have modern infrastructure.

Mobile coverage is poor across most of the United Kingdom. There is a small plan in the Budget for 5G in 2017. Many areas that I represent in north-west Wales do not even have 3G, and they certainly do not have the luxury of 4G. Poor broadband, alongside poor mobile coverage, makes businesses in that area difficult to operate. We talk about education, but what about those who are not in conventional education but doing Open University courses? They cannot complete their studies, because they do not have the basic infrastructure in the 21st century.

The Budget is therefore a missed opportunity, although I welcome many of the things the Chancellor talked about. He mentioned north Wales, which I was very pleased about, because I have been lobbying the Conservative Government to link north Wales into the
so-called northern powerhouse. I will work with the Welsh Government, the UK Government and local authorities to get a good deal for growth in north Wales, but we need to see the detail. What we heard were big plans for the long-term future that we have heard before. What we wanted were radical, bold initiatives to invest in this country, invest in people now, invest in those who are losing out on pensions and invest for those in the next generation, helping them today—not giving them false promises for tomorrow.

3.3 pm

Helen Whately (Faversham and Mid Kent) (Con): It is a privilege and an honour to follow the hon. Member for Ynys Môn (Albert Owen), but I am afraid I cannot agree with much of what he said, and particularly not with his pessimism about what he called ordinary people. Thanks to the enormous growth in jobs, many of those people are now in work when they were not before. They are paying lower taxes and getting higher wages, so I think he is wrong to be pessimistic and should welcome much more of the Budget than he did.

I might also remind the hon. Gentleman of where we were in 2010, when more than 2.5 million people were unemployed and Government borrowing was more than 10% of GDP. That was a consequence, unfortunately, of years of reckless spending under the last Labour Government, who built up a ballooning budget deficit, even when the economy was strong. That, in turn, built up the country’s debt month by month. Opposition colleagues have no plan to pay off that debt—I can only assume that they plan to pass it on to future generations.

Mr Kevan Jones: The hon. Lady was not in the House at the time, but will she explain why it was, then, that the Conservative party not only agreed with the last Labour Government’s spending until 2008, but, in some areas—including defence, which was my area—asked for more spending?

Helen Whately: There are areas where we disagree on the allocation of expenditure, but overall my party has a plan for stability and Labour does not have a plan and simply wants to borrow more.

This Government have worked hard, and are working hard, to turn the economy around. We know that involves some tough choices, but one part of being a Conservative is thinking of the long term. I do not think that any of us, on either side of this House, wants to pass debt on to our children as individuals, and we should not do so as a country either. I welcome a Budget that looks to the future, investing in education, cutting taxes for businesses to stimulate growth, and balancing the books so that we are prepared for whatever financial shocks we may face.

I want to live in a country where every child has a chance to succeed and make the most of their lives, and that starts with a good education. Educational standards have gone up, but it is a mixed picture. I welcome the Chancellor’s and the Secretary of State’s announcement on schools, particularly the new funding formula, which I have campaigned for. The old funding formula was arbitrary and unfair. It left some schools in my constituency receiving far less per pupil than other schools with very similar students. As a result, those schools have had to cut back on important subjects and extra-curricular activities. We are also going to get an extra £500 million of funding that will speed up the introduction of the new funding formula. That is very important, because with every year that goes by another group of children in my constituency loses out under the current system.

My hon. Friend the Minister will know that I care a great deal about health. In the Health Committee, expert after expert told us that obesity is one of the greatest threats to the health of the nation, particularly among children. One in five children leaves primary school overweight. Obese children are more likely to grow into obese adults, with the associated health risks that that brings, as well as the cost to the economy. In the Health Committee we have also heard evidence on the quantities of sugar hidden in soft drinks. For instance, an average can of cola can contain nine teaspoons of sugar, or even up to 13.

I am therefore very happy that the Chancellor has been bold in introducing a levy on the soft drinks industry. That, in itself, sends a really strong message, rightly, about how unhealthy these drinks are, as my hon. Friend the Member for Chippenham (Michelle Donelan) said. I hope it will encourage manufacturers to reformulate their products. It will also raise some £520 million that will go to fund school sports. Despite the existing school sports fund, there is not enough sport in schools. Some children get to do sport for only one hour a week, and that is not enough for their health or for their academic achievement.

I look forward to the childhood obesity strategy that the Government are due to publish in the summer. I urge them to include in it more of the Health Committee’s recommendations: for example, its recommendations on controls on advertising and on promotion of sugary foods and its recommendations on giving greater powers to local authorities to ensure a healthier environment. A levy on sugar, or a sugar tax, is just one of the proposals that we put forward, and just one of the things that needs to be done to tackle the problem of sugar consumption and obesity.

Much in this Budget will be welcomed in my constituency, not least the tax cut that will mean that 1,854 people in mid-Kent are taken out of income tax altogether; the freeze in fuel duty, which is so important to rural areas; and a higher threshold for business rates, which will boost small businesses; hundreds of which will be completely taken out of paying business rates. The hon. Member for Ynys Môn might have laughed at the freeze in beer duty, but it will be very welcome in my constituency, not just to beer drinkers, who may raise a glass to the Chancellor, but to Shepherd Neame, the brewery, which is the largest employer in my constituency, so there will also be a big boost for jobs.

Rebecca Pow: I would like to praise the fact that we have also frozen cider duty. In my constituency of Taunton Deane, cider is a very important industry.

Helen Whately: I am glad that the cider industry in my hon. Friend’s constituency is benefiting as well. However, one of my local industries in this sector that did not benefit was the English wine industry. While
beer and cider have been supported, I would like the Chancellor to give some support to the fast-growing English wine industry.

Farming is very important to my constituency, and I know that farmers will welcome the alignment of the national living wage and national minimum wage cycles. I am afraid that they will be disappointed, however, that there are no mitigations to help them to cope with increased labour costs, which hit fruit farmers particularly hard. May I ask the Government to keep considering how they can help farmers who have large numbers of employees to manage to pay the national living wage, which they very much want to do to, without going out of business?

Young people in my constituency can struggle to buy a home, because houses in the south-east are very expensive and not everyone is on a high income, so I think that young families will welcome the lifetime ISA to help them do so.

Unemployment in my constituency has more than halved since 2010. Stability and jobs are the best thing that the Chancellor has given the country, and this Budget will continue to provide them.

The UK expects to have the fastest growth of any G7 country, but the fact that the OBR revised down its growth estimate shows that we cannot be complacent. These are turbulent times and we need to be prepared.

Many of us would love to spend money on shiny new buildings, as past Labour Governments did, but unless we do that out of a balanced budget we will just pass debt on to the next generation. I have heard Labour Members complain about the savings that need to be made, but if this Government had not made difficult decisions to reduce the structural deficit, cumulative borrowing would have been on course to be £930 billion higher in 2019-20, and we would have been in a much worse position today.

I welcome this Budget for the next generation. It supports education, employment and businesses as the engines of growth, puts long-term stability ahead of short-term fixes, and sets Britain up for the future.

3.11 pm

Diana Johnson (Kingston upon Hull North) (Lab): In following the hon. Member for Faversham and Mid Kent (Helen Whately), it is worth setting the record straight: it was a worldwide banking crisis that caused the recession, not Labour investing in teachers, nurses, doctors and shiny new buildings, as she called them. I think what she meant to say was hospitals and schools. In fact, in 2010, the economy was growing when Labour left Government.

It has been 24 hours since the Chancellor’s Budget statement, and I think it will be remembered not as a Budget for the next generation, but as a Budget of unfairness. That is most starkly emphasised by the £4.2 billion-worth of support taken from disabled people, many of whom cannot work, to give £2.7 billion-worth of support in capital gains tax cuts to wealthier people, many of whom do not need to work.

It is certainly not a Robin Hood Budget, because he was good at hitting his targets. I also note that the Chancellor pledges to fix 214,000 potholes in the next year, but I think that filling the huge one in his deficit plans will take much longer.

The bulk of what I want to say is about the effect of this Budget on my constituents in a city in the north that is apparently a key player in the northern powerhouse, although the Government seem to forget that Hull is part of the northern powerhouse, because they focus mostly on the Manchester area. As someone who has been a Hull MP for 11 years, I know that we have to fight every inch of the way for a fair deal and we often have to make our own luck. After getting only £1 million in the autumn statement, I was pleased that the Budget made available to Hull a more fitting £13 million for its year as city of culture in 2017. That happened only after the issue was raised on numerous occasions in the House and with Ministers, but I am pleased that the lobbying by the three Hull MPs has paid off. Granting the £5 million to renovate Hull’s new theatre will leave a legacy after 2017, which is one of the main city of culture objectives. I also welcome the £1.2 million for the British mercantile marine memorial collection in Hull.

Elsewhere, however, the news is more mixed for people in Hull. Although Labour in particular has championed changes to business rates for small businesses and letting local areas keep business rate revenue, the Government’s approach ends any recognition of the needs of poorer areas—the cause that George Lansbury went to prison for so many years ago. This Government constantly favour wealthy areas that have a stronger local tax base and that have experienced less deep cuts than more deprived areas such as Hull.

Hull, like many other northern cities, is left facing a social care crisis, even with the social care levy that the Government have announced. It worries me greatly that local social care providers and other small businesses in the area are not getting enough help to ensure that the living wage meets its objectives and does not mean job losses in the months ahead.

There is little hope in the Budget for Hull’s policing or NHS services. Today, the Secretary of State for Health is in Hull demanding that the people who work in the NHS in Hull perform better, but taking no responsibility for the disastrous Lansley reforms introduced in the last Parliament. Neither is the Secretary of State taking any responsibility for his mishandling of the junior doctors’ contracts, which is affecting morale and recruitment in an area where it is very difficult to recruit doctors in the first place.

I want to move on to infrastructure investment, which is a vital part of rebalancing the economy, increasing productivity and raising overall UK growth. There is good news, I note, for those in Hertfordshire who want to travel to Surbiton via Chelsea, with the £27 billion for Crossrail 2. Although High Speed 3 between Leeds and Manchester was announced again, our privately financed initiative for rail electrification between Selby and Hull, to get average speeds above 42 mph, has been stuck in the sidings in the Department for Transport’s decision-making process for the last two years. The Department has been studying the business case since September, but time is running out on the proposal if we are to get it by 2021.

Clearly, Hull is not given the same priority as building a £500 million Crossrail station at Canary Wharf or plans for a £175 million Thames garden bridge. With no A63 road upgrade, and even a delay in building the bridge over the A63, Hull faces running city of culture
2017 with not one of the transport improvements that would have assisted in its success. It beggars belief that we cannot even get a bridge built over a road, but we can put a man on the moon. Similarly, I am concerned about the increase in flood insurance premiums. Hull flooded terribly in 2007, and I want to make sure that some of that investment comes to our city.

I want to close by talking about devolution. We heard about the greater Lincolnshire model for devolution yesterday, but we heard nothing about Yorkshire. That is a real pity, because it will divert attention away from the Humber estuary.

Albert Owen: On the issue of devolution, only a few months ago the Chancellor said that he would devolve business rates to local authorities. Does my hon. Friend feel that local authorities will lose out as a consequence of the threshold changes?

Diana Johnson: The poorer areas of the country are going to lose out. The way in which the Government have handled devolution is really sad. They have rushed it through and imposed arbitrary timescales for putting deals forward. The public have not been properly engaged. I have talked to people in Hull who say that they have not been asked for their opinion about what they would like. They also object to the fact that the Government want to impose this one-size-fits all model of an elected Mayor. That may not be suitable for whole swathes of the country, but it is the only option available.

There is a real problem, particularly in my area, with the idea of the greater Lincolnshire model. There is nothing for Yorkshire at the moment, and I think that there will be real problems for Hull. All in all, if we are serious about getting devolution right, we need to go back to the drawing board and think carefully about what suits the needs of different parts of the country, rather than rushing ahead. My constituents will find the Budget wanting, and they will think that it does not really meet the needs of a city such as Hull.

3.18 pm

Rebecca Pow (Taunton Deane) (Con): I am pleased to follow the hon. Member for Kingston upon Hull North (Diana Johnson). Among her negativity, I was pleased to hear her praise for the Chancellor and the funding that he is giving to Hull for the year of culture and for its theatre, in particular. I would like to visit and for its theatre, in particular. I would like to visit and have a look. Hull got more from the Budget than we did in Taunton.

I cannot imagine that too many children listened to the Chancellor’s statement yesterday—no offence to the Chancellor—but if they had they would have heard that the school day for secondary school children is likely to get longer. That may not be welcome news for some children, but when they see what they are going to get, they will realise the benefits of it. I welcome the new funding provided for extracurricular activities, such as Mandarin, Chinese or music lessons and special clubs. I would like to talk to the Secretary of State for Education and put in a bid for her to teach children more about where their food comes from. I am working with local farmers on that, and we have a “Farm to Fork” event coming up. Our children could benefit a lot from such teaching.

Helen Whately: I support my hon. Friend’s point about the benefits of an extended school day. One of the greatest divides between the state sector and the independent schools sector is how much extra is offered by independent schools after the main school day, so this is a very good initiative to narrow that gap.

Rebecca Pow: Interestingly, when I asked one teacher at a school in the most deprived part of my constituency what single thing would make the biggest difference to the children’s lives, he said, “Extending the school day.” That gives them many more opportunities. They may not be fortunate enough to have such opportunities at home. If the parents are working, they may not be able to run around with their children to the after-school activities we all want our children to take part in. The Chancellor must have been listening because we now have this funding, which I welcome.

I welcome many of the other things connected with education in the Budget. A good education underpins everything we are doing to raise standards for our children. Ultimately, such an education will have an impact on the skills, businesses and opportunities we are so trying to encourage and increase. In Taunton Deane, we have great ambitions to do that. We are part of the way there, but we need to do more. I hope the Secretary of State will listen when I ask this: how about a university for Somerset?

Primary schools have scored well in the Budget, with the funding for sports provision doubling from £160 million to £320 million. I was a governor of a village school for quite a number of years, so I realise how difficult it is to provide good PE input. I welcome this funding because it will enable schools to get in outside coaches, have specialist PE classes and even to share a teacher with other schools. That point was made by my hon. Friend the Member for Mid Dorset and North Poole (Michael Tomlinson) and other colleagues.

It makes so much sense to get our children to take up sport because it will make them fitter and healthier, while the incidence of cancer, diabetes and all the other awful diseases increases for those who become obese. Upping the profile of sport in schools will also have an effect on mental health, about which there is an awful lot of data. Only this week, the launch of the mental health charter for sport and recreation highlighted the fact that physical activity is as effective as medication in treating depression. The money for the sport scheme will come from the tax on sugary drinks, which has been much mentioned today. The funding is welcome, but because we are tackling obesity, it also means there will be fewer such diseases and the NHS will therefore have more money to spend on other things.

The move to make every school an academy by 2020 will simplify the education system. We have two systems at the moment, so having only one will mean the system is much more dynamic. In such a system, the best schools will benefit with more freedom, and the schools that need help will get help from others. In many cases, that will be done through forming multi-academy trusts. The sharing of resources in such trusts will bring advantages. The Taunton Academy, which is part of a multi-academy
trust, already receives such an input, including through sponsorship from our excellent Richard Huish sixth-form college. On that note, will the Secretary of State provide clarification about whether academies can take international students and offer higher education?

We have heard quite a lot about students doing more maths, including from my hon. Friend the Member for Chippenham (Michelle Donelan). Students may not fancy the idea of continuing to do maths to the age of 18, but maths is a must. This will not be highly academic maths, but the sort of user-friendly maths—reading balance sheets and all that kind of thing—that will help people in the world of work, and I welcome that.

I welcome the fairer funding deal mentioned by my hon. Friend the Member for Faversham and Mid Kent (Helen Whately). I, too, campaigned long and hard in Taunton Deane for fairer funding, because pupils in my constituency get, on average, £2,000 less than those in the 10 best funded schools. That is unfair, and I welcome the fact that that anomaly will be ironed out, as well as the extra funding announced by the Chancellor to speed up that introduction. Much in the Budget is designed to benefit the next generation, and for the sake of my three children, and indeed everybody’s children, I welcome that.

I also welcome initiatives to benefit the self-employed, who too often have been regarded as second-class citizens in our society. I will not refer to all those initiatives because I am running out of time, but we all know what they are, and they will be of benefit. In 2015, employment in the south-west grew faster than anywhere else in the country, but we must build on that with the better skills that we will get through better education. That is all referred to in this sensible, sensitive Budget, which is very necessary in a time of global uncertainty. We will build on a low tax, enterprise economy with a special emphasis on education as the building block. It is as simple as A, B, C, and I welcome it.

3.26 pm

Stephen Timms (East Ham) (Lab): I am pleased to follow the hon. Member for Taunton Deane (Rebecca Pow) and I agree with some of the points she made in her early part of her speech. Like her, I want to comment on the education measures in the Budget.

In 2001-02 I was the Schools Minister responsible for the introduction of the Teach First programme. That was a successful response to the teacher recruitment crisis at that time, and it has continued to do a great job until the present day. We now need that kind of innovation and imagination from current Ministers, to respond to the teacher recruitment problems that we have at the moment. There was nothing in the Budget about teacher recruitment or retention, but those problems are building and we need an initiative on that front.

Along with London Challenge, Teach First was a key element in the dramatic improvement in the performance of London schools since 1997, and it is important that the new national schools funding formula does not put that improvement at risk. As has been mentioned, the Chancellor said yesterday that he was providing an additional half a billion pounds to speed up the implementation of the school funding formula so that it will apply to 90% of schools by 2020. Will that extra money be used—as I hope it will be—to ensure that the formula is implemented by levelling up the finances of underfunded schools, not by taking funding away from schools that are adequately funded at the moment? I hope that that is what the half a billion pounds is for, and I would be grateful if the Minister confirmed that at the end of the debate.

Catherine West (Hornsey and Wood Green) (Lab): Does my right hon. Friend agree that some boroughs, particularly in London, are affected by as much as 10% by some of these worrying proposals?

Stephen Timms: There is a lot of worry about the proposals, and I hope that the Government will assure us that there will be no real-term cuts in the funding of individual schools. Half a billion pounds could go a long way to achieving that, and it would be helpful if the Minister could give us that assurance.

As we have heard, the Red Book contains a chapter called the “Devolution Revolution”, but the Budget ends local authority influence over education, which always used to be devolved. The hon. Member for Taunton Deane said that it was wonderful that we will have one system for education in the future, but I thought the Government were in favour of devolution, and the Red Book claims that they are. It is a big contradiction to proclaim devolution on the one hand, at the same time as ending local influence over education.

I am particularly sceptical about the benefits of turning every primary school into an academy, because I have seen no evidence that doing that will be a good thing. The Minister and the Secretary of State will know of local educational authorities—other Members have spoken of them in the debate—that do a very good job in supporting the local network of primary schools, enabling schools that are struggling to be supported, for example by a gifted head from another school nearby. I therefore want to put this question to the Minister and ask him to respond on behalf of the Secretary of State: what is the case for simply dismantling and smashing up all the successful arrangements of that kind?

The Church of England referred in its response to “the particular challenges that many smaller primary schools will face as they seek to develop such partnerships”.

The Sutton Trust was quoted by the Secretary of State and by me in an intervention. It rightly makes the point in its impressive research that good “academy chains are having a transformational impact on pupils’ life chances”, which is a very good thing, but it also says that “others have seriously underperformed and have expanded too rapidly.”

That is why I pressed the Secretary of State specifically on whether the mass process of turning every primary school and every remaining secondary maintained school into an academy will be done by adding those schools on to existing chains, too many of which are underperforming. Only about a third are doing well, according to the Sutton Trust. The chains that are doing badly are doing badly because they have expanded too quickly. The process could make that far worse by forcing hundreds of additional schools into those same underperforming chains. I therefore press the Minister again. I did not get the assurance I was seeking from the Secretary of State that the process would not be done
by adding new schools on to underperforming chains. I hope he can give us that reassurance in his response.

Local authority support for families of primary schools is successful. Do the Government envisage those simply being rebadged as multi-academy trusts? Perhaps that is one way out of the problem. Destroying those arrangements is potentially very damaging.

**Mr Steve Reed:** My right hon. Friend makes an interesting observation. What are his thoughts on the initiatives of Labour councils such as Brighton and Hove, which are setting up co-operatives for their schools to join together to try to undermine the Government’s attempts to isolate and atomise schools?

**Stephen Timms:** I very much welcome that. I thought everybody agreed that diversity in school provision was a good idea rather than having the one-size-fits-all model for which the hon. Member for Taunton Deane argued. Surely we should be encouraging exactly the kind of arrangement that my hon. Friend has. Friend draws attention to, so that we can enjoy the benefits of the diversity that results.

I am glad that, in opening the debate for the Opposition, my hon. Friend the Member for Hayes and Harlington (John McDonnell) focused on the failures that the Budget highlighted yesterday. The OBR pointed out to us that the Chancellor had three fiscal rules in the run-up to yesterday’s Budget. He has broken two of those. He has broken his commitment, which was made less than a year ago, to reduce debt as a proportion of GDP in every year. We had that rather puzzling passage in the Budget speech when the Chancellor talked about numerators and denominators and a paradoxical outcome. It turns that he was saying that he had failed on that rule.

The second rule he failed was on the welfare cap. It is hard to think of any Treasury legislation of the past 20 years that has backfired so spectacularly as the welfare cap. It was legislated for last summer with great fanfare, but within weeks it was announced that it would be broken. The OBR now tells us that it will be broken in every single year of this Parliament. The whole thing has become a complete fiasco.

The third rule that the Chancellor went into the Budget with was the commitment on delivering a surplus. Of course, in the last Parliament, the centrepiece of the Chancellor’s project was to eradicate the deficit by 2015. He failed on that, and it now looks very likely that he will fail to achieve the surplus he has promised by 2019-20. To deliver it would require extraordinary fiscal tightening in what will almost certainly be the year leading up to the next general election. I cannot see that happening. By then, the Chancellor will have failed on all three of his rules.

The Budget raises important questions and I hope we get answers on the specific education points when the Minister winds up.

3.34 pm

**Christopher Pincher** (Tamworth) (Con): It is a pleasure to follow the right hon. Member for East Ham (Stephen Timms) and his typically thoughtful contribution. Both he and I will know that the great disadvantage of speaking late in a debate is that everything that can be said has been said, although of course not everybody who can say it has said it. I will try not to be too repetitious, Madam Deputy Speaker.

I commend both Front Benchers for taking so many interventions during their speeches. That set a very good tone for the debate. I trust that that will continue. Perhaps the shadow Chancellor will even extend me the generosity of allowing me to intervene on him next time.

When I was listening to my right hon. Friend the Chancellor make his eighth Budget speech yesterday, I was thinking about how different the world was six years ago when he made his first Budget speech. At that time, unemployment in Tamworth was rampant. Businesses and jobs were going to the wall. Walking down Gloscoat high street, one would see notices of repossession in the windows of people’s houses. When Gordon Brown left office not only were people losing their jobs, but their homes too.

After eight Budgets, the situation has been transformed. Unemployment in Tamworth is now at fewer than 300. Just about everybody who can work in Tamworth is working in Tamworth. The Jobcentre has turned into a recruitment agency, going out looking for people to do better-paid, better-skilled jobs. House prices are going up and people are better off. Having continually raised the income tax threshold, my average constituent is now £1,000 better off than he or she was in 2010.

I heard Opposition Members, in particular my otherwise good friend the hon. Member for Ynys Môn (Albert Owen), criticise the lifetime ISA. This savings initiative sends a very good message to young people about the importance of the savings culture. As the Chancellor was making his speech, I got a message from a young constituent of mine called Dan Ball, aged 19 from Amington. He said, “How can I get one of these ISAs?” I will be writing back to him before the end of this week to tell him just what he can do to save and invest in his future.

The support that the Chancellor has given to businesses—for big businesses, in the form of corporation tax; and for small businesses by reforming and changing the business rate—will help businesses in my constituency, from small newsagents in the high street to companies such as Tame Plastics and Invotec. That will help jobs and growth, so I commend what the Budget has to offer.

If I could make two pleas in the time I have left, they would be these. Given that we want to create a Budget for the next generation, part of it must be about infrastructure investment. The Chancellor made great play—rightly so—of the midlands engine. One of the overlooked pieces of infrastructure in the midlands is the A5 corridor running through Leicestershire, Warwickshire and Staffordshire. Much of the A5 is single carriageway. It would benefit from being dualled, so that we could open up developments and house building along the corridor. There are plans for such development and house building. I hope the Exchequer Secretary will make a note of that and use all his artistry and eloquence to prevail on the Transport Secretary to put the dualling of the A5 in the next road investment strategy.
May I also encourage more house building? Hon. Members on all sides of the Chamber have mentioned the need for more house building. Some 88,000 new houses are needed in the west midlands. We are building, and are planning to build, more houses in Tamworth, but one of the challenges—even though we have reformed planning, introduced Help to Buy and are selling public land to private developers—is the number of small and medium-sized enterprises in the development supply chain. Many were wiped out during the crash, and we need to get them back in. I would like the Government to encourage big developers, such as Bovis, Persimmon and Redrow, to franchise some of their land bank to smaller developers so that they can build houses on that land. It would de-risk the big developers, because they would not have to take the risk of building the houses, and help smaller developers, because the planning activity would already have been undertaken and so would not cost them so much. That would get more SMEs into the supply chain and help us build those homes for the future in the midlands and beyond.

I listened attentively to the Budget, and I was not carried away by the doom-mongers on the Opposition Benches, and I listened attentively to the Leader of the Opposition, who I thought began rather well but then, like the rest of us, lost interest in his own speech halfway through. He can do better next time by listening to and learning from the Chancellor and by supporting our plans for a Budget for the future.

3.40 pm

Mr Steve Reed (Croydon North) (Lab): I share the many concerns raised about the Budget’s giveaways to the rich at the expense of the poor and disabled. It is despicable and against the British sense of fair play but entirely in line with the behaviour of a Government who are pushing more people into poverty and then blaming and punishing them for it.

Others have spoken movingly about that, but I would like to focus on what the Budget says about the Government’s commitment to devolution. Their actions do not match their rhetoric. The Secretary of State, who introduced the Cities and Local Government Devolution Bill, at the same time introduced the Housing and Planning Bill, which contained more than 30 new centralising measures. The Budget contains more of that same centralising instinct. Yesterday, the Government centralised control of every school in the country. They have learnt nothing from the Trojan horse scandal in Birmingham and are now stripping away local accountability from every school.

There is no way that the Department for Education can provide proper oversight of 24,000 schools from Whitehall, and a lack of oversight means that problems will not be noticed or tackled until they have grown into crises. It is not devolution to hand schools over to giant national academy chains, and it is not localist to do that in the teeth of opposition from parents, teachers and communities. I do not understand how the Secretary of State can come here and lecture the House on the need to listen to parents, when she will not listen to parents over forced academisation.

Catherine West: What does my hon. Friend make of Conservative Peter Edgar, the executive member for education at Hampshire County Council and a former teacher, who said that the scheme could result in Britain’s education system “imploding” and urged the Government to think again? He said:

“I am horrified to think that the county council’s role in education is going to be destroyed by George Osborne in his Budget. We have worked with the government to deliver the reforms and have been congratulated”

Madam Deputy Speaker (Mrs Eleanor Laing): Order.
The hon. Lady has said enough.

Mr Reed: It is sad that the councillor has felt forced to say that, but he is absolutely right of course.

There is little evidence of devolution over how local services are funded as a result of the Budget. Yesterday, as the Institute for Fiscal Studies has now confirmed, the Chancellor tightened his fingers around the neck of local government funding. He has handed over limited powers to city regions and others but refused to link those powers to resources. I want to see the Government go much further on devolution—more local control over schools, housing, health and the Work programme—but we need real fiscal devolution as well. If the Government hand over services but then cut the funding centrally, all they are really doing is devolving the blame for cuts made in Downing Street.

Yesterday’s Budget graphically underscored that point. The Chancellor made much of his plans to allow 100% retention of business rates, which of course sounds good, but he will not be clear about which services they will have to pay for. At the same time, he is entirely scrapping the central Government grant, leaving councils far worse off and less able to fund the services that local people rely on. He will not explain, either, what mechanism, if any, will be in place to ensure that business rates retention does not just benefit areas that are already wealthy and penalise those that are not. There needs to be a fair funding mechanism in place that helps areas to expand their capacity for economic growth, otherwise they will be locked into a downward spiral, with no way out.

Of course, we should not be surprised that the Budget did not include anything about fair funding. Under this Government, the 10 poorest councils have suffered cuts 23 times bigger than the 10 richest. Last month, the Government voted to cut Croydon’s funding by another £44 million, but handed a £23 million windfall to far wealthier Surrey next door. Unfairness is the defining feature of this Government.

What these further cuts mean for the vast majority of communities in this country is the closure of libraries, museums, youth services and children’s centres. They will leave streets unswept and street lights turned off at night. They will mean home care taken away from frail older people, and disabled people left to struggle alone. They will mean a cut to early intervention in troubled families, and social workers will not be there to protect children from the impact of domestic violence. Services will not be there any more to protect children at risk of abuse. We are simply storing up problems for the future, while watching young lives get ripped apart.

This Chancellor has got so much wrong. He has had to downgrade growth forecasts that he made only four months ago. He missed his own deadline for paying down the deficit caused by the banking crash. He delayed the recovery by cutting big infrastructure projects
early on in his tenure, and he is now struggling to make up for lost time. He has failed to tackle the economy’s desperately low levels of productivity. Now, the IFS has questioned his ability to meet yesterday’s forecasts without more cuts or tax rises to fill a £55 billion financial black hole. The IFS further says that the Budget will reduce wages, lower living standards and lead to further austerity.

Quite simply, this is a Chancellor who cannot be trusted, and who is himself unable to trust. He gets the big decisions wrong, and he is afraid to devolve decisions to others. Instead of reforming public services, this Government are laying them to waste. Instead of sharing the proceeds of growth more fairly, this Government are presiding over growing inequality. Instead of handing decision-making to local communities, this Government are centralising power in their own hands. Instead of shaping a fairer Britain, this Chancellor has thrown a financial bung to his wealthy mates and thrown the rest of the country to the dogs.

3.46 pm

Fiona Bruce (Congleton) (Con): I rise to support the Budget statement, particularly for the support it gives to small businesses. Of the 4,000 businesses in my Congleton constituency, all but a handful are small and medium-sized enterprises, started up and sustained by hard-working individuals and their supportive families. It is right to champion the value of and encourage SMEs, which are the lifeblood of my local economy.

It is a truism, but it is well said that every big business started small. When Lord Digby Jones was head of the CBI he said that “without businesses there are no taxes and without taxes there are no schools or hospitals.”

I am therefore delighted that the Chancellor is taking 600,000 small businesses across the country out of the burden of any business rates at all, while another 250,000 firms receive a reduction in those rates. This will save small businesses £6.7 billion over the next five years, enabling them to take on more staff, invest and grow. I know it will be warmly welcomed in my constituency.

Welcome, too, are the new tax-free allowances of £1,000 a year for micro-entrepreneurs who trade goods or rent property online on a small scale. Positive, too, are reductions in capital gains tax, the reform of stamp duty on commercial premises to help small firms move to bigger premises and, for incorporated businesses, the substantial reduction in corporation tax to 17% in 2020—down from 28% in 2010. This means that we will have the lowest corporation tax in the G20, and it will benefit more than a million businesses.

For 3 million self-employed people, the cancellation of class 2 national insurance contributions is also welcome. Some may say, “Well, that’s only a saving of £2.80 a week”, but that fails to appreciate that many small businesses live on the margins, particularly in the early years, as I know from experience. My husband and I had to sell our home to keep our business going, and live above our offices with our first child, with the staff tea and coffee-making area being our kitchen.

My story is not unusual, and I mention it only because that is so and because I know that, just as Government support for small business matters, so does Government support for the families who stand behind the businesses. Stable families contribute to a stable economy. If we want small business to flourish, we need families to flourish, too. It is important to note that these are related: the one sustains and supports the other. I therefore greatly welcome the Government’s commitment to including family stability measures in their life chances strategy. However, just as family stability supports business, family breakdown has a negative impact on productivity. According to a survey conducted by Resolution, the family justice organisation, one in seven workers said that relationship breakdown had had a negative impact on their businesses’ productivity.

In his Budget statement, the Chancellor said:

“We as Conservatives understand that tax affects behaviour.”

I welcome that, and I therefore also welcome the tax on sugary drinks, which the Chancellor is introducing to incentivise healthy behaviour. He said many times that it was “to help children’s health and wellbeing”, and that this was “a Government not afraid to put the next generation first.”—[Official Report, 16 March 2016; Vol. 607, c. 964.]

May I urge the Chancellor also to do what he can to encourage healthy family relationships for our next generation?

Sir Edward Leigh: The marriage tax allowance that the Chancellor has introduced is still very low. Moreover, its aim is not, as has been claimed, to encourage people to get married and stay married, but simply to remove the disadvantages in the overall tax and benefit system that are incurred by women who look after their children at home. Will my hon. Friend say a word about the allowance, and about how we should upgrade it?

Fiona Bruce: I will, and I thank my hon. Friend for raising the issue.

The Prime Minister said recently:

“Families are the best anti-poverty measure ever invented. They are a welfare, education and counselling system all wrapped up into one.”

I have heard that the cost to the national health service of treating child obesity has been estimated at £5 billion. By contrast, the cost of breakdown is £48 billion. Increased investment in relationship strengthening to help to prevent that would be money well spent. According to a survey carried out by the Department for Education, every pound invested in strengthening family relationships would save the Treasury £11.50. I believe that spending on creating healthy relationships for the next generation is as valid as promoting that generation’s physical health and wellbeing. Few Members can disagree with the principle that such early intervention is key if a child’s life chances are to be maximised, or with the principle that maximum support should be given to children in the areas of greatest need.

Let me end by making a few practical suggestions. The Chancellor would do well to think again about the transferable tax allowance for married couples. He should consider refocusing it on the families with the youngest children. That would be an exponential investment, as the highest rate of family breakdown occurs in families with children under three. By focusing the scheme on couples with low incomes and children under five, and
doubling the amount receivable to about £9 a week, the Treasury could offer more substantial support for some of the country’s lowest earners and neediest families, and could do so at no extra cost, because there is an underspend in the money already allocated for the purpose in a previous Budget. A further nuance would be to target for greater take-up those living in the 100 housing estates that the Prime Minister identified for regeneration, and those living in the 100 local government wards with the highest levels of family breakdown.

Perhaps the Chancellor could also consider using any remaining underspend to strengthen parenting and relationship support. A practical suggestion from the Centre for Social Justice is the provision of an online one-stop shop to give families information about local relationship support.

Strengthening families by supporting healthy relationships should be an aspiration for the Government. Reversing family breakdown and building strong and stable family life as a foundation block of a healthy society must be our ambition. That would really put the next generation first, and it also makes sound economic sense. If we want our productivity to flourish, families must do so as well.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. We are running out of time. I must reduce the speaking limit to five minutes.

3.54 pm

Alex Cunningham (Stockton North) (Lab): Yesterday I listened intently to both the Prime Minister and the Chancellor, hoping against hope that we would see a Budget for the poor as well as the rich—a Budget that would be not just for private businesses but for local services, and not just for London and the south-east but for the north-east of England.

First, I heard the Prime Minister boast about a very welcome drop in unemployment in the UK, but he did not have a word for the 3,000 more people out of work in the north-east of England than 12 months ago. The Chancellor, apart from mentioning his pet project to impose an extra tier of politicians on an unwilling electorate to deliver devolution of power without devolution of real resources, failed to announce anything that would provide the north-east with the investment in infrastructure—or anything else, for that matter—that would help to create the jobs we need to employ the people this Government have clearly forgotten.

Today’s theme is about education and equality. It is time the Chancellor recognised that there is tremendous inequality between the regions, and that it has been created as a direct result of his policies and those he shared with the Liberal Democrats. Others have already detailed the colossal failures of the Government in missing self-imposed targets, but still the Chancellor maintains that all will be well because he can always squeeze those who have been squeezed before. Sadly, this means that women and less well-off folk are again in his sights.

The Chancellor’s warm words about acting now to protect future generations, about shrinking inequalities and about us all being “in this together” were designed to create an image of fairness and social justice, but they do not paint an accurate picture. They do not, for instance, detail how 81% of the Chancellor’s cuts, totalling £82 billion in tax revenue and £129 billion in social security, have fallen on women. Nor do they mention the fact that the Government’s policies are projected to be even more regressive than those of the coalition that went before, hitting women and lone parents disproportionately hard.

In fact, contrary to what the Chancellor would have us believe, women in Britain are now facing the greatest threat to their financial security and livelihoods for a generation. Never before has a Chancellor upset so many middle-aged women at a stroke of his red pen; the pensions issue for women born in the 1950s is just one area of their income he has attacked. An awful lot of people will remember this, should he ever realise his ambition to lead the Conservative party. He might do that, but his blindness to the anger and upset felt by women on all manner of issues will probably mean that he will not fulfil his second ambition: to win a general election.

I spoke last week to my constituent, Amey-Rose McGrogan, who manages a small but successful independent business in Stockton North. The business is about to celebrate its second birthday. As of this coming Monday, the non-domestic business rates for which the business is liable are set to rise from £157 a month to £581. The business is facing tremendous increases in costs all round. The measures announced yesterday will help a little, but they are perhaps going to be a bit late. As the North East Chamber of Commerce has highlighted, this is just another example of a Government paying lip service to stability and failing to provide businesses with sufficient detail to plan for the future.

The Chancellor is not really doing anything to help our overall economy. He is not using any of the money available to central Government to fund this planned benefit to small businesses. Instead, he is stealing it from the local authorities, which are planning their budgets based on his previous proposals for the localisation of business rates, only to find out that he has cut their income yet again. That simply places further constraints on their ability to deliver the vital services that local people need, and I have no doubt that that will create untold difficulties for local authorities as they strive to cope with cut after cut and change after change.

Bill Esterson: My hon. Friend is right to point out that the Government are giving to small businesses with one hand and taking away from local government with the other. Does he agree that these measures will take money out of the local economy that those small businesses were relying on for part of their success, and that the overall package is far less impressive and attractive than the Chancellor has made it out to be?

Alex Cunningham: Indeed; I certainly agree with that.

The Minister needs to tell us what assessment has been made of the impact on local economies and on local authority funding of this policy change. In my constituency, Stockton Borough Council has faced funding cuts of £52 million in the last six years, and that is set to continue with a further reduction of £21 million over the next four years. The concessions to businesses are
great, but local authorities should not be suffering as a result. Instead of empowering local councils, the Chancellor is undermining their effectiveness. Authorities such as Stockton with low tax bases will lose out as the vast wealth realised by rich councils in the south will no longer be redistributed to provide vital services across the country.

Unemployment is another particularly pertinent issue. When the Chancellor spoke in the House yesterday, he chirped merrily about a labour market delivering the highest employment in our history and unemployment having fallen again. What he did not say, however, was that that is not the case across the whole country. In Stockton North, for example, unemployment has actually increased, adding to the pressures that have been created by a spate of business closures and by Government failures to do more to protect our vital steel industry and related supply chains. As recently as Friday, 40 highly skilled workers at a specialist steel foundry in Stillington in my constituency were told that their jobs would go in May. What did the Budget offer such firms? Simply nothing. This Government stood in the way of EU tariffs on steel produced in the far east and now prefers to use foreign-made steel, rather than home-produced materials, to build Navy ships.

Speaking of materials, despite the hint from the Business Secretary during departmental questions on Tuesday that we would soon hear whether the materials catapult proposed by the Materials Processing Institute would be created, we heard nothing. It is all very unfair. We need fairness for the north-east of England.

4 pm  

Huw Merriman (Bexhill and Battle) (Con): It is a pleasure to be able to speak in this Budget debate, particularly because the topic is education. Since being elected, I have visited a school a week in my constituency, which has given me the opportunity to discuss with heads, staff and pupils what they want from their schools. I have visited almost 50 schools and must say that I do not recall academisation being a particular ask of any of them.

Of my five secondary schools, only one is an academy and it has made me somewhat open-minded about academies. When it was built only six years ago, it was decided to build classrooms, or pods, for 90 students and that students would need a microphone to ask a question. As it was situated in a ward that is ranked within the bottom 5% for deprivation, it would not have taken Einstein to work out that that would cause some pupils to shrink into themselves and for behaviour to deteriorate. The situation became so bad that thanks to our new headteacher, a visionary leader, a welcome £6 million was awarded by the Department for Education to turn the pods into classrooms for 30.

The school is being transformed under a new head, but the situation should never have been allowed to happen and the £6 million would have been better spent improving the ageing facilities of my neighbouring schools, which are ranked as outstanding despite their buildings being poster children for the 1950s. Had the school been under the governance of East Sussex County Council, I would venture that the situation would not have arisen. That is not to say that I do not recognise the virtues of schools operating outside of local education authority control, I just happen to be an advocate of choice. I also believe that, call it a free school, an LEA school or an academy, the key is having the right leadership in place and the good times then tend to follow.

Prior to moving to East Sussex 10 years ago, I spent five happy years as a governor of the Phoenix High School in White City. There were over 50 different first languages, a high proportion of pupils received free school meals, and just 9% of its pupils achieved five grades at A to C compared with a national average of over 50%. Our new headteacher, William Atkinson, was empowered by his team of governors to transform the school and did so through strong leadership, discipline and an expectation of excellence from staff and pupils. I spent many an hour dealing with disciplinary procedures as another child was excluded for a period of time. The head transformed the school from one that a parent would not want to consider into a centre of pride. The GCSE comparison went from 9% to over 60% and the head is now Sir William Atkinson. I recall that he did not have too much time for the services offered by the LEA, and it was no surprise that our school became an academy.

I make that point because it is proof that some schools work brilliantly as academies, but they should not be seen as bullet-proof. A good leader, excellent staff, a committed board of governors, and support are key for any school to thrive. Ultimately, however, I am excited by schools having the ability to make their own decisions.

Of my five secondary schools, only one has a sixth form. Two are outstanding, but the children have to leave at 16 years old. Children at one of the schools, Claverham Community College in Battle, are required to leave the town and travel long distances to study A-levels. I would like such schools to be able to make their own decisions on expansion and not be told by the LEA that they have to fit into a wider model. If academies allow that to happen, I can see the positives. However, we should be mindful that the considerable support that a good LEA such as East Sussex County Council provides, particularly to small primary schools, will need to be found from elsewhere. I look forward to reading the White Paper.

Yesterday, I happened to meet pupils from Herstmonceux Church of England Primary School straight after the Budget and was able to tell them the exciting news that they may be required to study maths until the age of 18. I did not detect a huge amount of excitement in their faces, but I recognise the desire, fuelled by our employers, that our young people should have the basics of maths and English covered when getting ready for the workplace. Much is made of this country learning from attainment in south-east Asia, but this is not Singapore, it is Britain. As well as mastering Maths and English, I want my children to explore the creative subjects, as that has allowed their fellow countrymen and women to become global leaders, inventors, entrepreneurs, explorers and pioneers.

Time will not permit me to continue, but ultimately, I would say, as a son of a teacher, that if we could give our heads and teachers more freedom to do their jobs and inspire our children, we may surprise ourselves and find that the need to dictate becomes less of an imperative.

Several hon. Members rose—
Madam Deputy Speaker (Mrs Eleanor Laing): I am sorry, but we have to reduce the time limit to four minutes.

4.5 pm

Andy McDonald (Middlesbrough) (Lab): The Chancellor hailed his Budget as being for the “next generation”, so I want to focus on a nationally significant research and development, industrial and economic issue that feeds through from STEM subjects—science, technology, engineering and maths—to higher education and into our industrial base, to which I urge the Government to give their attention. Disappointingly, there was nothing in yesterday’s Budget to address this matter, but I wish to address it now.

Against the backdrop of the steel closure debacle at SSI on Teesside, many deficiencies and challenges were identified in our steel industry, and several asks were made of the Government. Sadly, there was no meaningful or timely intervention from them to save the SSI plant, which employed many hundreds of my constituents, but there could have been and there should have been. Although, without doubt, the entire materials sector is still critical to the UK economy, it is also widely accepted that critically important innovation in the sector is patchy and poorly co-ordinated. The UK industry Metals Forum has said:

“A forward-thinking, collaborative approach to R&D will have embedded innovation throughout the industry, from the smallest firms to the largest, directed by customers’ needs.”

In the UK, the catapult concept is where we have the mechanism for innovation intervention whereby we transform our capability and drive economic growth. Sadly, there is no catapult for the metals and materials sector, but there is an opportunity right under the Government’s nose and I ask them to seize it. The proposal is a joint one from the Materials Processing Institute, the Institute of Materials, Minerals and Mining, and The Welding Institute—TWI—which jointly propose to meet that very need by establishing a new national materials catapult, as a not-for-profit partnership. The partners have letters of support from leading universities, which show this to be a major concern for the development and upscaling of fundamental research. There is widespread support for the proposal across industry. In a short period, more than 50 letters of support have been received from employer associations, trade associations, industry, small and medium-sized enterprises, universities, the public sector and private consultants.

The beauty of the proposal is that the partners are already in play. The catapult will work with universities and the other catapults, across all the sectors, and it would be headquartered at the campus of the Materials Processing Institute in Redcar, in close proximity to TWI in Middlesbrough and Teesside industry. Of course, the proposed location for the catapult would also enable the Government to deliver on the commitment they made in the Tees valley city deal, signed by the Secretary of State for Communities and Local Government, the right hon. Member for Tunbridge Wells (Greg Clark), to encourage Innovate UK to establish this catapult at the Tees valley innovation and commercialisation hub.

The concept of a materials catapult was raised by the CBI in 2014 and has been reaffirmed in its Treasury submission in advance of yesterday’s Budget. Support has also been expressed by UK Steel and FSB, but, sadly, that was not reflected by the Chancellor yesterday. With the partners having collectively more than 300 years of experience, world-leading facilities and an immediate national presence, the catapult presents excellent value for money. There are minimal start-up costs and because it is proposed to use existing buildings there is no lead-time for construction activity. The ask is for £5 million per annum of revenue support and £2 million per annum of capital, under the normal catapult funding model, and an initial capital award of about £10 million to fund equipment for core projects. The catapult will leverage recent and secured future investments that have been used to upgrade materials research and support facilities in Rotherham, Port Talbot and Cambridge, as well as on the two sites in the Tees valley.

Alex Cunningham: This must be an organisation worth backing because this week it actually started a new steel production facility on Teesside.

Andy McDonald: My hon. Friend is absolutely right about that, and it shows the value of these initiatives. I regret to say that sometimes we have to keep on pressing and repeating these requests. We are talking about a major contribution to our economy and it should be grasped, because, based on previous studies, a benefit of £15 per £1 of Government spending would be expected, giving a gross value added benefit of £75 million per annum.

The catapult is needed by industry nationally and could be delivered immediately. It would give some credibility to the much-vaunted but singularly absent northern powerhouse. The catapult is an entirely appropriate response to the steel crisis and builds on existing capabilities and expertise. It is cost effective and would have an immediate positive impact on UK companies. As well as that fifteenfold return, it could be a beacon for inward investment, and there is the real potential for a £300 million project to come to the catapult.

The catapult would improve productivity in the materials sector, strengthen manufacturing supply chains and drive growth by supporting new and growing technology-based small and medium-sized enterprises. It would improve international competitiveness by addressing the UK’s relative disadvantage in materials innovation compared with Germany, the USA and Japan.

I urge the Secretary of State for Business, Innovation and Skills not to block this proposal, because I am convinced that it is vital for our industrial base and will provide immediate and significant research and employment opportunities. It will be readily achievable and make a huge contribution to our economy.

4.10 pm

Bill Esterson (Sefton Central) (Lab): I congratulate the hon. Member for Bexhill and Battle (Huw Merriman) on his excellent speech. He and a number of other Conservative Back Benchers gave the Government fair warning that the proposals in the White Paper will not be accepted without a great deal of scrutiny and challenge. He raised some very serious and correct concerns.

I am a parent of two children who are at secondary schools in my constituency, and a community governor of a primary school, which is also in my constituency. I must say that the primary schools in particular work...
extremely closely not just with other primary schools, but with the local authority. They view the education proposals with growing horror, as they see the flaws in what is being put forward.

Let us examine the Government’s record on education since 2010. One of their first actions was to cut the Building Schools for the Future programme and to make other cuts in capital spending, with a disastrous effect on the then recovery—yes, it was a recovery, which was happening as a result of the actions of the outgoing Labour Government.

When the Exchequer Secretary responds to the debate, I am sure that, as a former member of the Education Committee, he will want to comment on the Government’s education plans. Over the past nearly six years, we have seen cuts in sixth form college funding, with a third of colleges facing an uncertain future, the forced academisation programme with a likely price tag of half a billion pounds and an extra £500 million cost for extending the school day, which is on top of £4 billion of cuts over the next four years. I have been asked: what will happen to special schools and to children with special educational needs?

Mr Steve Reed: Does my hon. Friend share my view that it is hypocritical of the Government to claim that they support localism while forcing schools to academise whether they want to or not?

Bill Esterson: Absolutely.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Just before anyone else gives way or intervenes, it must be noted that there is only a certain amount of time for this debate and that Members who are at the end could be squeezed out altogether. Giving way and adding an extra minute to somebody’s speech does not add any more minutes to the time in a day.

Bill Esterson: I was going over the Government’s approach over the past six years. They scrapped compulsory work experience, with the knock-on effect on the economy. The education and business partnership in my borough is a great success, but it has been consistently undermined over that six-year-period. It had established very good working relationships with businesses and employers generally, and there is a profound economic effect of that policy, as there is with the undermining, and almost destruction of, the careers service.

Turning to forced academisation, we have many good and outstanding schools in the maintained sector. We have parents, children, staff and communities that value the partnership between schools and the local authority. We have academies that are successful, so why are the Government hell-bent on making changes?

In an intervention earlier, I referred to the White Paper and the section on removing the requirement to have parents on governing bodies. Parents will be ignored in the forced academisation process, despite the words from the Secretary of State in her foreword expressing confidence in parents and calling on them to join in the process to improve standards, but clearly not so much that the Department wants parents to be involved in the governance of schools in future.

All that is done in the name of localisation. I think not. This is centralising to the Whitehall desk of the Secretary of State and her Ministers, as is the land grab—the biggest land grab since Henry VIII ransacked the monasteries—with the Government taking ownership of all the land. When the Treasury Minister responds, he will have to demonstrate to me that that is not the case. That is what is proposed by transferring ownership of the land to the Secretary of State.

We have a centralising Secretary of State and a centralising Government who do not trust local people, parents or school leaders. At a time when we have a shortage of staff and a great lack of confidence in Government, all they can do is force schools to do things against their wishes. That is not the way education should be run.

4.16 pm

Cat Smith (Lancaster and Fleetwood) (Lab): Growth has been revised down last year, this year and for every year of the forecast. Business investment has been revised down last year, this year and for every year of the forecast. In this Budget the Chancellor has failed to provide a future for the next generation.

I have some fantastic schools in my constituency and I have been privileged recently to visit two of those schools which have improved their Ofsted results. Fleetwood High School and Carter’s Charity Primary School in Preesall, both coastal schools which, with strong leadership and under the headships of Richard Barnes and Brendan Hasset, respectively, are showing great signs of improving, with the support of the local authority. But all this is at risk from the Chancellor’s reckless plans to force all schools to become academies, whether they want to or not. Parents must have a say in the future of local schools, and it is wrong for this Government to impose a one-size-fits-all solution on schools. That will take away the national curriculum, accountability to local people through councils, and the ability of parents and of the community to obtain information to find out what is going on through freedom of information requests.

How does removing local authorities’ role from our schools put power in the hands of local people? Michael Wilshaw, the chief inspector of schools, has written to the Secretary of State, highlighting to her the serious weaknesses in academy chains, but this Government have failed to listen to the evidence.

I have great concerns for my constituents about the future of museums. Although I welcome the announcement in the Budget of support for museums, that is of little comfort to my constituents, who are worried about the future of Fleetwood Museum, the Maritime Museum in Lancaster, the Judges’ Lodgings and the Cottage Museum, all of which are supported by Lancashire County Council, but after budget cuts year after year, the council is unable to provide that support and we risk losing our northern museums.

On disability, I pay tribute to my constituent Graeme Ellis who, until yesterday, had been a lifelong Conservative party member. He felt that the choices made by the Chancellor to hit disabled people to give tax breaks to the rich was a step too far. He resigned in style.
I welcome the principle of the sugar tax as a positive step towards encouraging people to make healthy choices. As an MP with a heavy dairy-farming constituency, I welcome the decision to remove milk-based drinks from the levy. The situation in the dairy industry is far from good right now. Average dairy farm incomes are forecast to fall by half in 2015-16 and arable incomes are expected to be down by almost a quarter. Sadly, there is little comfort for the 90% of UK farm businesses which are unincorporated and therefore will not be beneficiaries of the Chancellor's continued focus on reducing corporation tax.

Three months on from Storm Desmond, the Chancellor's announcement of £700 million for flood defences is welcome for the parts of the country that benefit from it. I was concerned to see that Lancashire was not included, and it is little comfort to my constituents around the River Cocker and in Winmarleigh and Thurnham, who suffered so badly in the flooding.

One of the biggest issues, which fills my inbox every week, is the effect of council cuts and losing local services, but there is nothing in the Budget that helps councils. This Budget fails local government.

Rather than investing in building new homes to fix Britain's broken housing market and cut housing benefit costs, the Chancellor has slashed housing investment by 60%, and housing benefit has risen by more than £4 billion a year in cash terms.

This Budget is a failure, it lacks any fairness and it offers nothing for the future. If anything it only amplifies the question: how can we trust the Chancellor to get it right for the next four years, when he has not had it right in the last four months?

4.20 pm

Sue Hayman (Workington) (Lab): Yesterday, in his Budget announcement, the Chancellor made much capital out of the economic recovery and the rate at which unemployment was falling, but he needs to understand that not every part of Britain is enjoying this economic recovery. In my constituency, not only do we have above-average unemployment, but the latest figures from the House of Commons Library show that unemployment recently increased for the third month in a row. The Chancellor says he wants to put the next generation first, but youth unemployment remains stubbornly high in my constituency, at nearly twice the national average.

The Chancellor says all schools have to become academies by 2020. While I wish the schools in my constituency that are already academies every success, there is simply no evidence that forcing all schools to become academies will deliver higher educational standards and more qualified teachers. I am also concerned that removing accountability to local authorities may put children with special educational needs and disabilities at risk of losing the vital support they need. Schools are also still struggling financially, and we have a particular problem in my constituency with recruiting and retaining teachers, which puts huge strain on our schools' ability to meet the educational needs of our children.

We struggle to recruit skilled professionals in not just education, but healthcare, and that is in part down to our poor transport infrastructure. It is all very well the Chancellor announcing money for the northern powerhouse and talking about High Speed 3, but that does nothing for people in Cumbria, who have totally inadequate road and rail infrastructure. To get people to come to west Cumbria, we need to be accessible from the outside world. Simply upgrading the A66 between Scotch Corner and Penrith does not help west Cumbria or our recruitment crisis. I have been calling for investment in the crucial A595 artery, which will be heavily relied on following the new investment in the nuclear new build at Moorside.

To be honest, people in west Cumbria are fed up with the usual warm words and rhetoric from the Government. It is about time Ministers recognised that the north extends beyond Lancashire. With the nuclear new build at Moorside, Cumbria will physically put the power into the northern powerhouse.

The money announced yesterday for flood defences is welcome, because it is important we do everything we can to ensure we do not see a repeat of the devastation caused by Storm Desmond. My constituents need safe, secure homes and businesses, and I understand from the Treasury today that money will be available for the village of Flimby in my constituency, but there is no mention of Workington or Cockermouth.

The Budget documents talk about investing in Her Majesty's Revenue and Customs, yet the Government want to close the office at Lillyhall in my constituency and to centralise operations in Manchester and Newcastle—more than two hours away. That means not only that my constituents will lose any access to face-to-face interaction, but that hundreds of people will lose their jobs.

My constituents are absolutely fed up with being left out of the Government's plans. Just because west Cumbria is remote, that does not mean we should be forgotten. We have huge potential—given the right tools to make things happen. I urge the Government to look again at how west Cumbria can be properly incorporated into the northern powerhouse so that all our people can have a future.

4.24 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): George Osborne's Budget yesterday was nothing more than an attempt to—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Lady has to say “the Chancellor of the Exchequer” or “the right hon. Gentleman”.

Patricia Gibson: The Chancellor's Budget yesterday was nothing more than an attempt to confirm that austerity is king for this Government. Ideology has blocked the path of any attempt to ease the burden on the backs of the less well-off. Even setting aside the cuts to welfare and capital spending, the OBR estimates that between 2009-10 and 2019-20 Westminster funding for day-to-day public services is forecast to fall by the equivalent of about £1,800 per head. Chillingly, the Institute for Fiscal Studies predicts that the scale of the cuts to departmental budgets and local government will reduce the role of the state to a point where it will have “changed beyond recognition”, with £3.5 billion of new cuts in this Budget. That is an additional £3.5 billion of cuts for 2019-20 that will once again hit unprotected Departments. The Chancellor of the Exchequer has not specified where that money will come from, either.
Scotland faces a £1.5 billion cut in its funding for public services, which means that between 2010-11 and 2019-20 Scotland’s fiscal departmental expenditure limit budget has been reduced by an eye-watering 12.5% in real terms.

I listened earlier to this Government lauding their support for young people, but we have already witnessed the slashing of student maintenance grants for some of the poorest students and their being converted into loans. Housing benefit for unemployed 18 to 21-year-olds has been scrapped, which will create enormous hardship for young people. Student fees will continue to rise. Student nurses will no longer receive grants, but loans instead. All calls for the reintroduction of the post-study work visa in Scotland have gone unheeded.

Of course we welcome the support for the oil and gas industry—as far as it goes—but what is really required is a strategic review of the whole tax regime for oil and gas. The SNP called for such a review ahead of the Budget, but again that went unheeded. The freeze on fuel duty is to be welcomed. This is a victory for small businesses and rural communities such as Arran in my constituency, and it will also be welcomed by families with stretched budgets across the UK.

More than anything, this Budget bolsters and consolidates inequality across the United Kingdom. Increasing the personal tax allowance is a very expensive approach and it badly targets help for the low paid. That is the view of the Child Poverty Action Group, and the Government should take note. It is not a social justice measure when 85% of the £2 billion that the Treasury spends goes to the top half and a third goes to the top 10%. For every £1,000 by which the personal tax allowance goes up, basic tax rate payers gain £200, but universal credit rules will claw back 65% of that gain from the low paid, leaving them gaining only a maximum of £70 a year. Child poverty campaigners have concluded that this Budget sets the next generation up to be the poorest for decades. Yet there is still money—between £15 billion and £100 billion—to be found to renew Trident. Disability rights groups have warned that these changes will be a devastating blow to disabled people. This is a Budget of missed opportunities.

4.28 pm

Imran Hussain (Bradford East) (Lab): With time not permitting me to go further, I will focus my remarks on the northern powerhouse schools strategy.

Bradford lies near the bottom of the school league tables, as I have mentioned several times in this place. From what I have seen in the few paragraphs of the Chancellor’s Red Book, I tentatively welcome some aspects of the strategy to improve education in the north, as it is clear that we cannot carry on as we are, but the proposal needs a greater level of detail. I hope that the report from Sir Nick Weller in the next six months will provide that detail. I also want to point out that I am extremely cautious of other aspects.

Schools that are classed as vulnerable and coasting are often those in the most deprived areas, and that is the case in my constituency. They are the schools that are most in need of funding to get them on the road to recovery and to provide the standards of education that we expect and need for our children. We need to support those schools, so I will be interested to see how the Department for Education plans to implement the funding boost for turnaround activity in coasting and vulnerable schools.

I also note the intention to look at ways of recruiting and retaining the best teachers. The situation is close to crisis, particularly in Bradford, and it was recently highlighted by a damning report by the National Audit Office. I hope that the Department for Education will carefully consider that report and that it recognises the problems with teacher recruitment and retention. I look forward to its response to the report.

I cannot help feeling that I have seen some of the measures before. They look very much like the London challenge, which achieved extraordinary results in London, but the Government scrapped it in 2011. They also happen to look like the Bradford or northern challenge, which I have called for repeatedly. The Government appear to have finally seen sense, accepted the results the previous scheme achieved and decided to bring it back in another form.

Unfortunately, however, the Chancellor’s proposal appears to be an academised version of the London challenge. Despite the promise shown by some of the other measures, I am unsure about the Government’s plans to invest in expanding academy chains, as I see little evidence to suggest that academies are the best way forward.

I am also perplexed as to how the academisation of all schools fits in with the Government’s devolution agenda, as it will take responsibility for education out of the hands of local authorities and centralise it in the Department for Education. As well as removing the ability to focus on and scrutinise school performance, the proposal leaves me questioning what the role of local authorities will be after they have had huge funding cuts and responsibility for education taken away from them.

I await the publication of Sir Nick Weller’s report in the next six months, and I hope the Government will finally deliver solid recommendations for an effective strategy for improving the state of education in the north once and for all.

4.32 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): It is a pleasure to follow the hon. Member for Bradford East (Imran Hussain).

What a dismal failure of a Budget from a failing Chancellor. We heard yesterday that there are to be additional spending cuts of £3.5 billion in 2019-20, as austerity is forecast to still be with us 12 years after the financial crisis. Yet we hear that, among other measures, capital gains tax is to be cut. Let us contrast those two measures: tax cuts for the wealthy, and ongoing austerity for everyone else. That demonstrates once again that austerity is no more than a political choice by this Government.

Chris Stephens (Glasgow South West) (SNP): I agree with my hon. Friend. Does he agree that this Budget contains more cuts than a Bates motel shower curtain?
Ian Blackford: Indeed it does. This Government have missed an opportunity to create hope for a better future, with investment in our economy and people.

When the OBR tells the Chancellor that growth forecasts are below expectations, he finds room for tax cuts and balances the books with further spending cuts. He said yesterday, “nor as a nation are we powerless. We have a choice.” No kidding! He is choosing to punish the poor again with the choices he is making. He also said that “productivity growth across the west is too low”.[Official Report, 16 March 2016; Vol. 607, c. 951.]

He made no analysis of why that is, and he did not reflect on why productivity in the UK, which we were told was central to the long-term economic plan, has been flatlining for so long.

There is no long-term economic plan. It is a myth and a meaningless soundbite from a Chancellor who does not have a plan to deliver sustainable economic growth. His only plan is to move out of No. 11 and into No. 10 Downing Street as soon as possible. Without a plan to drive productivity, we cannot drive sustainable economic growth.

Let us look at what the Chancellor is changing in the pensions world. We need predictability and a high degree of certainty if we are to encourage savings in this country and make sure that people have security and dignity in their old age, but the Chancellor carries on fiddling with the arrangements and undermines confidence in pension savings. The Chancellor’s abandonment of radical reform of tax relief in the Budget was a missed opportunity to rebalance the system and instil fairness at the heart of pension savings. The current pension tax relief regime is regressive, because it benefits higher-rate taxpayers exponentially, while modest earners miss out. The Financial Times last week ran a story with the headline: “How to double your money instantly using pension tax breaks”, adding:

“Welfare for the wealthy has rarely been so generous in the UK”.

That is the reality from this Conservative Government. The SNP support the offering of incentives through tax relief, but we want that to be done in a way that supports equity and fairness.

It is wholly remarkable and unacceptable, when we are told that welfare must be cut—when the poor have to pay the price—that pension tax relief, which is skewed towards helping higher tax-rate pensioners, is left untouched. Just where are the Government’s priorities? We are incentivising the wealthy and squeezing the poor; that is the Chancellor’s Britain.

The Chancellor has sat on his hands on tax relief in the week in which the Select Committee on Work and Pensions has published its report on the communication of state pension age changes. It is worth highlighting that the report’s conclusions and recommendations state:

“We recommend that, if the Government is subsequently able to allocate further funding, it should commission an independent assessment of the merits of the following options: slowing the increase in the state pension age to 66; revising the timetable for increases in the state pension age to reach 65 by April 2019 and 66 by April 2021…and a transitional pension benefit.” Why has the Chancellor not reflected on that in the Budget, and why is he refusing to do something about frozen pensions?. I tabled an early-day motion asking that we look at the issue of frozen pensions, because 550,000 foreign pensioner have paid into Britain, but their frozen pensions mean that they cannot benefit fully from that. The Government have to answer this charge. We are going into a European referendum. If the Brexeters win the day, an additional 400,000 British citizens will lose the automatic uprating of their pensions. That is something that the House must address.

Why does the Chancellor not look at redirecting some of his funds from pension tax relief to benefit the women born in the 1950s who are suffering inequality? This is a Budget that could do far better than it has done.

4.37 pm

Kate Green (Stretford and Urmston) (Lab): We heard in the Budget yesterday the story of a record of failure, which was highlighted by my hon. Friend the shadow Chancellor this afternoon. Growth has been revised down. Investment has been revised down. Debt—both public debt and household borrowing—is rising. Productivity has been revised down. The welfare cap has been breached, and it will be in every year in this Parliament.

The Opposition welcome increases in the employment rate, although we should acknowledge that such rises have not been seen everywhere—particularly not for young people, as my hon. Friend the Member for Workington (Sue Hayman) pointed out—but the scandal of in-work poverty is one that Conservative Members really should attend to. I say to the right hon. Member for North Somerset (Dr Fox) that it is not enough just to create the jobs; they need to be secure, sustainable and adequately remunerated to ensure that work really lifts families out of poverty. The Government’s strategy does not do that. Indeed, secure jobs and a secure economy are made all the more vulnerable by the Tory chaos over Europe.

We heard from the Chancellor yesterday that this was “a Budget for the next generation”—[Official Report, 16 March 2015; Vol. 607, c. 995.] and we heard from the Secretary of State for Education earlier today about the detail of the policies that would give effect to the Chancellor’s intentions. Concerns have been expressed by many of my hon. and right hon. Friends, including my hon. Friends the Members for Huddersfield (Mr Sheerman), for Enfield North (Joan Ryan), for Oldham West and Royton (Jim McMahon), for Sefton Central (Bill Esterson) and for Croydon North (Mr Reed). It is fair to say that there is real concern among Members on both sides of the House about the policy of forced academisation in the teeth of a report by the head of Ofsted, Sir Michael Wilshaw, that is at best ambivalent about the performance of academy institutions.

The proposals are against the wishes of teachers—the Secretary of State herself said that we ought to treat them as professionals—and they ignore the fact that some, indeed many, local authority schools, especially primary schools, around the country perform extremely well. That was said by my right hon. Friend the Member for East Ham (Stephen Timms), the hon. Member for
Bexhill and Battle (Huw Merriman) and, indeed, by the Tory chair of the Local Government Association children and young people board.

There is no guarantee that failing academy chains will not expand their failure by absorbing more schools into their academy structures. My right hon. Friend the Member for East Ham specifically asked about that, but he received no reply from the Secretary of State. There is a lack of clarity, although the Secretary of State made a welcome commitment to look at the particular situation of co-operative schools, which was raised by my hon. Friend the Member for Harrow West (Mr. Thomas). There are real worries that the proposals ignore the wishes of parents, who will no longer have the right to be on school governing bodies.

Michael Tomlinson: I understand what the hon. Lady is saying about academies, and she will have heard the points I made. Will she say whether Labour Members are now in favour of fairer funding for our schools, as they were when they were last in power?

Kate Green: Of course we are in favour of fairer funding, but as we have always said, the devil is in the detail. It is particularly important to ensure that it does not create a situation in which schools serving a large number of disadvantaged students lose out. That will be a challenge for the Government to address if they are not prepared to put in funding where it is most needed and make sure that that funding is sufficient.

We have heard several right hon. and hon. Members express the concern that the Secretary of State’s proposal for academisation will in fact replicate the massive top-down reorganisation we saw in the NHS. In particular, the hon. Member for Gainsborough (Sir Edward Leigh) made that point. The proposal was not in the Conservative party manifesto, and we have not had the opportunity to put it to the electorate, but now it is being forced on us. [Interruption.] It is not Labour policy to force academisation on any successful school. The Under-Secretary of State for Education, the hon. Member for East Surrey (Mr. Gyimah), really ought to get the detail correct before he intervenes from a sedentary position.

We have heard real concerns about the crisis in teacher retention and, as my hon. Friend the Member for Bradford East (Imran Hussain) said, in recruitment. The target for teacher recruitment has been missed in each of the past four years. In particular, there are recruitment issues in mathematics, an area that the Secretary of State wishes to expand. We heard no mention of how rising class sizes and the crisis in school places is to be addressed. There was no mention of the cuts to further education and sixth forms, and no acknowledgment of the need not just to increase the number of apprenticeships, but to improve their quality.

The proposals do not form a coherent and complete strategy for education for young people, and we must also remember that the Government’s failure of young people goes further than failing them in their education. I was particularly struck by the passionate speeches of my hon. Friends the Members for Lewisham, Deptford (Vicky Foxcroft) and for Croydon North, who highlighted the slew of policies that have been or have the potential to be extremely threatening to the wellbeing of young people—from cuts to Sure Start and child protection to cuts to youth services.

My hon. Friend the Member for Barnsley Central (Dan Jarvis) highlighted the IFS’s projections about the very worrying rise in child poverty during the course of this Parliament, and many colleagues have also raised concerns about young people’s lack of access to housing. We of course agree that many young people aspire to own their own homes, and we wish to see measures to support them to do so. It is very disappointing that, alongside that, the Government are not prepared to support young people who are renting, whether from choice or necessity. Indeed, the situation of those young people has been made significantly worse by cuts to housing benefit. Members from right around the House acknowledged that the fundamental problem in housing is the lack of supply. The central part of this Budget should have been about building more houses.

Inequality in the Budget stretches beyond young people. We heard again and again about the disproportionate burden of the cuts to tax credits and benefits and the tax changes that have fallen on women, and there does not seem to have been any progress in negotiating away the tampon tax. My hon. Friends the Members for Ynys Môn (Albert Owen) and for Stockton North (Alex Cunningham), and the hon. Member for Ross, Skye and Lochaber (Ian Blackford), spoke about how the needs of women pensioners born in the early 1950s have been overlooked.

The Labour party is appalled at the further cuts to benefits for disabled people, which will shred the dignity of those who need help with dressing or using the toilet. We are also concerned about the geographic unfairness inherent in many of the measures announced by the Chancellor, which have been highlighted by my hon. Friend the Member for Kingston upon Hull North (Diana Johnson), for Croydon North, and for Stockton North. In particular, given that the business rate cuts that will help small businesses are not being funded by central Government, they will place a significant burden on local authorities. [Interruption.] Well, I am glad to hear that, but we did not hear that from Ministers earlier. [Interruption.] I am pleased to acknowledge it if I am in error, but the issue was raised earlier and not challenged by Ministers. I would expect them to be more on the ball in defending their policies.

My hon. Friend the Member for Lancaster and Fleetwood (Cat Smith) highlighted the need to ensure that the extra support for communities devastated by flooding reaches those communities, and my hon. Friend the Member for Middlesbrough (Andy McDonald) highlighted the need to ensure industrial investment in his constituency. Overall, this Budget will benefit the better off at the expense of the poorest. The Resolution Foundation stated that 80% of changes to income tax will benefit the 20% richest people in the country, and capital gains tax changes will certainly benefit the better off. The TUC says that workers are on average £40 a week worse off than they were before the recession. This Budget does not deliver fairness, prosperity or a secure future for the next generation. It is a hodgepodge of excuses, revisions, disguises and failures driven by ideology. That is not fair to today’s young people, or to the next generation.
4.47 pm

The Exchequer Secretary to the Treasury (Damian Hinds): Today’s young people can look forward to some of the most exciting opportunities that a generation has ever faced, but also to a much more uncertain world. They face a changing world order, where the economic and political dominance of the west is increasingly challenged by developing and emerging economies. They face a changing labour market, with a growing premium on high value added jobs and the knowledge economy. They are unlikely to stay in the same job for life, they are much less likely than their parents to have a defined benefit pension, and they face much higher house prices, albeit that those are greatly mitigated by the low interest rates that have come about from our sound economic stewardship.

That comes on top of long-standing issues that the Government inherited in 2010 but that, to be fair, have existed for much longer. There is a productivity gap between the UK and other major global economies, an educational gap between rich and poor and between different parts of the country, and a lack of financial resilience in many parts of the population, without even the cushion of a small savings account.

The Government have been facing up to those structural issues through our educational reforms, the revolution in apprenticeships and the national living wage. This Budget puts the next generation first. It builds up our young people’s skills, and builds the infrastructure for a modern economy and higher productivity. Alongside all that is rightly being done to increase housing supply, it also helps young people to save for their retirement and for owning a home, with all the security that that can bring. For many, the Budget makes possible a rainy-day savings cushion for the first time.

The Budget also commits £1.6 billion extra over this Parliament to education in England. Academies are a key part of our education reforms, as the Education Secretary outlined earlier, and research from the OECD, the European Commission, and others, has repeatedly shown that more autonomy for individual schools can help to raise standards.

The right hon. Member for East Ham (Stephen Timms), my cloakroom neighbour, rightly talked about the performance of London schools and the London challenge. Many factors have gone into improving the performance of London schools. In fact, the improvement in performance predated the London challenge—the year the London challenge started is the year that the GCSE performance in London caught up with that of the rest of the country—but one of the factors in London’s outperformance was the school mix, including the disproportionate contribution to improvement made by academy schools.

Alex Cunningham: I am grateful to hear the lovely compliments for my right hon. Friend the Member for East Ham (Stephen Timms). The Secretary of State could not tell us where the extra money was coming from to fund the forced academies programme. Can the Minister do so?

Damian Hinds: The money announced in the Budget comes on top of what was announced in the spending review.

The right hon. Member for East Ham asked how the national funding formula would be done. We will consult on the principles through which it will work, but the intention is to ensure that it is fair and that it reflects need, unlike the rather arbitrary system we can have currently.

Stephen Timms rose—

Damian Hinds: I am sorry but I am going to make some progress.

A number of hon. Members, including my hon. Friend the Member for Bexhill and Battle (Huw Merriman), talked about post-16 maths. There is a massive premium on the study of maths and maths qualifications, as the report by Professor Alison Wolf identified. Maths will become more important as time goes on, but it is right that we ask the question and work out the best way to have further maths study, including by taking into consideration the questions that a number of hon. Members raised.

Hon. Members, including my hon. Friends the Members for Mid Dorset and North Poole (Michael Tomlinson) and for Taunton Deane (Rebecca Pow), raised the importance of sport in school. My hon. Friend the Member for Faversham and Mid Kent (Helen Whately) rightly mentioned in an intervention that the difference in opportunity in sport and other extracurricular activities is part of the gap in opportunity between children in state schools and children in public schools. It is therefore very important for social mobility.

A number of right hon. and hon. Members talked about the levy on manufacturers and importers of sugary soft drinks. My hon. Friend the Member for Chippenham (Michelle Donelan) movingly spoke of her own family and reminded us of the health benefit that is at the centre of the policy, which was also mentioned by my hon. Friends the Members for South West Wiltshire (Dr Murrison) and for Faversham and Mid Kent, and the hon. Member for Barnsley Central (Dan Jarvis). Of course, we would rather not collect that much of that tax. The reason for the delay before it is introduced is to allow the manufacturers to change the formulation of their drinks or change their marketing so that they are pushing and promoting more the lower-sugar variants and products. We hope they will do so.

Rightly, a number of times in the debate, the important subject of the support that is given to people with disabilities has come up. I reassure the House that real-terms spending on the personal independence payment and its predecessor, the disability living allowance, has increased by more than £3 billion since 2010. The PIP budget will continue to increase from now until 2020. The reforms announced last week will bring spending closer to the level forecast in November and ensure that increased spend is targeted on those who need it most.

Catherine West rose—

Damian Hinds: I am sorry but I will not give way.

We are exempting disability benefits from the uprating freeze and exempting recipients of them from the benefits cap. We are aiming to halve the massive employment gap between those with disabilities and those without. Over the past year, the number of disabled people in employment has risen by 150,000, but there is much
more to do, hence the increase in the Budget for the Access to Work programme, the expansion of the Fit for Work scheme, and the increase in funding for dedicated employment advisers in IAPT—improving access to psychological therapies—services, among other programmes.

As today’s theme is education and young people, I should mention the replacement—it comes from the previous Parliament—of statements for children and young people with special educational needs and disabilities with educational health and care plans, which for the first time bring together the care, health and education needs of some of our most vulnerable young people from the age of zero right up to 25. It is too early to measure the full effect of the programme, but most hon. Members would welcome it—I hope so.

On some of the other issues raised in today’s debate, the hon. Member for Middlesbrough (Andy McDonald) talked about the catapult proposal. I am not in a position to comment on that in detail, but I am very happy to hear more about it. My hon. Friend the Member for Gainsborough (Sir Edward Leigh) talked about tax simplification. We have eliminated the carbon reduction commitment part of the tax system, and there is also the zero rating of petroleum revenue tax. We are making the filing of taxes easier and making sure there are more people in HMRC call centres to take calls.

On the carer’s allowance, raised by the hon. Member for Banff and Buchan (Dr Whiteford), the spend has increased by almost half since 2010. My hon. Friend the Member for Mid Dorset and North Poole rightly mentioned the increased funding to deal with homelessness and the attention being given to provide second stage accommodation for people leaving hostels and refuges.

The hon. Member for North Ayrshire and Arran (Patricia Gibson) and the hon. Member for Stretford and Urmston (Kate Green)—it is a pleasure to speak opposite the hon. Lady from the Dispatch Box for what I think is the first time—suggested that inequality was rising due to the Government’s policies and the Budget. Inequality is actually coming down. The simple fact is that, if we look at the effect of policy over the period, the pattern of how public spending goes to different income groups in society remains broadly flat, while the incidence of taxation has shifted towards the top end.

My right hon. Friend the Member for North Somerset (Dr Fox) and my hon. Friend the Member for Faversham and Mid Kent reminded us of the Government’s employment record. I remind the Opposition that the bulk of those jobs have been in full-time and higher-skilled occupations. My hon. Friend the Member for Congleton (Fiona Bruce), for Reading West (Alok Sharma) and for Tamworth (Christopher Pincher) reminded us that only business can create the wealth that gives security to families, and affords us the excellent schools and our world-leading national health service. We are therefore right to reform small business rate relief; fuel duty, which is an important cost for many businesses; and corporation tax to make sure that investment is incentivised, while at the same time introducing a further £8 billion package on tax avoidance by multinationals. We say that we are going to have a very competitive tax system and that we want to attract investment to this country, but when companies operate in this country we expect them to pay the full tax that is due.

Yesterday, my right hon. Friend the Chancellor was candid with the House about the challenges facing the global economy. They are challenges from which no economy is immune, particularly a globally connected, trading economy such as ours. That is why it is so important to make Britain fit for the future, whatever challenges may lie ahead. It is why we focus on stability, employment, enterprise, innovation and opportunity. It is why we put in place policies helping people at every stage in their lives: from early-years childcare, to financial security and dignity in old age.

The reforms in education announced in this year’s Budget take that agenda forward. They help our aim of creating a society where everybody can achieve their aspirations and fulfil their potential—for children to get the best start in life, regardless of background; for them to be able to go to work in businesses as committed and skilled employees, companies that are incentivised towards productive capital investment; for young people to get on to the housing ladder; for our towns and cities to prosper, and to attract investment; for families to save for their retirement; and for everyone in our society to have a stake in the prosperity that, through this Budget, this Government are continuing to deliver.

Catherine West: Madam Deputy Speaker (Mrs Eleanor Laing): If the hon. Lady wishes to speak, she may.

Catherine West: Thank you, Madam Deputy Speaker. I thank the Minister for being very quick in his remarks and allowing a little time. I just wanted to know what he thought of Councillor Edgar, from his own authority, who stated that he was very angry with the Chancellor about the proposals brought forward yesterday for academisation. He almost sounds ready to rip up his Conservative card, so upset is he about the fact that all schools—[Interruption.] He is a local authority man who is very proud of his schools and who would like to reiterate his dedication to education—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. The hon. Lady has made her point, but a response is not possible. Things are rather in the wrong order.

5 pm
The debate stood adjourned (Standing Order No. 9(3)). Ordered, That the debate be resumed on Monday 21 March.

Business without Debate

ADJOURNMENT (EASTER, WHITSUN, REFERENDUM RECESS, SUMMER, CONFERENCE RECESS, NOVEMBER AND CHRISTMAS)

Motion made, and Question put forthwith (Standing Order No. 25)

That this House:
(1) at its rising on Thursday 28 April 2016, do adjourn until Tuesday 3 May 2016;
(2) at its rising on Thursday 26 May 2016, do adjourn until Monday 6 June 2016;
(3) at its rising on Wednesday 15 June 2016, do adjourn until Monday 27 June 2016;
(4) at its rising on Thursday 21 July 2016, do adjourn until Monday 5 September 2016;
(5) at its rising on Thursday 15 September 2016, do adjourn until Monday 10 October 2016;
(6) at its rising on Tuesday 8 November 2016, do adjourn until Monday 14 November 2016; and
(7) at its rising on Tuesday 20 December 2016, do adjourn until Monday 9 January 2017.—(Guy Opperman.)

Question agreed to.

School Places (Barking and Dagenham)

Motion made, and Question proposed, That this House do now adjourn.—(Guy Opperman.)

5.1 pm

Jon Cruddas (Dagenham and Rainham) (Lab): I want to make several points regarding school places and school funding in the London borough of Barking and Dagenham. I will not use all my allotted time so that my right hon. Friend the Member for Barking (Dame Margaret Hodge) can also contribute before the Minister responds.

From the outset, I should say that our local authority appreciates the work carried out between the Education Funding Agency and local authority officers and that the need to meet additional demand has been recognised by the Government. My concern today is to ensure that this recognition translates into genuine action and appropriate funding arrangements over the years that lie ahead. I want to go into some detail regarding the challenges we face that are difficult for national allocation formulae and systems fully to understand, in the hope of ensuring that the Treasury grants the Department for Education the money it needs.

To set this in context, there are obvious London-wide pressures on school places. London Councils’ “Do the Maths 2015” analysis shows that London’s pupil population is set to increase by a further 146,000 between 2015 and 2020; that London needs to create 113,000 new school places over the course of this Parliament; and that it needs £1.5 billion of basic need funding by 2020 to create the new places required. Even set against that capital-wide challenge, the challenges facing Barking and Dagenham are unique in terms of demographic change, pressure for school places and an ageing school estate.

When I was first elected, the borough would have been characterised as a relatively stable community with a slightly ageing population. This picture of stability was reflected in the school numbers: between 2000-01 and 2005-06, primary school numbers actually fell by 150. In contrast, over the last 10 years, the borough has become one of the fastest-changing communities in Britain. We have to deal with demographic changes the likes of which we could never have imagined back in 2001, let alone 2005, driven by the fact that we remain the cheapest housing market across Greater London.

We saw a 43% increase in primary pupil numbers between 2009-10 and 2014-15, and this is likely to rise to 48% by 2016-17. At 48%, this will be the highest increase in England. Between 2009 and 2013-14, the headcount rose by 7,421. Those areas with a higher headcount were Birmingham, Bradford, Hertfordshire, Manchester and Surrey—none comparable in terms of the size of the community. Barking and Dagenham remains a relatively small London borough. This year—in a single year—we saw a 12.7% increase in the number of year 6 children applying for secondary school places next year, which is the highest in London by over 3%. The proportion of children under 19 in the population is expected to reach at least 33% before 2020. This is 10% higher than the average for England and around 8% higher than the average for London.

All those increases are before the significant increases we expect owing to increased housing units across the borough. For example, we are looking at development sites across Castle Green, Barking Riverside, Barking
town centre, Creekmouth, Thames road and Beam park and the old Ford stamping plant, which amount to some 29,300-plus units over the next decade or more.

Already, the borough has committed to support the London Mayor by providing 5% of the planned growth in housing for London—some 75% higher than we might have expected on a pro-rata basis. This will go a long way to meeting London’s housing crisis, but we must make sure that it does not fuel a deepening schools places crisis locally. The latest estimates from the LEA are of a further 5,500 increase in the primary school population by 2021-22 and a 7,700 increase in the secondary school population. Overall, we are witnessing a unique population surge. Just after the 2020 election, the school population will be over 50,000—virtually double the headcount compared with when I was first elected in 2001.

Let us now consider some of the funding implications. Based on our place projections for up to 2021, a total of 20 additional forms of entry will be needed at primary level, which is equivalent to around seven new schools, costing approximately £63 million. At secondary level, we anticipate 41 extra forms of entry, which is about the size of four large secondary schools, costing about £100 million. We will also need to expand our special educational needs provision, while early years numbers are also rising.

I have just alluded to an awful lot of money, but we are talking about an awful lot of children. Within these estimates, and given the record of our borough, our capital costs per place are well below the median for the region—and below our immediate neighbours—for both expanding and new school places. To add to the picture, we cannot forget how we as a borough lost out badly with the end of both the Building Schools for the Future and the primary schools capital programmes.

BSF covered all nine secondary schools in the borough. In the event, only two schools, Sydney Russell in the Barking constituency and Dagenham Park in my Dagenham and Rainham constituency, were covered by the residual BSF programme. Those two schools cost roughly £50 million. The BSF programme was valued at some £250 million, so the investment gap stands at about £200 million. Since BSF, capital spending on Eastbury, Eastbrook and the Riverside schools has reduced this investment shortfall to about £105 million, according to the latest estimate. Given that the primary capital programme never happened in any significant way, money to improve the structure of existing buildings has had to be spent on addressing our primary places shortfall. Obviously, things do not stand still, and programme cancellations have contributed to a growing need for capital repairs and minor works to keep the school estate functioning.

Basically, we receive £4 million from the Government for this, but estimate that we need £32.5 million for secondary school condition improvement and £40 million for primary school condition improvement. Why? Well, unlike much of the London schools estate, many of our schools were built during the 1921-1935 period and now require major infrastructure repairs.

Two of our largest and most popular secondary schools, Barking Abbey and Robert Clack, missed out on both the Building Schools for the Future programme and the more recent bid rounds for the priority schools building programme. We also have some schools that require significant investment to make them 100% accessible—with the growth in pupil numbers, our schools are serving many more children with special education needs and disabilities. Cumulatively, given the exceptional demographic growth, the investment shortfall and deteriorating estate, we face extraordinary funding problems.

Barking and Dagenham has been allocated £162 million between 2011-12 and 2017-18, yet we need to expand our primary provision at the same time as needing to meet the growth in demand reaching our secondary schools. This is simply not enough to build the quality of schools that our children deserve. Overall, we need to use revenue funding to supplement capital costs and maintenance—vital money that is needed to improve outcomes and meet the needs of a very mobile community.

We also have to factor in how the Government wish to create a national funding formula, but we hope this will not further disadvantage students in our borough. We will obviously respond in detail to the national funding formula consultation, but fear it will impact on the revenue available to support our schools in meeting this huge population increase.

On a more positive note, I can say that, despite all those challenges, Barking and Dagenham has a strong track record of delivering sufficient places. We have opened, on time, a higher number of school places than any other borough in the country, but if we are to continue to achieve that, we shall need sufficient long-term funding commitments. We have invited Lord Nash to visit the borough so that he can see at first hand the state of the buildings and the pressures on space. He has acknowledged that the borough has taken a pragmatic approach to securing school places, working with the EFA. We should like to extend, again, that invitation to view schools and meet headteachers, officers and local politicians to discuss the issues.

Despite needing to manage a huge increase in population, our schools are improving. Over the past five years, we have closed the gap between ourselves and others in good Ofsted outcomes by some 30% at primary level. In November 2014, Ofsted said:

“A good quality education for all and improving academic standards are at the heart of Barking and Dagenham’s ambitious vision. The local authority is facing significant demographic changes and challenges, such as an increasing population, increasing population mobility, greater ethnic diversity and increasing poverty. None of these is accepted by officers and elected members as a barrier to educational achievement.

Senior officers and elected members provide strong leadership. The impact of the local strategy is fewer schools causing concern and rising standards across all phases of education that now match or exceed national averages.”

As I have said, we appreciate that we are recognised as a special case by the Government, but that is not enough. During the Budget debates yesterday and today, we have heard a lot about school structures, but very little about the kinds of pressures we are facing locally.

Literally within the last hour, the Department has sent LEAs the 2018-19 allocations. We welcome the allocations of some £5 million in 2018-19 and £17 million in 2017-18, which increases our capacity to start planning in advance of some of the changes to which I have referred. We hope that longer-term allocations will be available, as secondary schools cannot be built bit by
5.12 pm

**Dame Margaret Hodge** (Barking) (Lab): I congratulate my hon. Friend the Member for Dagenham and Rainham (Jon Cruddas) on securing the debate, and on selecting this issue.

I will not give all the figures, but Barking and Dagenham has experienced the greatest increase in school numbers in the country over the last five years, a massive increase of 48%. Although the increase will slow down a bit over the next five years, it is still huge. The growth in primary school figures is now hitting the secondary school estate, which will experience a 57% increase over the next five years. It is predicted that a third of the borough’s population will be under the age of 19. I think that we face a problem of huge proportions, and I hope that the Government will accept that.

I want to add two comments to what my hon. Friend has said. First, the current estate, especially the secondary estate, is horrific in some instances. Barking Abbey, a secondary school in my constituency, teaches to really high standards in atrocious buildings, all of which are portakabins. When I took the Public Accounts Committee down to see the borough during our an inquiry into school places, we saw dangerous wires coming out of some parts of the building. There are not enough science classrooms, and the entire sixth form is being taught in portakabins; yet the school has been asked to accept more young people. That is an impossible ask when the current conditions are so atrocious.

Gascoigne primary school, which is also in my constituency, is the largest primary school in the country. We are constructing a new building for it some distance away. I am always very sceptical about the ability of a headteacher to manage two buildings that are not on the same site. When I last visited that school, it had lost practically all its playground space. In a week when the Government are talking about encouraging school sports, I have to tell the Minister that the places are simply not there. It has also had to lose its library, which has moved into a portakabin, and it will be impossible for it to meet the aims of the anti-obesity strategy that the Government have spelled out. I just want to draw to the Minister's attention the reality of people's lives as they try to manage, given the insufficient number of school places.

I get endless cases of this nature, and I am sure that my hon. Friend does as well. One involves a young girl who is looking for a secondary school place. She has not been given a place at either of her first two choices of school. She wanted to go to Sydney Russell school, where her older sibling is, but she is being sent instead to a school right in the east of my hon. Friend’s constituency, a 45-minute bus ride from where she lives. Another involves a young boy who has also not been given a place at either of the schools he wanted to go to. He wanted to go to the new school, Riverside school, which is a 15-minute walk from his home, and we should be able to cater for his needs. However, he has been given a place at Eastbrook school, which involves a 40-minute journey on two buses. I hope that the Minister agrees that that is unacceptable. It is not what any responsible Government should be providing, which is the very best start in life for our young children.

5.16 pm

**The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah):** I congratulate the hon. Member for Dagenham and Rainham (Jon Cruddas) on securing this debate. I also congratulate him and the right hon. Member for Barking (Dame Margaret Hodge) on speaking so passionately about the educational opportunities available to young children in their constituencies. This debate is timely as it allows me the opportunity to set out clearly the Government’s position on the provision of sufficient quality school places across the country as well as, more specifically, in Barking and Dagenham. I agree with the right hon. Member for Barking that this is about not just the availability of places but the quality of the school buildings.

First, I want to take the opportunity to reiterate that ensuring that every child is able to attend a good or outstanding school in their local area is at the heart of the Government’s comprehensive programme of reform of the school system. We know that our growing population means that new school places are needed in many parts of the country, so the Government are absolutely committed to providing capital investment to ensure that every child has a place at a school.

We have already shown the strength of our commitment to ensuring that good quality places are available, and we are investing a further £7 billion to create new school places between 2015 and 2021. We are also investing £2 billion in school buildings. We are delivering 600,000 new school places, open at least 500 new schools and address essential maintenance needs. This is on top of the £5 billion we allocated to local authorities to invest in school places in the last Parliament, which was over double the amount spent in the equivalent four-year period between 2007 and 2011. Today, we released new data showing that nearly 600,000 additional pupil places were created between May 2010 and May 2015, with many more delivered since then and in the pipeline; 150,000 places were delivered between 2014 and 2015 alone.

The hon. Member for Dagenham and Rainham mentioned the Budget, and referred to the absence of commentary on school places. I want to draw his attention to an announcement that we have made today. We are announcing £1.1 billion of funding for local authorities in 2018-19 to create the school places needed by the 2019-20 academic year. I know that he is concerned about that matter. This is part of the £7 billion that I referred to earlier and, alongside our investment in 500 new free schools, we expect this to deliver a further 600,000 new places by 2021. In making these allocations, the Government are continuing to target funding effectively, based on local needs, using data we have collected from local authorities about the capacity of schools and...
forecast pupil projections. Those are the announcements that we have made today, and I will definitely ask the hon. Gentleman and the right hon. Lady to look at the detail.

Returning to the central point of the debate, ensuring that every child has access to the benefits of a good-quality education is a fundamental responsibility of everyone across the education system. As the hon. Member for Dagenham and Rainham knows, the statutory duty for providing school places rests with local authorities. Our financial commitment is therefore a concrete demonstration of the level of importance that the Government attach to the provision of places and of our wider commitment.

Our manifesto referred to the creation of 500 new free schools, and 40 applications have been approved since the election in May, with many more entering the process. We continue to encourage businesses, cultural and sporting bodies, charities, community groups and parents to come forward with their proposals for new schools, adding to the nearly 400 schools opened since 2010 and the more than 190 currently in the pipeline.

It is important that local authorities across the country seek to capitalise on the opportunities presented here. The free schools programme is working alongside local authorities to create the school places we need in order to provide a good education for all our children, and many authorities are choosing to work actively with the Government to meet the challenge. I pay tribute to all those in authorities and in schools who have helped to deliver the significant progress of recent years. The task is not yet done, however, as the increase in the number of pupils moving through the primary phase is now beginning to be felt at secondary level. Local authorities and schools must rise to that additional challenge. We should not pretend that that will be easy, which is why we are committed to helping through funding and through establishing new schools directly under the free schools programme.

London’s situation is unique, and the unsurprising surge in pupil numbers has been mentioned. As a thriving global city, London has a large part to play in meeting that challenge. Some 34% of new places delivered by 2015 were in London, and the capital will clearly have a big part to play in coming years. As the hon. Gentleman will know, the London borough of Barking and Dagenham has played its part in that regard. The local authority has effectively created places to meet demand, but it will face, as he pointed out, further challenges as pupil numbers continue to rise and larger primary cohorts transfer into the secondary sector. Rising pupil numbers in neighbouring local authorities will also reduce the number of pupils able to take up places outside Barking and Dagenham, further increasing the challenges to be managed.

The way we provide funding for new places is based on local authorities’ assessments of the number of pupils that they expect to have, taking local factors into account. That approach has helped the Government to allocate Barking and Dagenham a further £6 million, taking the total to £167 million in funding for school places from 2011 to 2019, on top of more than 3,300 places in free schools that we have funded centrally. The funding has been put to work. By May 2015, there were 7,450 more primary places and 4,450 more secondary places than there were in 2010, with plans to create many more when they are needed in the coming years. Barking and Dagenham has four open free schools, including an all-age special school. In addition, it has a university technical college and a further secondary school is due to open in 2017.

Of course, providing sufficient quality places is about not only capital investment, but ensuring that revenue money for schools gets to where it is needed most. The hon. Gentleman was bang on the money when he talked about the likely consequences of the national funding formula for Barking and Dagenham. In the spending review, we delivered on our manifesto pledge to maintain per pupil funding for the core schools budget for the duration of the Parliament, providing an overall real-terms protection. That includes protecting the extra funding for our most disadvantaged children through the pupil premium, worth over £2.5 billion this year. Next year, we will be providing over £40 billion of schools funding, the highest ever level of any Government.

We also committed in the spending review to introduce a national funding formula for schools and for pupils with high needs from 2017 to ensure that funding reaches the places where it is needed. I believe these reforms will be transformative and the biggest step towards fairer funding in more than a decade.

The current funding system is unfair and out of date. It means that a primary pupil with low prior attainment in Barking and Dagenham attracts £800 to his or her school, but in neighbouring Newham the same child would attract nearly £1,800. The situation is similar for pupils with high needs—funding is not correlated to need and there is wide local variation in the way children’s needs are assessed. Earlier this month, we launched the first stage of our consultation on proposals to end this postcode lottery and to put in its place a funding system that gives every pupil the same opportunities in education: where children with the same characteristics and the same needs are funded at the same rate, wherever they live; and where there is one, consistent, fair formula, instead of 152 local variations.

Across all our proposals for a national funding formula, we want to deliver three key priorities: to allocate funding fairly and get it straight to the frontline; to match funding to need, so that the higher the need, the greater the funding; and to make sure that the transition for such significant reforms is smooth. The proposals in our consultation include arrangements for funding schools with significant growth in their pupil numbers, and I look forward to the response to the consultation from the Barking and Dagenham local authority. This Government are committed to long-term investment in education. We have already protected revenue funding for this Parliament and we are acting now to make sure this money is allocated equitably for all pupils, wherever they are in the country. I am grateful to the hon. Member for Dagenham and Rainham for raising this important issue today.

Question put and agreed to.

5.26 pm

House adjourned.
House of Commons

Monday 21 March 2016

The House met at half-past Two o’clock

PRAYERS

[Mr Speaker in the Chair]

BUSINESS BEFORE QUESTIONS

Transport for London Bill [Lords]

Consideration of Bill, as amended, opposed and deferred until Tuesday 12 April at Four o’clock (Standing Order No. 20).

Oral Answers to Questions

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Devolved Business Rates

1. Mims Davies (Eastleigh) (Con): What estimate he has made of the amount of revenue that councils will be able to collect through devolved business rates. [904217]

4. Nusrat Ghani (Wealden) (Con): What estimate he has made of the amount of revenue that councils will be able to collect through devolved business rates. [904221]

The Secretary of State for Communities and Local Government (Greg Clark): Councils currently retain just under £12 billion of the business rates that they collect. As a result of our reforms, we estimate that, by the end of this Parliament, councils will retain the full £26 billion raised from business rates.

Nusrat Ghani: The Sussex chamber of commerce has declared its delight at the Chancellor’s announcement that small business rate relief will be doubled, but will the Secretary of State confirm that the Budget measures will ensure that rural areas such as Wealden and East Sussex, which are net receivers of business rates, are not worse off as a result of the change?

Greg Clark: My hon. Friend can have that reassurance. The package for small businesses in the Budget has been warmly received by small businesses right across the country. It amounts to a reduction of nearly £7 billion over four years, and every penny of that will be made up to local councils, so small businesses will benefit and councils will suffer no detriment.

Mr Clive Betts (Sheffield South East) (Lab): I would like to take the Secretary of State up on that so that he can explain precisely how it will happen. The Institute for Fiscal Studies said the other day that it is perfectly possible to compensate for the changes in small business rate relief at present, while there is grant in play, but that it will be nigh impossible to do that from 2020 onwards, when there will be no grant for the Government to use. Also, how, precisely, will the Secretary of State compensate for the change from RPI to CPI, given that that involves a variable that changes every year? How will the mechanism work?

Greg Clark: The answer to the first question is that compensation will be paid in the way that it always has been when we have reduced business rates: as a section 31 grant from Government to local authorities. That mechanism is tried and tested, as the hon. Gentleman knows, and it is the way these sums are always paid. He will also know that, when it comes to the full retention of business rates by 2020, the forecast, as I said, is that there is £26 billion of revenue, and councils retain £13 billion. Therefore, there are transfers that need to be made in, which will be taken into account by the end of the process. However, I know that his Select Committee, and local government generally, will want to help to advise on that.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Did the Secretary of State see comments in the Sunday papers saying that poorer areas of the country will again be doubly disadvantaged? What is the point of mucking around with local government finance if we continue to rob local government of its powers? Taking away responsibility for education must be one of the most shocking and negative things that I have heard in any Budget.

Greg Clark: For generations, local government has argued that it should be financed from its local revenues. It has taken this Government, in devolving powers and finance, to say that every penny of business rates raised by local government should be kept by local government. The hon. Gentleman talks about the devolution of powers, but he will know that many members of the Labour party in towns and cities across the country have welcomed the devolution of powers to local government under this Government, which is something that I am very proud of.
Robert Neill (Bromley and Chislehurst) (Con): The Secretary of State has reflected on the importance of protecting local authorities from the erosion of the tax base. That is a welcome measure. In setting the baseline for business rate retention, will he ensure that the measures include an incentive for local authorities to encourage the development of small business premises just as much as larger ones, to ensure that there is a mix?

Greg Clark: My hon. Friend makes an excellent point. One of the reasons for the 100% retention of business rates is so that there is a direct connection between local authorities and their businesses. Of course, the best authorities, including his own, have always seen it as their duty and responsibility to promote and attract businesses. This approach means that they will get their reward for it.

Mr Steve Reed (Croydon North) (Lab): With a former Cabinet Minister openly admitting that the Government are dividing Britain with unfair cuts, will the Secretary of State reconsider his divisive decision to cut the 10 poorest councils 23 times harder than the 10 richest?

Greg Clark: The hon. Gentleman is wrong. The decisions we have made to reduce spending would have been made by any party that came into power after the election. The difference is that our party has devolved powers so that local authorities can have greater concern for their own future. On the change we have made to the methodology, the Institute for Fiscal Studies has said that it is an improvement and that the system is fairer.

Local Government Funding

2. Clive Lewis (Norwich South) (Lab): What recent assessment he has made of the fairness of local government funding.

17. Andy McDonald (Middlesbrough) (Lab): What recent assessment he has made of the fairness of local government funding.

The Secretary of State for Communities and Local Government (Greg Clark): The local government finance settlement reflects a detailed assessment of the needs and challenges of each area. We have announced a fair funding review and will work with local authorities to determine the appropriate funding needs of different types of areas as we move to 100% business rate retention by 2020.

Clive Lewis: Last month, the Government announced that 85% of the £300 million transitional fund for local government is going not to Labour or Liberal Democrat councils, but to Conservative councils. Does the Secretary of State agree with the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) that that does not matter, because those areas “don’t vote for us”?

Greg Clark: I am surprise to hear the hon. Gentleman ask that question, given that his county of Norfolk has benefited from £1.6 million through the transitional grant, which I would have thought that he would welcome. On what party colleagues have to say, he should take advice from Bury Council, which has said:

“The methodology is a welcome improvement on that employed for allocating revenue support grant reductions… and goes some way to redressing… years in which poorer metropolitan authorities have received an unequal share of… funding.”

The hon. Gentleman should talk to his party members as well as his constituents.

Andy McDonald: As a native Teessider, it cannot have escaped the Secretary of State’s attention that towns such as Middlesbrough have been hit hardest by his local government cuts, yet Middlesbrough has not had a penny from the transitional fund. It seems that this Government’s duty is only to those wealthier areas that voted Tory. Is he not ashamed of his callous and unfair treatment of his hometown?

Greg Clark: The hon. Gentleman should inform himself better about what is happening in the Middlesbrough local authority. For a start, as a result of the change in methodology, Middlesbrough gets an improvement in resources of nearly £4 million. I would have thought that he had read the consultation response that I received from Middlesbrough Borough Council. In response to the question, “Do you agree with the proposed methodology for calculation?”, the council said:

“Yeas we would agree with the proposed methodology on the basis that this does not have a disproportionate impact generally across local authorities.”

The hon. Gentleman should inform himself before he comes to the House and asks questions.

Mark Pawsey (Rugby) (Con): Rugby Borough Council has a proactive attitude towards development and attracting new business, and it is very much looking forward to a greater retention of business rates. The council tells me that it likes certainty. In the event of the Government effecting a change such as additional relief on business rates, could the Secretary of State clarify what the transitional arrangements would be and what compensation might be available to local authorities?

Greg Clark: My hon. Friend is correct to raise this issue. As part of the transition to 100% retention, we need the various checks and balances that will ensure that no authority loses out. The Government and the Local Government Association will work together to design the system. I look forward to receiving the responses to the consultation, which will include taking advice from Members of this House through the Select Committee and other bodies.

Simon Danczuk (Rochdale) (Ind): The Government have cut millions upon millions of pounds from Rochdale’s council budget, but they have dumped hundreds of asylum seekers in our town, adding pressure to already overstretched local services. Local people are not happy with the situation. What is the Secretary of State going to do about funding?

Greg Clark: Rochdale has benefited from the change to the methodology that we put in place, and the representative organisation for the metropolitan authorities has welcomed the change. The council has benefited from the local government settlement, and the hon. Gentleman should welcome that.

Liz McInnes (Heywood and Middleton) (Lab): Following this weekend’s revelation that the Government have targeted the working poor because they do not vote
Brandon Lewis: I think it is important that neighbourhood plans play their part in delivering affordable homes. When an area such as the one that my hon. Friend has mentioned has worked out a neighbourhood plan to deliver affordable homes, I would expect the Planning Inspectorate to respect that neighbourhood plan.

Jim Shannon (Strangford) (DUP): Some 22,000 households in Northern Ireland are in acute housing need. Between 2011 and 2015, we had 4,000 first-time buyers using co-ownership and 6,000 association homes. We need to build 11,000 homes a year. What assistance can the Minister provide when it comes to co-ownership to help people who wish to purchase even more?

Brandon Lewis: The hon. Gentleman raises a good point. We are clear that as part of delivering 400,000 affordable homes by 2021, we want at least 135,000 to involve co-ownership and shared ownership. This is another fantastic model that improves the affordability of the home ownership model and enables more people to access it.

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Margaret Ferrier (Rutherglen and Hamilton West) (SNP): What recent discussions have taken place between the Minister’s Department and the Department of Health about the integration of health and social care?

Mr Jones: I assure the hon. Lady that we have significant and ongoing discussions with the Department of Health on this important area. We both share the same outlook. We want to fully integrate health and social care by the end of the decade, and we are setting out to do that through close dialogue between each Department.

Mrs Emma Lewell-Buck (South Shields) (Lab): Age UK reports that 300,000 elderly people are suffering from chronic loneliness, which leads to early death. The cuts imposed by, and inaction from, the Department for Communities and Local Government are letting our elderly people die. Is the Minister proud of that?

Mr Jones: We are doing significant work to support social care. We have put in place the precept for social care, which has allowed councils to raise up to an additional £2 billion. We have also put in place an additional £1.5 billion for the better care fund, and we are absolutely committed to working with the NHS to make sure that health and social care are integrated properly. Part of that integration involves making sure that the issues the hon. Lady mentions are dealt with properly, and I can assure her that that is happening.

Flooding: EU Solidarity Fund

6. Owen Thompson (Midlothian) (SNP): When the Government began preparing their application to the EU solidarity fund in respect of flooding in December 2015.

7. Callum McCaig (Aberdeen South) (SNP): When the Government began preparing their application to the EU solidarity fund in respect of flooding in December 2015.


The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): Following the devastating impact of Storms Desmond and Eva, the Government quickly made available more than £200 million to the communities affected. As we moved from response to recovery, we began preparation for and an assessment of a bid to the EU solidarity fund in early January.

Owen Thompson: The Government had 12 weeks from 5 December, the first day of flooding, to apply to the EU solidarity fund, yet despite many questions about that, they took until 25 February to confirm to the House that they would apply. Were the Government really so busy fighting with themselves that they held up the process for so long? Why the delay?

James Wharton: The EU solidarity fund is complex, as is the application process. One needs to determine eligibility and damage. The process is still ongoing as we understand, and inform and work with the Commission about, the extent of the damage. We started the work early in January and put in an application within the deadline. We are pursuing that application now.

Callum McCaig: The flooding in December was exceptional. It had an impact across the UK, including in Deeside and Dumfries and Galloway in Scotland. Will the Minister confirm that, should the bid to the EU solidarity fund be successful, the Scottish Government will receive a fair and appropriate share of that funding?

James Wharton: We do not know how long the process will take or, ultimately, what the quantum of any award might be. In the meantime, the Government are making available significant funds of more than £200 million to support the communities affected. We continue to work with local authorities and devolved Governments to ensure that this is done properly, and we will make appropriate announcements when more information is available.

John McNally: Since 2002, the EU solidarity fund has helped communities and people from 24 countries, which I am sure the Minister agrees is an excellent example of the positive effects of our membership of the EU. Will he confirm, therefore, whether small and medium-sized enterprises severely affected by flooding across the UK will receive their fair share of financial support, given that they are not yet covered for flood insurance risk by Flood Re, which starts in April?

James Wharton: As I have made clear, we are pursuing the application to the EU solidarity fund, but it will take some time to pay out. We are in discussion with the Commission about the detailed information it needs to process the application, and we will be in a position to make further announcements about quantum and what it could be used for as and when that process is completed. We will, of course, keep the House updated as things progress.

Mr David Nuttall (Bury North) (Con): I thank my hon. Friend for the help his Department provided to Bury Council under the Bellwin scheme, which has been of direct help to my constituents, but will he please confirm that his Department will continue to provide help to Bury Council to repair infrastructure, such as roads and bridges, that remains damaged to this day?

James Wharton: It is important to be clear that, although flooding happened for a short period, recovery is a much longer process. The Government are committed to continuing to support local authorities. We have made available over £200 million of funding and are making available support such as the property level resilience grant, which means that if someone’s property has been affected by flooding, they can claim up to £5,000 for resilience repair works. We will continue to work with local authorities to deliver for those communities and to support them as they recover from this terrible incident.

House Building

8. Graham Evans (Weaver Vale) (Con): What recent assessment he has made of trends in the numbers of housing starts and completions.
Brandon Lewis: My hon. Friend makes a good point. As we have discussed on the Floor of the House before, the right hon. Member for Wentworth and Dearne (John Healey), the shadow Housing Minister, was the Minister who oversaw the lowest level of house building since, I think, about 1923.

Graham Evans: Since 2010, there have been more than 4,000 new housing starts in Cheshire West and Chester, including 2,500 in Weaver Vale alone, and the number of housing starts is up 91% compared to 2009. Will my hon. Friend remind the House who was Housing Minister when the figures were so low?

Mr Robin Walker (Worcester) (Con): We have seen record numbers of housing starts in Worcester this year, and the proportion that is affordable housing is larger than we have seen for many years. What more can my hon. Friend do, however, to ensure that this strong housing recovery—it led a constituent to tell me, “I’m voting Conservative because I am a builder and I’ve seen things get better over the last six years”—continues and that we continue to deliver on this strong record?

Kevin Hollinrake (Thirsk and Malton) (Con): rose—

Mr Speaker: Ah, Mr Hollinrake, I think you know a thing or two about houses—you are an estate agent, man.

Kevin Hollinrake: I will do my best.

The number of housing starts relies on a proper assessment of housing need. Gladman recently ran a successful appeal in my constituency on the basis that the local authority could not demonstrate a five-year housing supply. There is now a revised assessment by the local authority showing an eight-year-plus supply.

Brandon Lewis: My hon. Friend makes a good point. It is important that local authorities plan for the future housing delivery and housing needs of their areas. That is what the local plans are about, and I would encourage all local authorities still working through their local plan to get on with it and make sure they make that provision. He also makes a very good point about the confidence of having a five-year land supply, and we will respond in due course to the evidence from the expert panel group that looked at local plans and reported just last week.

Ruth Cadbury: The Albert Kennedy Trust’s recent report found that 24% of homeless youth are lesbian, gay, bisexual or transgender, the majority citing parental rejection or abuse as the primary reason for their homelessness. Does the Minister support the trust’s call for vulnerable young people aged 18 to 21 facing rejection and abuse at home to be treated as a group exempt from the housing benefit changes?

Mr Jones: I do not know whether the hon. Lady has any answer she could add to that list, but this is an extremely important issue. The Conservative party recognises that and we changed the methodology on rough sleeping to give a more accurate picture of the challenges. The issues with rough sleeping are not just about housing; they are about things such as mental health challenges and issues relating to drink and drug dependency, for example. The Chancellor, working with DCLG, confirmed an additional £100 million in the Budget for move-on accommodation, so that we can help to move rough sleepers out of the hostels they are put into and into move-on accommodation, thereby helping even more rough sleepers to get off the streets.

Cat Smith: The number of housing starts is up 6% over the last year and the number of completions is up 21%. Both are now at their highest level since 2007.

Brandon Lewis: Since 2010, there have been more than 4,000 new housing starts in Cheshire West and Chester, including 2,500 in Weaver Vale alone, and the number of housing starts is up 91% compared to 2009. Will my hon. Friend remind the House who was Housing Minister when the figures were so low?
she mentions. We are currently looking carefully at how those changes take place to make sure the most vulnerable are absolutely protected.

Mr Mark Prisk (Hertford and Stortford) (Con): The Minister is right to say that the best way to tackle the whole question of those sleeping rough on our streets is prevention and by tackling the underlying causes that he has mentioned. Given that, may I strongly encourage him to use the new £10 million social impact bond to focus specifically on the underlying causes, so that we do not just stop people going on to the streets, but keep them off the streets altogether?

Mr Jones: That is a very sensible suggestion from my hon. Friend, who I know has significant knowledge and expertise in this area. I am working through these issues across Government in a cross-departmental working group to try to bring forward the social impact bond, which will help to get entrenched rough sleepers off our streets.

Mrs Flick Drummond (Portsmouth South) (Con): I welcome the £100 million in the Budget to deliver low-cost second-stage accommodation for rough sleepers and domestic abuse victims. What work can be done to encourage social and private landlords to take those who find themselves in that situation?

Mr Jones: My hon. Friend makes an extremely important point. This Department has supported organisations such as Crisis to deliver support to allow people to get into the private rented sector through things such as bond schemes and deposit schemes, so that those who would otherwise be unable to afford the deposit to get into private rented accommodation are able to do so.

Alison Thewliss (Glasgow Central) (SNP): Last week the Select Committee on Communities and Local Government took oral evidence from Crisis that suggests that an estimated 3,600 people sleep rough in a typical night in England. That figure is up 30% in the last year. Why does the Minister think that rough sleeping is rising so quickly in England and what action is he taking to get a grip on this?

Mr Jones: We are giving serious consideration to making sure we prevent homelessness before it happens. Obviously, if homelessness does happen, we have to help; and, as I said earlier, we are taking significant steps to help rough sleepers off the streets. Homelessness prevention is key. We are looking at our options and looking at what goes on across the world in this respect, including in the devolved Administrations. We are looking at all options, working with homelessness charities and through a cross-ministerial working group, to make sure we tackle homelessness and the causes of it.

Alison Thewliss: Shelter, which also gave evidence last week, suggested that 250% more people had become homeless over the past five years because their private tenancies had ended. Last week the Scottish Government passed the Private Housing (Tenancies) (Scotland) Bill, which abolished no-fault eviction. Will the Minister look at Scotland’s anti-homelessness legislation to establish what can be done to benefit homeless people in England?

Mr Jones: As I said to the hon. Lady in my earlier answer, we will not ignore good practice where it is happening. We are giving careful consideration to how we can improve homelessness prevention, and if the hon. Lady wishes to give me further information, I shall be more than willing to look at what has been done in Scotland.

Ben Howlett (Bath) (Con): I, too, welcome the Chancellor’s announcement of an extra £110 million to help to tackle rough sleeping, a problem that is evident in my constituency because of the large number of tourists in our city. How will my hon. Friend ensure that charities such as Genesis Trust and Julian House, which benefited from the Chancellor’s measures in the last Parliament, will be able to benefit from the new fund as well?

Mr Jones: I was delighted to hear my hon. Friend welcome the changes that were made in the Budget to support the homeless and rough sleepers, and I was also pleased to hear about the work that is being done by Julian House and the Genesis Trust. I can assure him that we will work with the homelessness sector and local authorities to design the £110,000 million to help people who are on the streets to come off the streets.

Teresa Pearce (Erith and Thamesmead) (Lab): Last Wednesday the Chancellor announced money to support the homeless and reduce rough sleeping, but the Treasury has said that it is not extra money, but money from the Department for Communities and Local Government’s existing capital budget, which was announced in the autumn statement. So we have an ever growing national crisis of homelessness, no solution at all to the root causes, and no extra money. Is this not yet another example of a deeply unfair Budget from a deeply flawed Chancellor?

Mr Jones: I think that the hon. Lady is misguided: some of that money is extra money. She has, however, drawn attention to the fact that we are working very closely with my right hon. Friend the Chancellor and the Treasury to put right the mess that her party left when it was in government.

Social Housing

11. Rachael Maskell (York Central) (Lab/Co-op): What steps his Department is taking to encourage the building of homes for social rent.

15. Kelvin Hopkins (Luton North) (Lab): What steps his Department is taking to encourage the building of homes for social rent.

The Minister for Housing and Planning (Brandon Lewis): Since 2010 we have delivered 270,000 affordable homes, including about 200,000 rental homes, and the spending review committed £1.6 billion to the delivery of 160,000 further affordable homes.

Rachael Maskell: Let me ask the Minister a specific question about new-build social housing. My local authority and housing associations say that, because they cannot afford to develop social housing on Network Rail and council land—public land—they will develop up to 2,500 high-value units. However, we have a serious
Brandon Lewis: If the hon. Lady compares what was done between 1997 and 2010 with our record, she will see that the number of council social homes being built roughly doubled under a Conservative-led Government. We are building social homes at the fastest rate for about 20 years. Housing associations had a £2.4 billion surplus last year, and local authorities have over £3 billion of headroom. We are working with them, and encouraging them to use their money to build the homes that we want to be built so that we can deliver more homes than the last Government left us.

Kelvin Hopkins (Luton North) (Lab): It has been reported that private developers continue to hold many thousands of acres of building land in land banks, and are refusing to build on it until house prices rise in order to maximise their profits. May I suggest to the Minister that a sensible Government would take such land into public ownership, allocate it to local authorities, and require and enable them to build council homes to house those who are in desperate need of decent homes?

Brandon Lewis: We do want to see developers get on with building more; we want build-out rates to increase. We want local authorities to deal with preconditions so that builders can get on site more quickly and get building more quickly, but we also want to make sure that land agents are not hoicking land around and holding it up in the way that the hon. Gentleman has described.

Private Rented Sector

12. Fiona MacTaggart (Slough) (Lab): What plans he has to improve conditions for tenants in the private rented sector.

The Minister for Housing and Planning (Brandon Lewis): Measures in the Housing and Planning Bill will improve conditions. We will be tackling the rogue landlords that give the entire sector a bad name, in particular those who let sub-standard accommodation. Our proposals include a database of rogue landlords and property agents, introducing banning orders for serious or repeat offenders, a tougher fit and proper person test, extending rent repayment orders and introducing higher civil penalties.

Fiona MacTaggart: The majority of families in Slough live in the private rented sector with only six months’ security of tenure and six-monthly rent increases, often facing eviction if they complain about repairs and so on. I understand that that will be dealt with in future legislation, but it will not come into force until 2018. It is no way to bring up a family. What will the Government do to give such families more security?

Brandon Lewis: The right hon. Lady has her facts slightly wrong, because legislation relating to retaliatory evictions came in in October 2015. She is right that we want tenants to have protection, which is why we are introducing measures in the Housing and Planning Bill that will go further than anything that any Government have done before. We should bear it in mind that the average length of tenancy in this country is getting on towards three years and that most tenants move by choice. However, she is right that people should not face retaliatory evictions, which is why we brought in that legislation in October 2015.

Devolution: East Midlands

13. Nigel Mills (Amber Valley) (Con): What assessment he has made of progress on devolution in the east midlands.

The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): My hon. Friend is a passionate advocate of local government matters and took an active part in the passage of the Cities and Local Government Devolution Act 2016. He is as eager as I am to see things progress. My right hon. Friend the Chancellor announced three new devolution deals in the Budget, including the deal for Greater Lincolnshire, in the delivery of which my hon. Friend the Member for Boston and Skegness (Matt Warman) played a key part. We are keen to go further. We are talking to additional areas. We want to do more.

Nigel Mills: I am grateful for that answer, but six district councils have now voted not to be part of the proposed north midlands devolution deal, so will the Minister confirm that he will not impose a deal on those areas without those councils’ consent? If so, what advice does he have for those who are still trying to get a deal for the east midlands?

James Wharton: If devolution is to last and if it is to make a real difference and work for those areas that want to be part of it, it must be done by agreement and through a bottom-up process. That is what is allowed in the legislation that this House passed and that is what the Government intend to do. We are not enforcing devolution on any area; we are working with those areas that want it to help to deliver it. It is welcome that so many more areas continue to sign up and to have such talks with Government.

Sir Edward Leigh (Gainsborough) (Con): The Minister says that this is being done by agreement, but why is the Chancellor—it is the Chancellor, not the Department—insisting that the price of devolution for Lincolnshire is an elected mayor, which, frankly, nobody asked for? Mayors are for towns, not a large rural area where the district council and a Conservative county council work perfectly well together. Let us have true devolution and true choice.

James Wharton: My hon. Friend is never backwards in coming forwards, and I have had many discussions with him about this deal and his interest in it. The Government do not enforce deals or impose mayors. This is all about local area consent. We want mayors for that sharp, democratic accountability, through which powers are passed from Government down to local areas to drive forward their economies and to improve lives in those communities.

Help to Buy

14. Karl McCartney (Lincoln) (Con): What steps his Department has taken to encourage new homes to be built and bought through Help to Buy.

Brandon Lewis: If devolution is to last and if it is to make a real difference and work for those areas that want to be part of it, it must be done by agreement and through a bottom-up process. That is what is allowed in the legislation that this House passed and that is what the Government intend to do. We are not enforcing devolution on any area; we are working with those areas that want it to help to deliver it. It is welcome that so many more areas continue to sign up and to have such talks with Government.

Sir Edward Leigh (Gainsborough) (Con): The Minister says that this is being done by agreement, but why is the Chancellor—it is the Chancellor, not the Department—insisting that the price of devolution for Lincolnshire is an elected mayor, which, frankly, nobody asked for? Mayors are for towns, not a large rural area where the district council and a Conservative county council work perfectly well together. Let us have true devolution and true choice.

James Wharton: My hon. Friend is never backwards in coming forwards, and I have had many discussions with him about this deal and his interest in it. The Government do not enforce deals or impose mayors. This is all about local area consent. We want mayors for that sharp, democratic accountability, through which powers are passed from Government down to local areas to drive forward their economies and to improve lives in those communities.
The Minister for Housing and Planning (Brandon Lewis): The Government are investing a further £8.6 billion to enable another 145,000 people to buy their own home by 2020-21. Recent evidence has made it clear that 43% of homes sold would not have been built without the scheme, so it is clearly driving up the housing supply.

Karl McCartney: The great city of Lincoln is one of the most historic and successful cities in our country and more and more people want to live and work there. Ahead of any directly elected mayor of the county, would my hon. Friend like to remind councils such as City of Lincoln Council of the need to support private house building as well as affordable house building to ensure that my city’s residents have a full range of housing choices?

Brandon Lewis: My hon. Friend makes a good point. It is important that local areas consider their housing needs and are able to plan to deliver the housing that local people want. Some 86% of our population want the chance to own their own home, so I encourage local authorities to work actively and enthusiastically with the starter homes programme that provides first-time buyers with a discount of at least 20%.

Planning

16. Andrew Bridgen (North West Leicestershire) (Con): What assessment he has made of trends in the number of planning permissions granted in the last 12 months. [904236]

The Minister for Housing and Planning (Brandon Lewis): In the year to December 2015, the reformed planning system gave planning permission for another 253,000 new homes, which is excellent news. To be clear and to put it into context, that is a 53% increase on the figure for the year to December 2010.

Andrew Bridgen: Merely giving planning permissions does not build any houses. What more can the Government do to ensure that houses for which planning permission has been given are built out, so that we achieve our target of 1 million new homes?

Brandon Lewis: We are doing a range of things, some of which are in the Housing and Planning Bill, such as having planning permission in principle, which will make it easier for small and medium-sized builders as well to get access to finance. My hon. Friend will be aware that, at the Budget last week, we outlined our plans to make sure we deal with some of the issues associated with preconditions and other things that can slow down the movement on to site once the initial planning permission is given. It is important that we speed up the process, getting developers on site and building out more quickly.

Several hon. Members rose—

Mr Speaker: I call Mr Andrew Stephenson. He is not here. Oh dear, where is the chappie?

Topical Questions

T1. [904190] Daniel Zeichner (Cambridge) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Communities and Local Government (Greg Clark): Before the Easter recess, I should like briefly to update the House on the recovery following flooding caused by Storm Desmond and Storm Eva. The Government have moved rapidly to support more than 21,000 flooded properties: £50 million in dedicated funding has helped to ensure the rapid repair and reopening of key transport arteries—I am delighted that Pooley bridge in Cumbria reopened yesterday; a further £130 million will be spent repairing roads and bridges; £700 million was announced to boost future flood defence and resilience; and I am delighted that, in response to the fundraising from community foundations, for which the Chancellor offered to have match funding, I can now announce a one-for-one match for every pound raised by those community foundations during the floods.

Daniel Zeichner: The local government pension scheme provides future security in retirement for millions of public service workers. It is a funded scheme financed by the contributions of those workers. The Government now seem to be trying to interfere in the way those funds are invested, but investment decisions should be driven by the interests of the members of the scheme. What legal powers do the Government have to do this? Are they intending to direct the investment strategies of other UK pension funds? If not, why treat the local government pension scheme differently?

Greg Clark: As the hon. Gentleman knows, we have a consultation on this. I do not know whether he has contributed to it, but it has now closed. We are reflecting on the responses, and I will update the House when we have had a chance to do that.

T2. [904191] Maria Caulfield (Lewes) (Con): Many towns and villages in my constituency have formally adopted their neighbourhood plans. Places such as Newick and Ringmer have had their plans in place for a long time, and they have weight in law. I congratulate Newick on its initiative in creating a neighbourhood plan but, as I know she appreciates, I cannot comment on a particular case. I do wish to stress, however, while I have the opportunity to do so, that the national planning policy framework makes it very clear where a planning application conflicts with a neighbourhood plan in the planning process and return local democracy to our villages and towns?

The Minister for Housing and Planning (Brandon Lewis): My hon. Friend makes a good point. We absolutely hold neighbourhood plans as being of prime importance and they have weight in law. I congratulate Newick on its initiative in creating a neighbourhood plan but, as I know she appreciates, I cannot comment on a particular case. I do wish to stress, however, while I have the opportunity to do so, that the national planning policy framework makes it very clear where a planning application conflicts with a neighbourhood plan that has been brought into force, planning permission should not normally be granted.

John Healey (Wentworth and Dearne) (Lab): My question is for the Secretary of State, who clearly lacks the clout to argue his Department's case with the Chancellor, because there was nothing in the Budget on housing—nothing to reverse six years of failure, from rising homelessness to falling home ownership. In Labour’s last year, despite the global banking collapse and deep recession, we saw 120,000 new homes built in this country.
Five years later, that total was only 5,000 higher. At this rate, the Secretary of State will not hit his house-building targets until 2079, so why was there so little in the Budget on housing?

Brandon Lewis: I say to the right hon. Gentleman, with great respect, that he might want to have a look at the Budget book, which outlines a range of measures on both housing and planning. It builds on the autumn statement and the spending review, which gave us the biggest building programme since the 1970s—that is quite a contrast to his personal track record. It also outlines the work we did with local government to deliver another 160,000 homes on public sector land—joining central Government’s 160,000. I would have thought that 320,000 new homes in this country, on top of what we are already doing, is good news and highlights just how important this is to the Government.

John Healey: On the contrary, the extra investment that the Chancellor announced in the spending review that is cited by Ministers brings the total to around half that invested by Labour in building new homes when I was the last Labour Housing Minister. The truth is that there was little in the Budget on housing, and nothing that will deal with the causes of the housing crisis, so six years of failure is set to stretch to 10. Will the Minister now admit that, on housing, as on everything else, the Chancellor’s credibility is in tatters?

Brandon Lewis: I am surprised that the right hon. Gentleman keeps wanting to give me the opportunity to highlight the fact that he was the Minister who oversaw the lowest level of house building since about 1923. I am very proud to work with the Chancellor who has given this country the biggest building programme that we have seen since the 1920s. We have seen the number of first-time buyers double since 2010 and, as we heard earlier, planning permissions have gone up by 53% since 2010. We are delivering affordable housing at the fastest rate in more than 20 years. In the past five years, we have delivered double the number of council houses that Labour did in 13 years. I am proud of our track record. We aim to continue to deliver more and to deliver faster than Labour ever did.

T3. Karen Lumley (Redditch) (Con): Will my hon. Friend join me in congratulating Wychavon district council on utilising the new homes bonus and investing more than £1 million in local community facilities? Will he take time out of his very busy schedule to visit that outstanding council with me to see some of those schemes?

Brandon Lewis: I will be happy to join my hon. Friend on a visit. On my last visit, it was good to see the ambition and hard work that her planning team and local councils had put in to provide the homes that were needed locally. It is good to see them using that new homes bonus to deliver the infrastructure of those homes. I look forward to visiting again very soon.

T5. Richard Arkless (Dumfries and Galloway) (SNP): I accept that the final quantum award under any EU solidarity fund has not been decided, but may I nevertheless ask the Minister to ensure that, however it is apportioned, it reaches the communities that were actually affected? A simple population share going to the Scottish Government will not ensure that it reaches my constituency of Dumfries and Galloway.

The Parliamentary Under-Secretary of State for Communities and Local Government (James Wharton): The Government’s intention is to support absolutely those communities affected by the terrible impact of Storms Desmond and Eva and the flooding we saw over December and January. We are talking to the Scottish Government about what we can do to help Scotland, what Scotland’s needs are and what the impact is to inform the bid that we are making to the EU solidarity fund. We will keep the House updated as we know more, and as the process progresses.

T4. Paul Maynard (Blackpool North and Cleveleys) (Con): Can the Minister update the House on the future of the coastal communities fund and reassure me that future rounds will focus on tackling the social problems that blight so many of our coastal communities?

The Minister for Communities and Resilience (Mr Mark Francois): The 118 coastal community teams across England are taking control of their own areas’ regeneration. The Our Blackpool coastal community team was an early adopter of the CCT concept. Blackpool received £2 million from the coastal communities fund for its Lightpool project, which was successfully launched in 2015. The project is a boost to the local economy, driving football into the town centre. In December 2015, Blackpool received £50,000 coastal revival fund money for emergency work to the roof of the Winter Gardens Pavilion Theatre. That is the first step in creating a Blackpool museum of popular culture, commencing in January 2017. The coastal communities fund has now been extended by a further £90 million, out to 2020-21. Bidding for the next round is set to commence by the summer of this year. I wish my hon. Friend good luck for any bids that may emanate from his constituency.

Clive Efford (Eltham) (Lab): Rather than cutting support to people with disabilities, would it not be better for the Government to cut the housing benefit bill, which is up by £4.4 billion over the past four years? Is not that due to the Government’s failure to build enough houses, which is driving up rents and heavy reliance on the private rented sector? Is it not a disgrace that the Budget did not put any money into building social housing?

Brandon Lewis: I again say to the hon. Gentleman that he might want to look back at the spending review and the autumn statement that gave us the biggest building programme since the 1970s. I also gently point out that one of the problems that we have had is that, under Labour, for every 170 homes that were sold under right to buy, just one was built. That is why it is important that we build more homes—and we are building more homes. In London, which I know is dear to his heart, we are looking at two for one. That increases housing supply and it is good for delivering new homes.

Kevin Foster (Torbay) (Con): Last week’s Budget saw welcome news for small businesses and pubs across my constituency in the form of the changes
to business rates. What support will my hon. Friend give to Torbay Council to ensure that local businesses in my constituency benefit as soon as possible?

The Parliamentary Under-Secretary of State for Communities and Local Government (Mr Marcus Jones): The Government have announced the biggest ever cut in business rates in England, worth £6.7 billion over five years. We are permanently doubling small business rate relief and increasing the thresholds. I am sure that that will help many of the small businesses in Torquay and in Paignton that my hon. Friend sets out his stall to support on an ongoing basis.

Kate Osamor (Edmonton) (Lab/Co-op): The financial cost of homelessness is going up to nearly £1 billion. Research from the charity Crisis has shown that tackling single homelessness early could save the Government between £3,000 and £18,000 for each person they help. What work are the Government doing with charities such as Crisis?

Mr Jones: We are working across Government with Crisis and a number of other homelessness charities, and with local authorities, because we absolutely recognise that preventing people from becoming homeless is the key to this issue. I hope to come forward in the not too distant future with announcements to tackle this important issue.

Fiona Bruce (Congleton) (Con): Construction of the Middlewich eastern bypass would open up substantial local and wider growth opportunities. Will the Minister meet me to discuss how this long-awaited project can be progressed?

James Wharton: My hon. Friend is one of the most passionate and committed advocates for their constituency that I have yet encountered in the House. I know how much the investment she craves for Middlewich matters to her. I would of course be delighted to meet her, and any representatives of the local community she should wish to bring, to see what the Government can do to help to bolster the case.

Peter Kyle (Hove) (Lab): During his statement on local government funding, the Secretary of State said that he would re-examine the fact that the social care precept will help the areas that need it most the least. How has he updated his thinking, because the areas of the country that rely on this the most are simply not getting the investment they need?

Greg Clark: That is not true. The hon. Gentleman will see that the proposed allocation of the better care fund goes precisely to those authorities that have fewer resources through the precept. I am very happy to meet him to update him.

Martin Vickers (Cleethorpes) (Con): I welcome the greater Lincolnshire devolution deal that has just been finalised, but things are complicated by the fact that Lincolnshire County Council is in the east midlands whereas the two unitary authorities are in Yorkshire and the Humber. Will the Secretary of State look at this and re-designate the whole of Lincolnshire into the east midlands?

Greg Clark: I do not have any regard to these artificial, expired administrative boundaries. Lincolnshire enjoys a proud identity, and my hon. Friend is a big champion of it.

John Cryer (Leyton and Wanstead) (Lab): In only six years the Government have managed to take away £100 million from Waltham Forest Council, which, funnily enough, happens to be Labour. How does the Secretary of State think that has assisted local services?

Mr Andrew Mitchell (Sutton Coldfield) (Con): My right hon. Friend has rightly been concerned about the structure and effectiveness of local government in Birmingham. This is not a party political point, because these concerns have extended under Conservative and Labour Administrations. In his negotiations with the Birmingham improvement panel, under the excellent John Crabtree, will he bear in mind the importance of giving the new Labour leader, John Clancy, the space to implement the necessary reforms?

Greg Clark: I will. I pay tribute to John Crabtree and his fellow panellists. I am pleased to say that Birmingham City Council has made progress on the recommendations of the Kerslake report. The panel has done sterling work in helping the council to become more responsive. There remain a number of challenges that the council will have to overcome to translate its vision into reality. The panel wrote to me today suggesting that it step back and return in the autumn to report on how the council has progressed. I am happy to accept that recommendation, and I wish it well for the months ahead.

Gavin Robinson (Belfast East) (DUP): With your kind permission, Mr Speaker, an inquiry report was launched this afternoon in Speaker’s House on better devolution and the Union. During evidence-taking sessions, the Secretary of State was kind enough to say that he would positively engage in a discussion about a city deal for Belfast. I welcome that report, and ask the Secretary of State to reaffirm his commitment to engage in those discussions about a future city deal for Belfast.

Greg Clark: I will do that with great pleasure, and I look forward to meeting the hon. Gentleman in that context.

Craig Williams (Cardiff North) (Con): Welsh community centres, rugby clubs and pubs cannot be registered as assets of community value because the Welsh Labour Government opted out of the relevant Bill. How can the Minister help us to protect our rugby clubs, pubs and community centres in Wales?

Brandon Lewis: As ever, my hon. Friend is fighting hard for his community to have the same protections that we have been able to give people across England. I would be happy to meet him to see how we can work together to convince the Welsh Government that they should protect those vital institutions—something that Labour in Wales seems willingly unwilling to do.
Budget Changes

3.30 pm

John McDonnell (Hayes and Harlington) (Lab) (Urgent Question): To ask the Chancellor of the Exchequer if he will make a statement on changes to the Budget.

The Financial Secretary to the Treasury (Mr David Gauke): Immediately after this urgent question the Prime Minister will make a statement, and following that the Secretary of State for Work and Pensions will set out the Government’s position on personal independence payments and the welfare cap. For the rest of the day the debate on the Budget will continue, and tomorrow it will conclude with the Chancellor of the Exchequer responding. The House will therefore have three opportunities to discuss these issues before voting on the Budget tomorrow. I am grateful for the opportunity to talk about how this Government, through our long-term economic plan, are creating growth, generating employment, cutting the deficit, and securing long-term prosperity for the people of this country.

The Budget delivered last week by my right hon. Friend the Chancellor of the Exchequer set out how we are taking more people out of income tax, supporting small businesses, encouraging investment, tackling tax avoidance, helping young people to save, and investing in our education system, all while restoring the public finances. That is what the British people voted for last May, and that is what we are delivering.

John McDonnell: Thank you, Mr Speaker, for granting this urgent question. I asked it because the Budget process is in absolute chaos. It is unprecedented for a Government to have withdrawn a large part of the Budget and accepted two Opposition amendments before we have even reached the third day, and from what we have heard from the Chief Secretary to the Treasury today, we are little wiser. I have some sympathy for the hon. Gentleman, who has been sent out yet again to defend the indefensible, while the Chancellor insults this House by his refusal to attend.

This whole debacle started two weeks ago when the Government announced cuts of up to £150 a week in personal independence payments to disabled people. By the day of the Budget last week, we discovered that those cuts to disabled people had been forced through by the Chancellor to pay for cuts in capital gains tax for the wealthiest 5% in our society, and for cuts in corporation tax. I agree with the former Work and Pensions Secretary: such cuts are not defensible when placed in a Budget that benefits high earners.

How can the Chancellor any longer suggest that we are “all in this together”, when the Institute for Fiscal Studies confirmed today that poorer working age households with children will be the hardest hit? Will the Minister rule out any further cuts to support for people with disabilities in the lifetime of this Parliament? Over 600,000 disabled people and their families have been caused considerable distress over the last week, and they need the reassurance that their benefits are safe. If the PIP cuts are not going ahead, the money required from the Department for Work and Pensions still sits in the Red Book.

Will the Chief Secretary tell us which other vulnerable groups the Chancellor is considering targeting for cuts? If the Chancellor halts the attack on disabled people, a £4.4 billion black hole is created in the Budget. Add to this the billions of unidentified cuts, and the amendments on the tampon tax and solar power that we have won today, and within five days an enormous hole has appeared in the Budget. Is not the prudent thing for the Chancellor to do to withdraw this Budget and start again? I say that this is no way to deliver a Budget and no way to manage an economy.

Mr Gauke: First, may I thank the shadow Chancellor for promoting me to Chief Secretary to the Treasury? Secondly, may I just make this point about disability benefits? There is no question of this Government cutting disability benefits to the level we inherited in 2010. Spending on disability benefits has gone up by £3 billion in real terms. Thirdly, does the shadow Chancellor really want to talk about fiscal black holes? Does he really want to do that? [Interruption.]

Last week the Chancellor of the Exchequer reported on an economy set to grow faster than any other major advanced economy in the world. With wages up, the deficit cut by almost two thirds and 1,000 more people in work every single day, our economic plan is delivering for Britain. It is a Budget that continues this economic recovery, a Budget that takes us into surplus by the end of this Parliament, a Budget that backs British businesses, protecting jobs in difficult economic times, a Budget that helps more people buy their first home or save for their retirement, a Budget that builds our young people’s skills and invests in educating the next generation, and a Budget that helps to close the gaps between rich and poor and between north and south, because we believe in helping people to succeed wherever they come from. Since 2010, inequality is down, child poverty is down, pensioner poverty is down, the gender pay gap is smaller than ever, while the richest—

Mr Speaker: Order. When the Minister is addressing the House, he is entitled to be heard. I know the Minister is raising his voice, but there should be no requirement to do so. Experience shows that all sides of the argument will be heard. Members need have no worry on that score. In the first instance, the Minister must be heard.

Mr Gauke: The richest 1% are paying a greater proportion of income tax revenue than in any single year of the Labour Government. This is the Government that introduced the national living wage, the Government that increased the personal allowance—in a year’s time, a typical basic rate taxpayer will pay over £1,000 less in tax than they paid in 2010—and the Government that are helping to generate record numbers of jobs, helping young people get on the property ladder, increasing spending on health and education, and disability benefits too, and protecting pensions and helping people achieve their aspirations at every stage of their lives. Delivering for Britain, creating economic security, jobs and growth—that is the record of this Government and the record of this Chancellor, and it is a record to be proud of.

Mr Kenneth Clarke (Rushcliffe) (Con): Does my hon. Friend the Financial Secretary agree that the first duty of a Chancellor and his Treasury team when preparing a Budget is to have regard to the medium-term national
interest and to provide sound finances for the benefit of our businesses, our investments and our employment? If we now have a situation in which Chancellors are expected to produce, on every occasion, popular spending commitments and popular tax cuts, while there is a failure to control out-of-control budgets, we will have the sort of economic performance achieved by the recent Governments of Greece, Italy or the United Kingdom under Gordon Brown.

Mr Gauke: I entirely agree with my right hon. and learned Friend that it is the long-term approach that he took as Chancellor of the Exchequer that we are now taking forward so that we can secure prosperity and economic security for the British people.

Stewart Hosie (Dundee East) (SNP): We are shortly to hear a statement from the Department for Work and Pensions, and if rumours are correct, it will announce a substantial change to the Budget announcements that we heard only last week. That is likely to result in either substantial extra borrowing or a requirement for substantial extra taxes or, potentially, the shredding of the fiscal charter rules. In any case, there is likely to be a substantial change to last week’s Budget. It is not good enough to announce that in a quick statement; surely it should require a supplementary corrective Budget. Let me ask the Minister whether his right hon. Friend the Chancellor has pencilled in a date for a summer Budget—and if he has not, may I suggest he does so now?

Mr Gauke: As the hon. Gentleman says, there will be a statement from the Secretary of State for Work and Pensions, and we also have two further days of Budget debates. As for changes to the fiscal position, in view of the oil price changes of recent months, I think we should look at the consequences for Scotland if it had been independent.

John Redwood (Wokingham) (Con): On 9 December, the Government issued a policy document announcing an increase in VAT on energy-saving materials from 5% to 20% to raise £65 million in the first full year. May I take it that I can now welcome the Government’s decision not to go ahead with that proposal? I would dearly love it if they did not proceed with it. Also, how are they going to deal with the fact that the European Court and European VAT law require us to impose this very unpopular tax?

Mr Gauke: The decision was taken some weeks ago not to proceed with any changes to VAT on energy-saving materials in this Finance Bill because new evidence had emerged and we no longer believed that we needed to go ahead with what was previously suggested. It is also the case—the Prime Minister will say something about this later—that because the European Commission and other member states are willing to agree to our arguments about the need for greater flexibility on VAT rates, we do not believe that these changes will be necessary.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Five days ago, the Chancellor stood at that Dispatch Box and published the Budget scorecard with a £4.4 billion cut to PIP. Where is the revised scorecard without it? Is it true that this cut will instead come from elsewhere in the DWP budget? If the Chancellor is too scared to answer questions in this House on the issue, he is not fit to do the job.

Mr Gauke: The Chancellor will debate the Budget resolutions tomorrow evening, and he will be the first Chancellor of the Exchequer to have done so since my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke). In 11 Budgets, Gordon Brown never once participated in the debate on the Budget apart from in his initial speech. As far as the public finances and compliance with the welfare cap are concerned, we will set things out at the autumn statement. Let us be absolutely clear that with the Labour party appearing to be upset about the public finances, Labour Members should listen to what they have been saying for the last six years.

Sir Edward Garnier (Harborough) (Con): My hon. Friend will know that members of the armed forces are sadly not immune to mental health problems and that, even more sadly, some of them take their own lives. As a member of the advisory board of the Samaritans, may I thank the Minister and my right hon. Friend the Chancellor for the £3.5 million given to the Samaritans to assist military personnel who are suffering in this way?

Mr Gauke: I am very grateful to my right hon. and learned Friend for highlighting that point.

Chris Leslie (Nottingham East) (Lab/Co-op): The Minister has to accept that there will be a serious problem with the votes on the Budget resolutions tomorrow. How on earth is the House supposed to make a judgment when page 103 of the Red Book has been totally ripped up and changed? Are we none the wiser about the contents of that section. Will he just answer one question? On a scale of one to 10, how embarrassed is he today?

Mr Gauke: If I were the hon. Gentleman, I would be a little embarrassed for not being aware that there are no votes on personal independence payments in the Budget resolutions tomorrow.

Stephen Hammond (Wimbledon) (Con): The role of the Budget is surely to promote growth and create employment. Has the Minister noticed that the small business rate relief measures have been widely welcomed by the Federation of Small Businesses because they will promote growth and employment across all strata of society?

Mr Gauke: Yes; my hon. Friend is absolutely right. There has been strong support from small businesses for the contents of this Budget. This is a Government who are backing small businesses and ensuring that they can provide the growth and employment opportunities that the British people need.

Tim Farron (Westmorland and Lonsdale) (LD): I regret the failure of the Chancellor to be here to answer questions in this House on the issue, for himself. His Budget will leave the richest 10% of people £260 better off, and, until he was found out this weekend, that was going to be paid for by punishing the
disabled. Does not all that conjuring just show that the Chancellor’s choices are driven by cynical politics, and not by economic necessity? Should not the fiscal charter, which is now utterly discredited, be scrapped?

**Mr Gauke**: Let me point out to the House that 28% of income tax was paid by 1% of taxpayers in 2013-14. Under the policies that we are pursuing, the highest earning 20% will now be paying more than half of all tax revenues. That would not have happened had we stuck with the tax system that we inherited in 2010.

**James Morris** (Halesowen and Rowley Regis) (Con): Does the Minister agree that what the British people want, and what they voted for 10 months ago, is a Government who encourage growth, creating employment on a scale not seen for 30 years, and who take the low paid out of tax altogether while still focusing on investment in the health service and in mental health and other issues, making them a one nation, compassionate Conservative Government?

**Mr Gauke**: My hon. Friend puts it extremely well. Last May, the British people endorsed our long-term economic plan and we have to stick to it.

**Helen Goodman** (Bishop Auckland) (Lab): As the Financial Secretary to the Treasury has said, the cut in business rates has been welcomed by the small business community. In oral questions an hour ago, Department for Communities and Local Government Ministers said that local authorities would be completely compensated for that reduction, yet there is no sign of that in the Red Book either. Is this not simply another £1.7 billion black hole?

**Mr Gauke**: No, it is not. Local authorities will be compensated.

**Philip Davies** (Shipley) (Con): I very much support the Chancellor in wanting to live within our means and trying to balance the budget as quickly as possible. In my normal spirit of helpfulness, may I suggest that the problem is that too many Government Departments’ budgets are ring-fenced, meaning that the other Departments face cuts year after year? Is it not time to end the ludicrous ring-fencing of the international aid budget?

**Mr Gauke**: As always, I appreciate my hon. Friend’s spirit of helpfulness but I am afraid that I do not agree with him. It was a manifesto commitment by our party that we would fulfil the 0.7% target.

**Mr George Howarth** (Knowsley) (Lab): Harold Wilson once said that a week was a long time in politics. How long is a long-term economic plan? Three days? Four days? Five?

**Mr Gauke**: Let us be clear: this is a Government who have turned the economy round and delivered this country as the fastest-growing major western economy in 2014. We are forecast to be the fastest-growing again. We have record levels of employment. The deficit will be down by two thirds by the beginning of the next fiscal year. That is what this Government are delivering and will continue to deliver.

**Chris Philp** (Croydon South) (Con): Will the Financial Secretary confirm that spending on disability payments has increased by £2 billion over the past five years and will increase by a further £1 billion over the coming five years?

**Mr Gauke**: Actually, the figure is slightly more than that over the past five years. Disability spending has risen significantly under this Government, even though we inherited the largest deficit in our peacetime history.

**Ms Tasmina Ahmed-Sheikh** (Ochil and South Perthshire) (SNP): Today’s urgent question is not about the Budget documentation, the EU referendum or who is going to be the next leader of the Tory party, but about the hundreds of thousands of disabled people across this country and their fate. In the absence of the Chancellor today, will the Minister take the opportunity to apologise to all the disabled people across the country who have been left in turmoil over the past few days in relation to what support, if any, they are going to get from this Government? What are the future plans for them?

**Mr Gauke**: This is a Government who have increased spending on the disabled. My right hon. Friend the Secretary of State for Work and Pensions will shortly make a statement on Government policy in this area.

**Nadhim Zahawi** (Stratford-on-Avon) (Con): You frequently remind us, Mr Speaker, about the people listening and watching at home—our constituents. On the second day of the Budget debate the shadow Chancellor pledged that if the Government would look again at the personal independence plans, the Opposition would not play politics with that. Does my hon. Friend agree that this is too serious an issue to play politics with?

**Mr Gauke**: My hon. Friend has a point. We have had assurances about not playing politics once or twice before from the shadow Chancellor. I am not sure he has always delivered on that.

**Rachel Reeves** (Leeds West) (Lab): Last week’s Budget makes the 2012 omnishambles Budget look like a model of good policy making. Can the Financial Secretary confirm that the Red Book is still the basis for the Budget and, if it is, that the £4.4 billion cut to disability benefits still stands?

**Mr Gauke**: What is very clear from the plans that we have set out is that by the end of this Parliament we are on course to deliver a budget surplus that would have never happened if we had followed Labour’s plans.

**Mark Spencer** (Sherwood) (Con): Some 600,000 small businesses will benefit from the rate relief cut. Will the Financial Secretary continue to support those small businesses, which generate the jobs for those people who want to work and generate the tax to support those people who cannot?

**Mr Gauke**: Absolutely. I can give that assurance. This is a Government who are on the side of businesses—businesses that create the growth and jobs that we need—and the biggest threat to our recovery is the anti-business approach that we see from the Opposition.
Mr Gauke: The Government will be engaging with the Welsh Government and local authorities on that. The future for the Welsh economy would be best pursued by electing a Conservative Government in Wales, as well as in the United Kingdom.

Simon Hoare (North Dorset) (Con): Does my hon. Friend agree that it is thanks to the steadfast stewardship of the economy by our right hon. Friend the Chancellor and the Treasury team for the past six years that this year we have been able to introduce a Budget that has supported small businesses, supported the motorist, supported and helped local brewers and the pub industry, and that continues policies that support business and create jobs? Only steadfastness of purpose delivers that. Strength to the Treasury team’s elbow.

Mr Gauke: My hon. Friend puts it very well. This is a Government, and this is a Chancellor of the Exchequer, who have turned round the economy. We are in a position to be growing strongly compared with our international competitors, and we are bringing the public finances under control, having inherited the mess that would did in 2010.

Stephen Timms (East Ham) (Lab): The Chancellor made no effort to justify the cut in disability benefits in the Budget statement, beyond saying that it would save a lot of money. Yesterday, we heard from the former DWP Secretary that the Chancellor’s view is that people claiming disability benefits will never vote Conservative so there is no reason for restraint in cutting their benefits. Will the Financial Secretary respond to that allegation?

Mr Gauke: That was not even the allegation. The reality is that, if we look at spending on disability living allowance and personal independence payments, it has gone up since 2010 by £3 billion—that is not a Government who are cutting at the expense of disabled people.

Mr Robin Walker (Worcester) (Con): Will the Minister confirm that, as well as continuing to take thousands of my constituents out of paying income tax, and as well as shifting the burden of taxation from small businesses, through business rates, to multinationals, the Government remain committed to a progressive target of halving the disability employment gap?

Mr Gauke: Indeed. My hon. Friend makes a good point, and he is absolutely right to raise that. As I pointed out earlier, my right hon. Friend the Secretary of State for Work and Pensions will address that point, I am sure, later this afternoon.

Ian C. Lucas (Wrexham) (Lab): Last Wednesday, the Chancellor announced that this was a Budget for the next generation. Which member of the next generation will succeed the Chancellor?

Mr Gauke: Is that really the best the hon. Gentleman can do?
hit the disabled. If that is the case, why not also reverse another measure that disproportionately hits the disabled—namely, the disgraceful and appalling bedroom tax?

Mr Gauke: Let me deal with this point. During the whole of the last Parliament, we debated in this place measures to reduce spending and the Labour party constantly opposed them. It argued that we should borrow more—I presume this is what the hon. Gentleman means from what he has just said—to borrow less. If that is the position of the shadow shadow Chancellor, it is not much of an improvement on that of the shadow Chancellor. It is right that we try to find savings in the welfare budget, and the spare room subsidy is an important part of that.

David Morris (Morecambe and Lunesdale) (Con): Before I became a Member of Parliament, I was one of a dwindling number of self-employed people in this country. The self-employment sector now numbers 4 million-plus. Does my hon. Friend agree that we have cut back on red tape on self-employment and put more money into the self-employed, which is more than the Labour party did in 13 years? I was a self-employed person, so I can speak with authority on that.

Mr Gauke: My hon. Friend brings much expertise to this issue, and I know that he is very pleased that one of the things we were able to do in the Budget was to finally remove class 2 national insurance contributions. That was a tax on the self-employed and it was also a significant administrative burden, so I am pleased that we have been able to remove it.

Mark Durkan (Foyle) (SDLP): May I express the shock and sadness in my constituency at the loss of life of a family from Derry in Buncrana last night?

How can the Financial Secretary continue to talk about a long-term economic plan when he is describing what are increasingly ephemeral Budgets? Will the Government finally end the error of their ways in relation to the welfare cap and stop using it as a search engine for benefit cuts?

Mr Gauke: First, may I associate myself with the hon. Gentleman’s remarks and, through him, express the condolences of the whole House to the family who suffered so grievously last night?

On this Government’s approach, we believe that it is in the interest of the whole country that the public finances are on a sound footing. Reducing the deficit from a record level to surplus is a significant challenge, but it is one that we have to meet as a country, and we have to be willing to take the decisions that that involves. That is what this Government were elected to do in 2010 and what we were re-elected to do in 2015, and that is what we will do.

Mr David Burrowes (Enfield, Southgate) (Con): Will my hon. Friend confirm that there has been no change in the Budget commitment to tackle homelessness with a record boost of some £115 million, which is on top of the protection for the homeless prevention grant? That very much shows this Government’s credentials in protecting the vulnerable.

Mr Gauke: My hon. Friend is right to highlight that measure, which was announced last week. This Government are taking the issues of homelessness seriously and an important set of policies was announced last week.

Shabana Mahmood (Birmingham, Ladywood) (Lab): Given that the Chancellor has been warning us all about the so-called global cocktail of risks, and given that we learned from the Budget statement that our growth forecasts are down, as are those for our productivity, which is fast reaching crisis point, what possible justification can the Minister offer, considering all the other changes that have already been made to the Budget, for retaining the substantial cut to capital gains tax, which disproportionately benefits the better off and is simply a cut that, at this point, we do not need?

Mr Gauke: One of the important challenges that we face is improving productivity in this country. If we want to improve productivity, we want more investment. If we want more investment, we do not want high rates of tax that discourage investment. May I point out that in terms of capital gains tax, the rate is still higher than the one we inherited in 2010?

Richard Graham (Gloucester) (Con): Last week, I met two constituents. One of them, Mark, was unemployed for five years from 2007. He has now got a job in security through DWP funding for a Security Industry Authority course. Another, Luke, who has significant disabilities, has been helped by a specialist agency called Pluss to get a good job with B&M. Both those constituents of mine have benefited hugely from the compassionate conservatism that has driven our financial policy. Will my hon. Friend confirm that that will continue and that people such as Mark and Luke will continue to be helped?

Mr Gauke: I am very grateful to my hon. Friend for highlighting those examples. He puts the point well. There is something compassionate about having a society where there are plenty of jobs, and I am pleased that we as a Government are delivering that type of economy.

Mr David Anderson (Blaydon) (Lab): In the Chancellor’s speech last week, he referred to £20 million being given to build houses in the south-west of England, and said that that was “proof that when the south-west votes blue, their voice is heard loud here in Westminster.”—[Official Report, 16 March 2016; Vol. 607, c. 961.]

Does that not prove that this was not in the national interest; it is all about the political and personal interest of the Government and the Chancellor?

Mr Gauke: I remind the hon. Gentleman that there have been a number of city deals done with authorities in the north-east of England, and a number of deals done with Labour authorities around the country. The employment record in the north-east of England is extremely strong.

William Wragg (Hazel Grove) (Con): The Budget contained many welcome measures for my constituents. Will the Minister comment on the idea that it is a sign of strength to have a Government who listen? Perhaps we should compare that with Gordon Brown and his refusal to reconsider the 10p tax rate.
Mr Gauke: My hon. Friend reminds me about 2007 and 2008. There is a distinction between the two Governments: whereas Gordon Brown doubled the tax rate on low earners, we have abolished tax for low earners.

Nic Dakin (Scunthorpe) (Lab): Some £4.4 billion seems to have fallen out of the Budget. Will the Minister confirm that that is the case? When is the Chancellor going to come here and tell us where he is finding the money?

Mr Gauke: If the hon. Gentleman is worried about black holes in the public finances, he really ought to have a word with his own Front Benchers.

David Rutley (Macclesfield) (Con): Does my hon. Friend agree that the Government’s positive track record of tackling unemployment and creating apprenticeships clearly demonstrates their commitment not only to enterprise but to improving life chances?

Mr Gauke: The Government’s record is that, again and again, we have taken steps to improve the life chances of the British people. It also helps, in the long term, the life chances of the British people to have public finances under control. Only a Conservative Government will deliver that.

Mary Creagh (Wakefield) (Lab): Does the Minister agree with the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) that the cuts to personal independence payments for disabled people were “not defensible in the way they were placed within a Budget that benefits higher earning taxpayers”?

Mr Gauke: Let us be clear about this Government’s record, and let us put this in the context of what the Government have done. As a consequence of the policy changes that we have pursued, it will now be the case that the highest-earning 20% will pay more than half of all taxes. That would not have happened had we stuck with the policies we inherited.

Steve Brine (Winchester) (Con): The Financial Secretary to the Treasury will have noticed today that the new financial discipline of the shadow Chancellor has not lasted long, because speaker after speaker has promised to spend more and more money without any idea how they are going to pay for it. Will my hon. Friend pass on some thanks from me to the Chancellor, who found £2 million to start a new children’s hospital in Southampton? That will greatly benefit thousands of young people across the south and has nothing to do with the party politics that we are seeing in the Chamber this afternoon.

Mr Gauke: I am grateful to my hon. Friend. We can afford to take such steps, including funding our NHS properly, only because of the strong economy delivered by this Government and by this Chancellor over the past six years.

Ian Blackford (Ross, Skye and Lochaber) (SNP): We on the Scottish National party Benches agree that the deficit must be cut and that we must control the debt, but that that should not be done on the backs of the poor. With the disability cuts and the £3.5 billion of cuts to come in 2019-20, and with corporation tax cuts, capital gains tax cuts and an increase in the income tax threshold, does the Minister really believe we are all in this together?

Mr Gauke: I am pleased to hear that the hon. Gentleman believes we have to get the deficit and the debt under control. He will be aware that an independent Scotland, given what has happened to the oil price, would face the biggest deficit in the western world.

Nigel Huddleston (Mid Worcestershire) (Con): Will the Minister confirm what the top rate of income tax is today, what the top rate of income tax was for 99.3% of the previous Labour Government, and how many basic rate taxpayers have been taken out of paying income tax altogether under the Conservatives?

Mr Gauke: Forty-five, 40, and about 4 million.

Barry Gardiner (Brent North) (Lab): Does the Minister agree that it would have taken real courage for the Chancellor to come here today, and that in failing to show that courage he has shown he is not fit to lead his party? His failure of courage is not only that, however. It is a discourtesy to this House that renders us incapable of properly examining the Budget, because we do not know how the Chancellor proposes to meet his fiscal targets.

Mr Gauke: With the greatest of respect to the hon. Gentleman, that is a load of pompous nonsense. The Chancellor of the Exchequer will respond to the Budget debate, the first time a Chancellor has done so since the 1990s.

Lucy Frazer (South East Cambridgeshire) (Con): One of the best ways to improve the life chances of those who are either able-bodied or disabled is to invest in education. Does the Minister agree that the £1.6 billion investment set out in the Budget will help the next generation to get the best start in life?

Mr Gauke: This was an excellent Budget for education; it was an excellent Budget for the next generation. If we are going to have the prosperity and economic security the country wants, we have to have a world class education system. That is exactly what the Government are in the process of delivering.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): Is it fair to make £4.4 billion of cuts to disabled people through the personal independence payment when they are twice as likely to live in poverty, and at the same time give tax breaks in corporation and capital gains tax?

Mr Gauke: As I say, there will be a statement on personal independence payments later this afternoon. In the past six years, we have seen a significant increase in real-terms spending on the disability living allowance and PIP. We also need to ensure we have a productive economy that creates wealth in the first place. I make no apologies for our wanting to have a competitive tax system.
Rebecca Pow (Taunton Deane) (Con): One notable point in the Budget was that self-employed people got some help. They can often be the unsung heroes of our communities and they play such an important part in our local business. Does the Minister agree that by helping them the Government are really demonstrating that they understand what makes the economy work, and, ultimately, what will benefit so many more people?

Mr Gauke: My hon. Friend is absolutely right. The Government are backing the 4 million self-employed people we have in this country, whether through help with business rates or help with national insurance contributions. We are on the side of those who are going out, taking a risk, working for themselves and creating wealth for the British people.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): Nearly 7,000 people with disabilities across Cardiff and the Vale of Glamorgan would have been hit by the cut to PIP. The Minister has not answered these questions, so I will ask them. Where is the Chancellor and why he is not here to apologise? Secondly, how will the £4.4 billion black hole be filled?

Mr Gauke: The Chancellor has worked tirelessly to turn the British economy around, and he is continuing to do that. In terms of a black hole, I just point out that every single day we hear proposals from the Labour party to oppose some spending item or tax cut—more borrowing, borrowing, borrowing.

Craig Williams (Cardiff North) (Con): This welcome Budget for Cardiff is delivering the Cardiff city deal, in stark contrast to the Labour Assembly Government, who are the most centralising Government in western democracy. Businessmen and women welcome the business rates relief; and the localism in the Budget is incredibly popular. Would my hon. Friend encourage the Labour Assembly Government to follow our lead and empower businessmen and women?

Mr Gauke: If the Welsh Assembly Government are to follow our lead, they need to change their leadership, and there will be an opportunity to do that in just a few weeks.

European Council

4.15 pm

The Prime Minister (Mr David Cameron): With permission, Mr Speaker, I would like to make a statement on last week’s European Council, which focused on the migration crisis affecting continental Europe.

The single biggest cause has of course been the war in Syria and the brutality of the Assad regime, but we have also seen a huge growth in the numbers of people coming to southern Europe from Afghanistan, Pakistan and north Africa, all facilitated by the rapid growth of criminal networks of people smugglers. There are over 8,000 migrants still arriving in Greece every week, and there are signs that the numbers using the central Mediterranean route are on the rise again. So far, 10,000 have come this year.

Of course, because of our special status in the European Union, Britain is not part of the Schengen open border arrangements—and we are not going to be joining. We have our own border controls, and they apply to everyone trying to enter our country, including EU citizens. So people cannot travel through Greece or Italy onward to continental Europe and into Britain, and that will not change. It is in our national interest, however, to help our European partners deal effectively with this enormous and destabilising challenge.

We have argued for a consistent and clear approach right from the start: ending the conflict in Syria; supporting the refugees in the region; securing Europe’s borders; taking refugees directly from the camps and neighbouring countries but not from Europe; and cracking down on people-smuggling gangs. This approach, of focusing on the problem upstream, has now been universally accepted in Europe, and at this Council it was taken forwards with a comprehensive plan for the first time.

As part of the plan, the Council agreed to prevent migrants from leaving Turkey in the first place; to intercept those who do leave, while they are at sea, and to turn back their boats; and to return to Turkey those who make it to Greece. There can be no guarantees of success, but if this plan is properly and fully implemented, it will, in my view, be the best chance to make a difference. For the first time, we have a plan that breaks the business model of the people smugglers by breaking the link between getting in a boat and getting settlement in Europe.

I want to be clear about what Britain is doing, and what we are not doing, as a result of this plan. We are contributing our expertise and our skilled officials to help with the large-scale operation now under way. Royal Fleet Auxiliary ship Mounts Bay and Border Force vessels are already patrolling the Aegean, British asylum experts and interpreters are already working in Greece to help them process individual cases, and at the Council I said that Britain stood ready to do even more to support these efforts. Above all, what is needed, and what we are pushing for, is a detailed plan to implement this and to ensure that all the offers of support from around Europe are properly co-ordinated. Our share of the additional money, which will go to helping refugees in Turkey under this agreement, will come from our existing aid budget.

Let me also be clear about what we are not doing. First, we are not giving visa-free access for Turks coming to the UK. Schengen countries are planning to give
[The Prime Minister]

visa-free access to Turks, but because we are not part of Schengen we are not bound by their decision. We have made our own decision, which is to maintain our own borders, and we will not be giving that visa-free access.

Secondly, visa-free access to Schengen countries will not mean a back-door route to Britain. As the House knows, visa-free access only means the right to visit; it does not mean a right to work or to settle. For instance, just because British citizens can enjoy visa-free travel for holidays to America, it does not mean they can work, let alone settle there. Neither will this give Turkish citizens those rights in the EU.

Thirdly, we will not be taking more refugees as a result of this deal. A number of Syrians who are in camps in Turkey will be resettled into the Schengen countries of the EU, but again that does not apply to Britain. We have already got our resettlement programme and we are delivering on it. We said we would resettle 20,000 Syrian refugees over this Parliament, taking them directly from the camps, and that is what we are doing. We promised 1,000 resettled here in time for last Christmas, and that is what we delivered. The other 27 EU countries agreed to two schemes, one of which was to relocate 160,000 within the EU, but by the time of last December’s Council only 208 had been relocated.

The second scheme was to have a voluntary resettlement scheme for 22,500 from outside the EU, but by the end of last year just 483 refugees had been resettled throughout the 27 countries.

We said what we would do and we are doing it. Britain has given more money to support Syrians fleeing the war, and the countries hosting them, than any other European country. Indeed, we are doing more than any country in the world other than the United States, spending over £1 billion so far, with another £1.3 billion pledged. We are fulfilling our moral responsibility as a nation.

Turning to the central Mediterranean, the EU naval operation we established last summer has had some success, with over 90 vessels destroyed and more than 50 smugglers arrested. HMS Enterprise is taking part and we will continue her deployment throughout the summer. What is desperately needed is a Government in Libya with whom we can work, so that we can co-operate with the Libyan coastguard in Libyan waters to turn back the boats and stop the smugglers there, too. There is now a new Prime Minister and a Government we have recognised as the sole legitimate authority in Libya. These are very early days, but we must do what we can to try and make this work. That is why at this Council I brought together leaders from France, Germany, Italy, Spain and Malta to ensure that we are all ready to provide as much support as possible.

Turning to other matters at the Council, I took the opportunity to deal with a long-standing issue we have had about the VAT rate on sanitary products. We have had some EU-wide VAT rules in order to make the single market work, but the system has been far too inflexible, and this causes understandable frustration. We said we would get this changed and that is exactly what we have done. The Council conclusions confirm that the European Commission will produce a proposal in the next few days to allow countries to extend the number of zero rates for VAT, including on sanitary products. This is an important breakthrough. Britain will be able to have a zero rate for sanitary products, running the end of the tampon tax. On this basis, the Government will accept both the amendments tabled to the Finance Bill tomorrow night.

My right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) spent almost a decade campaigning for welfare reform and improving people’s life chances, and he has spent the last six years implementing those policies in government. In that time, we have seen nearly half a million fewer children living in workless households, over a million fewer people on out-of-work benefits and nearly 2.4 million more people in work. In spite of having to take difficult decisions on the deficit, child poverty, inequality and pensioner poverty are all down. My right hon. Friend contributed an enormous amount to the work of this Government and he can be proud of what he achieved.

This Government will continue to give the highest priority to improving the life chances of the poorest in our country. We will continue to reform our schools. We will continue to fund childcare and create jobs. We will carry on cutting taxes for the lowest-paid. In the last Parliament, we took 4 million of the lowest-paid people out of income tax altogether and our further rises will take many, many more out, too. Combined with this, we will go on with our plans to rebuild sink estates, to help those with mental health conditions, to extend our troubled families programme, to reform our prisons and to tackle discrimination for those whose life chances suffer because of the colour of their skin. And, in two weeks’ time, we will introduce the first ever national living wage, giving a pay rise to the poorest people in our country. All of this is driven by a deeply held conviction that everyone in Britain should have the chance to make the most of their lives.

Mr Speaker, let me add this. None of this would be possible if it was not for the actions of this Government and the work of my right hon. Friend the Chancellor in turning our economy around. We can only improve life chances if our economy is secure and strong. Without sound public finances, you end up having to raise taxes or make even deeper cuts in spending. You do not get more opportunity that way; you get less opportunity that way, and we know that, when that happens, it is working people who suffer, as we saw in Labour’s recession. So we must continue to cut the deficit, control the cost of welfare, and live within our means. We must not burden our children and grandchildren with debts that we did not have the courage to pay off ourselves. Securing our economy and extending opportunity, we will continue our approach in full, because we are a modern, compassionate, one-nation Conservative Government. I commend the statement to the House.

4.25 pm

Jeremy Corbyn (Islington North) (Lab): I thank the Prime Minister for an advance copy of about half his statement. Let me deal with the points that he made in order.

The refugee crisis that Europe currently faces is the largest since the end of the second world war. There are more displaced people than there has been at any time in recorded history. Thousands of people have died making perilous journeys across the Mediterranean and in other places around the world.
As an advanced, democratic, civilised nation, we have a duty to reach out the hand of humanity, support and friendship to people who are going through the most disastrous time of their lives.

We should also recognise that a disproportionate burden has been placed on Syria’s neighbours. Jordan and Lebanon have accepted a very large number of refugees, as has Turkey. Among the European countries, Italy and Greece, as border countries, have done far more than anyone else, but Germany and Sweden have taken a very large number of asylum seekers. There has not been a balanced response throughout Europe.

Has the Prime Minister had a chance to read the statement made by Amnesty International at the weekend, after the agreement was reached? Amnesty is normally noted for its cautious use of words and the careful way in which it describes things; it is, after all, an organisation dedicated to human rights and the rule of law. The statement reads as follows:

“Guarantees to scrupulously respect international law are incompatible with the touted return to Turkey of all irregular migrants arriving on the Greek islands as of Sunday. Turkey is not a safe country for refugees and migrants, and any return process predicated on its being so will be flawed, illegal”, and it goes on to register further concerns. I ask the Prime Minister to respond carefully to the very reasonable points put by Amnesty International.

Will the Prime Minister confirm that when Greece receives asylum seekers from Turkey, they will all be interviewed individually? Will he confirm that they will all have access to interpreters, a right to a hearing and a right of appeal, even if the interviewing is done by officials who have come from other countries on behalf of the European Union? Will he confirm that those who are returned to Turkey will have similar rights there, and that they will, in turn, be properly treated? He must be well aware of the deep concern that many people feel about the recent events in Turkey, particularly the imprisonment of journalists who have attempted to speak out about a number of matters.

It is clear that the issue of the number of people seeking asylum in Europe is heavily bound up with the wars that have taken place, or continue to take place. The Prime Minister rightly spoke of the need for a political settlement in Syria and in Libya. Can he give us some information on progress that may have been made towards bringing about a political settlement in Syria that will enable people to return to their own homes, and to lead safe and secure lives? The situation in Libya is equally perilous for many people, especially those in insecure refugee camps.

The Prime Minister will be well aware that many of those who seek asylum in other countries make the perilous journeys to which I have referred. They also end up in refugee camps with very limited facilities, despite the great work done by volunteers. I have visited the camps in Calais and Dunkirk, which are in an appallingly perilous situation. Those people are in a very perilous situation. They are all humans, to whom we must reach out the hand of friendship and support.

I recognise that the British Government have paid a great deal of money through the Department for International Development to support refugees in camps around the world. I recognise the work of the Royal Navy in plucking people from the sea and saving them from drowning. However, the Prime Minister still seems to be stuck in the narrative of saying that Britain will accept only 20,000 refugees over the next four years and that they will be taken from camps in the region, not from those facing problems as they get stuck while travelling across Europe. Can we not for once, please, Prime Minister, co-operate with every other European country on a European-wide response to the crisis engulfing the lives of so many people, rather than avoid our responsibilities?

In the advance copy I received of about half of the Prime Minister’s statement, he went on to talk about the VAT on sanitary products and one or two other issues, but he then delivered a much longer speech on many other things. The House should pay great tribute to my hon. Friend the Member for Dewsbury (Paula Sherriff) for her work on trying to eliminate this unfair tax.

The Prime Minister is here today, the new Secretary of State for Work and Pensions is here today, and practically every other Cabinet Minister is here today, but what has happened to the Chancellor of the Exchequer? Where is he? Instead of covering for his friend, could the Prime Minister not have asked him whether he would be kind enough to come along to the House to explain why, for the first time in Parliament in my memory, a Government’s Budget has fallen apart within two days of its delivery? There is an enormous hole in the Budget which has been brought about through a possible temporary retreat on changes to personal independence payments. Can the Prime Minister guarantee that there will be no further cuts to the Department for Work and Pensions budget and that more people with disabilities will not face more cuts as the years go on?

Can he tell us why he is still defending a Budget that not only has inequality and a tax on the disabled and the poorest in our country at its core, but provides tax relief to the richest and the biggest corporations? The Budget has a big hole in it and it is up to the Prime Minister to persuade his great friend the Chancellor to come here to explain how he will fill that hole. Perhaps the Chancellor should consider his position and look for something else to do, because he clearly has not been successful at producing a balanced Budget that is in the interests of everyone in the country, particularly those with disabilities.

The Prime Minister: I thank the right hon. Gentleman for his response. First, on refugees, he says that we have a duty to help, and he is right and we have helped. We have spent billions of pounds—more than any other European country—supporting refugees in refugee camps, and the Royal Navy has helped in huge measure, as he said, picking people out of the sea and saving countless lives. We are taking 20,000 refugees from the neighbouring countries. Looking at the figures and what other European countries have done, we have put in place a plan and have delivered it far faster than many other, indeed most other, European countries.

The right hon. Gentleman’s second point was about Amnesty International. He is absolutely right that we must respect international law and the role of the United Nations High Commissioner for Refugees, and the Council conclusions and the agreement with Turkey make that clear, but it is not right to say that Turkey is an unsafe country for Syrian refugees. That is slightly insulting to the Turks, who are currently hosting 2.6 million people who have fled Syria. What is going to happen is that those who do not apply for asylum will be immediately returned to Turkey. Those who do apply will go through...
As for the Budget, let me remind the right hon. Gentleman: this Budget increased funding for our schools; this Budget took more low-paid people out of income tax; this Budget froze fuel duty to help hard-working people; this Budget helped the poorest in our country to save; and this Budget backed small business, which is why it is going to strengthen the economy and make sure we have a fairer society.

Crispin Blunt (Reigate) (Con): The fifth point of the Council conclusions says:

“The EU reiterates that it expects Turkey to respect the highest standards when it comes to democracy, rule of law, respect of fundamental freedoms, including freedom of expression.”

Any reference to that was absent from the accompanying EU-Turkey statement. How many Kurds have to be killed by the Turkish security forces before we no longer regard Turkey as a first country of asylum or safer third country, not least for Syrian Kurds?

The Prime Minister: First, my hon. Friend is right to say that the conclusions mentioned the importance of commitment to democracy, to freedom of speech, and to a free press. At the earlier EU-Turkey Council that was spelt out in even more detail, with the mention even of the name of the newspaper that has faced difficulties. All European countries, including this one, raise this issue at every available opportunity. The point I would make is that for Syrians seeking refuge Turkey has been a safe place, and we should pay tribute to Turkey for looking after 2.6 million of those people. But we should also make the point that anyone who does genuinely face a fear of persecution in Turkey will be able to take that claim through their asylum claim.

Angus Robertson (Moray) (SNP): May I, too, thank the Prime Minister for advance sight of the first half of his statement? As this is a statement on the European Union summit, may I begin by discussing the EU-Turkey joint action plan? The statement had much to say about Turkey, Greece, refugees from Syria and elsewhere, and the impact and management of migration to the Schengen zone countries. In the Prime Minister’s statement I counted a record 12 things the UK is not going to do, so given the projection of refugee numbers for this year, what will it take for the UK to review its 20,000 limit on accepting refugees? With the attempts to close the West Balkan route for refugees, will the Prime Minister update us on what that will mean for attempted crossings from Libya? Last week, in Prime Minister’s questions, I asked about UK plans to send troops to Libya. The Prime Minister chose his words very carefully. He said that he had no plans to send “conventional” forces to Libya. Will the Prime Minister acknowledge that he has a policy of neither confirming nor denying the presence of special forces? Will he also confirm that operations conducted by special forces are not subject to parliamentary oversight by either the Intelligence and Security Committee or the Defence Committee?

We very much welcome the agreement on VAT on sanitary products. It would be gracious of the Prime Minister to thank my hon. Friend the Member for Glasgow Central (Alison Thewliss) who was the first Member of this House to table amendments to the Finance Bill, and tributes should be paid to Members across all parties who campaigned for that welcome change.

[The Prime Minister] a rapid process with all the proper procedures in place. As the agreement says, all irregular migrants will be returned to Turkey because it is a safe country for refugees. It is, of course, different for anyone that it is not safe for. The right hon. Gentleman is missing the point, which is, of course, that it sounds very compassionate to say to refugees, “Keep coming, you can come in”, but by doing so you are encouraging people to make a perilous journey, where so many have lost their lives. It is actually a more compassionate thing to do to make sure you have firm borders and proper processes, and that you support the refugees in the countries they are in. We should not be encouraging more people to travel.

The right hon. Gentleman asked about the Syrian peace process, and I can tell him that the ceasefire is holding better than people expected, so, as a result, the talks are still under way. We are hopeful of progress but it will be slow and difficult. In Libya, there is a new Prime Minister, as I have said. The Foreign Secretary spoke to him over the weekend and, for the reasons the right hon. Gentleman gives, we are going to give him every support we can.

The right hon. Gentleman asked questions about Calais, so let me say this to him. Of course everyone is disturbed by the pictures of what happens in Calais and in those camps, but there is a very simple answer for those people: France is a safe country and if they want asylum, they should apply for it in France. If there are children in those camps who have direct family in Britain, they can apply for asylum in France and, under the Dublin convention, join their family here in Britain. We should not be doing anything to discourage people from taking that correct step.

The right hon. Gentleman asked whether we will take people from inside Europe, but I do not think that is the right answer. I would argue that the approach the Home Secretary and I set out almost a year ago of tackling this problem upstream, concentrating on borders, and taking asylum seekers from the refugee camps rather than from inside Europe is a better approach, which more and more countries in Europe can now see the merits of. He asked whether this is a European plan. Yes, it is, and we are part of it. We were one of the important countries at this Council arguing to get this deal done and to implement it properly, because although it has many imperfections, it is our best hope of trying to stem this tide of people coming towards Europe, and all the misery that is causing and bringing.

On the issue of the tampon tax, I am sorry, as I should have paid tribute to the hon. Member for Dewsbury (Paula Sherriff) for the very hard work she has done. I am delighted that we have now got this proposal coming forward.

The Chancellor of the Exchequer will be in the House tomorrow, winding up the Budget debate; you have the First Lord of the Treasury today and you are going to have the Second Lord of the Treasury tomorrow. When it comes to holes in the Budget, we could perhaps hear from the timelords who sit on the Opposition Benches, because they left us the biggest black hole there ever was. When I became Prime Minister, we had an 11% budget deficit forecast—that was the biggest budget deficit anywhere.
In the second half of the Prime Minister’s statement on the civil war within the Government, will he confirm that he, the Chancellor of the Exchequer, the Secretary of State for Scotland and his whole Cabinet agreed last week to cut support for the disabled by £4.3 billion while at the same time handing a tax cut to the very wealthy? I have repeatedly asked the Prime Minister about the devastating impact of benefit cuts to the most vulnerable, including the disabled and ill, many of whom will go on, sadly and tragically, to take their own lives. Does the Prime Minister understand that people watching the ongoing fail-out in the Conservative party are totally horrified that more time is spent talking about the jobs of Tory Ministers than about the impact of his damaging policies on the weakest in society?

The Prime Minister: First, on the 20,000, let me say to the right hon. Gentleman that what we have said—I will repeat this again—is that we are looking at the issue of child migrants and those whom we can help more of. We took in 3,000 last year. Of the 20,000, we expect many to be children. We have said that we are working with the United Nations High Commissioner for Refugees on that, but again we are looking at children in the region, and we have talked about potentially taking in hundreds rather than thousands, and my right hon. Friend the Home Secretary is examining that.

On the West Balkan route, I am not surprised that countries have decided to erect borders, as they have been very concerned about the huge flow of people through that route, but, obviously, everything that the Schengen countries and Europe as a whole can do to secure the external borders of Europe the better, and that is what we are helping with. I do not think that it has particular implications for Libya. Most of those migrants have been coming through Malta and Italy, and we do need to address that.

On special forces, let me confirm the long-standing policy, which is that all Governments have exactly the same approach, and we have not changed that at all. On sanitary products, I am very happy to pay tribute to the hon. Member for Glasgow Central (Alison Thewliss) and apologise for missing her out.

On disability, we are not going ahead with the changes that were put forward, but let me say what we are going ahead with. When I became Prime Minister we were spending £42 billion on disability benefits, and by the end of this Parliament, we are forecast to be spending more than £46 billion, which is a real-terms increase of more than £4 billion. What we did in that Budget was help to take low paid people out of tax and assist in many, many ways, which is why it was a good Budget and we have taken the right decisions.

Mr Kenneth Clarke (Rushcliffe) (Con): In addition to the refugees whom we are taking from the camps, each year thousands of people enter this country irregularly and by other means from North Africa and the middle east seeking asylum, and many of those requests are granted. Those numbers are increasing. Does the Prime Minister agree that it is a complete mistake to regard the current grave crisis over migration as something that is apart from the United Kingdom if only we were not in the European Union? Does he agree that it is in the British interest that he continues to play an active and leading role in these European Council discussions to try to achieve a solution to the external European border and how we will deal with genuine migrants in civilised conditions and return those who have no claim to be here? Will he continue to commit to the European effort the Navy, the aid money, and the resources that we are giving, together with his diplomatic and political efforts?

The Prime Minister: I thank my right hon. and learned Friend for his remarks. He is right that whether we are in the European Union or out of the European Union, there is still a migration crisis affecting the continent of Europe, and that does have knock-on effects on us. The more people who come, the more people who end up at Calais and the greater the problem we have. I would argue that we have the best of both worlds because we are at round the table trying to solve this problem, and good progress has been made, but because we are not in Schengen and not in these resettlement schemes, we keep our own decisions about borders and about visas and all the rest of it. Clearly, it does benefit us to co-operate, so we should continue to do that and continue to recognise that Britain can bring its experience to bear in helping our friends in Greece, who now face a real crisis in their country and deserve our help.

Tim Farron (Westmorland and Lonsdale) (LD): I thank the Prime Minister for his statement and for his somewhat revised and lengthy assessment of the merits of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). Let us be clear, though: the Turkey-EU deal is the result of failure by European leaders, including our own Prime Minister, to develop safe, sustainable and humane routes for refugees who are fleeing for their lives. It is inoperable, may well be illegal, and puts politics and public image above protecting human lives. Given that the Prime Minister is today at pains to stress that he is a compassionate Conservative, will he show some compassion to the 43,000 people currently stuck in Greece, including 20,000 children, and offer sanctuary to some of them, particularly the incredibly vulnerable unaccompanied children and families with babies?

The Prime Minister: I have to say that I profoundly disagree with the hon. Gentleman. The idea that if we had found safe routes for people to come to Europe then somehow all the people-smuggling, the criminal gangs and the mass movement of people would have come to an end is complete and utter nonsense. We have to have some hard borders. A country is responsible for its borders, and if it is an external country to the European Union, it is particularly responsible for its border. The combination of harder border controls but compassion in helping refugees in the region is the right answer. We play our part by putting in the money and by taking the 20,000 refugees, but the idea that if we open up safe routes the whole problem will be solved is complete nonsense.

Sir William Cash (Stone) (Con): Given the extraordinary difficulties that occurred with regard to the charter of fundamental rights, and the human rights and the asylum laws, how does my right hon. Friend propose that the Turkey deal will be legally, let alone politically, enforceable?

The Prime Minister: It is the view of the legal adviser to the European Council that what is being proposed is legal. Is it difficult to achieve? Yes, absolutely it is,
because we have to consider each case individually. Is it possible, if we designate Turkey as a safe country for Syrian refugees, to return people there? Yes, it is possible. Looking at the problems we have had with mass movements of people over the years, we have to have a set of measures that break the link between getting in a boat and getting settlement. Until we do that, we are basically unable to deal with the crisis. That is what Europe has now set out to do, and we should encourage it in that goal.

Keith Vaz (Leicester East) (Lab): I agree with the Prime Minister that progress has been made, but it has come at a cost. Turkey will be getting €3 billion, and it has asked for another €3 billion by the end of 2018. Greece, on the other hand, which has to process, house and return these migrants, has not been pledged any additional resources. Does he agree that next we need to take preventive action through Frontex to stop the criminal gangs exploiting those migrants, who now come through different routes?

The Prime Minister: I am grateful for what the right hon. Gentleman says. I would argue, first, that the money that is going to Turkey is not money for Turkey—it is money for Syrian refugees in Turkey and for it to make sure they are properly looked after. We have given support to Greece; there is a European programme to help. But above all Greece needs support from experts—translators and those with asylum expertise—which all the main countries in Europe are now offering to provide. What is required is a plan to make sure that it gets what it needs. I think that help in kind will probably be more useful for firming up the Greek system than just giving it money.

Several hon. Members rose—

Mr Speaker: Order. Pressure on time requires brevity, in my experience unfailingly represented by Mr John Redwood.

John Redwood (Wokingham) (Con): Thank you, Mr Speaker. Given the obvious difficulty in unifying the very varied economies and societies of the current EU, why is now a good time to accelerate possible Turkish membership?

The Prime Minister: It is not remotely on the cards that that will happen for many, many years to come. Every country—including this country—has a veto at every stage. For example, the French have said that they will not take kindly to the idea that we must cut benefits for vulnerable people in order to hand over every penny to the EU.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The EU-Turkey deal will do nothing to help the 26,000 child refugees who are already alone in Europe. I met 12-year-olds who were alone in Calais this morning with no one to look after them. If the House of Lords votes this evening to support the Alf Dubs amendment to help 3,000 child refugees, will the Prime Minister drop his opposition and support children, as we did with the Kindertransport which many decades ago helped to save the life of Alf Dubs?

The Prime Minister: We do not support the Dubs amendment because, as I said previously, we think it is right to take additional children over and above the 20,000 refugees, but to take them from the region and to do so by working with the United Nations High Commissioner for Refugees. I think that the unfairness, if I might say that, of comparing child migrants in Europe with the Kindertransport is that countries such as European Council
as France, Germany, Italy and Spain are safe countries, where anyone who claims asylum and has family in Britain is able to come to Britain. I do not believe that it is a fair comparison.

Sir Nicholas Soames (Mid Sussex) (Con): All Conservative Members were delighted to hear the Prime Minister reaffirm with vigour and confidence his determination to continue as a great reforming Government with the successful central themes of his Administration. Will he review whether there is a need to add to the deployment of HMS Enterprise in Libyan waters, and perhaps add other vessels in support?

The Prime Minister: There may well be a need to do more. There are two operations under way. There is a NATO operation in the Aegean, and, frankly, we want that operation to do more. At the moment, it is not sufficiently able to work with the Turkish coastguard in Turkish waters to send back boats to Turkey, and we want that to happen. There is also Operation Sophia in the central Mediterranean, where we have HMS Enterprise. Frankly, as the weather improves, I am concerned that the central Mediterranean route will open up again. That is why I held a meeting with the other Prime Ministers and Presidents to say that we have all got to put in more resources, recognising that we cannot let this route open up just as we sort out—or hope to sort out—in the central Mediterranean, where we have HMS Enterprise. There is also Operation Sophia in Turkish waters to send back boats to Turkey, and we want that to happen. At the moment, it is not

The Prime Minister: First, on what President Grybauskaite has said, we are very clear that this deal must be compliant with international law and with international norms. That is exactly what the European Commission, the European Council and all the countries that are helping Greece will make sure is going to happen. The key thing is that if Turkey is a safe country for Syrian refugees, it should be possible to return Syrian refugees to Turkey, because they should be applying for asylum there rather than going on with their journey.

On the second issue that the hon. Gentleman raises, as I explained in my statement, if the rest of the EU gives visa-free access to Schengen for Turks, that is a right to travel and it is a right to visit; it is not a right to work and it is not a right to settle, and it does not in any way change their rights to come to the UK. I think there is quite a lot of scaremongering going on about this issue, because we are not changing our borders or our visa proposals one bit.

Dr Julian Lewis (New Forest East) (Con): Does the Prime Minister share my concern about the steady Islamisation of Turkish society by its Government? Does he share my surprise that Turkey is now so confident that it can stop the boats coming, when it has not been able to or has not wished to do so in the past? Finally, does he share my fear that mass migration to Europe will fuel the rise of far-right, neo-Nazi parties in EU countries that were foolish enough to get rid of their national borders?

The Prime Minister: I am in the happy position of being able to agree with my right hon. Friend on all those things. As someone who spent time in Turkey as a student, I think its secularism and its belief in wanting to become more like a western democracy is one of its strengths, and we should encourage it. I also agree with him that countries that do not properly control their borders risk the rise of unsavoury elements, and that is why it is so important we maintain our borders. Obviously, when it comes to the issue of wanting to return migrants to Turkey, it is very important that Turkey is and remains a safe country, but that is what it is today.

Liz Kendall (Leicester West) (Lab): The Prime Minister says he is a compassionate Conservative leading a one nation Government, so how does he feel when a former leader of his party and a member of his Cabinet for six years says this simply is not true?

The Prime Minister: Obviously, we have worked very closely together for the last six years, and I am very proud of the things that we have done together. It is this Government that have lifted almost 4 million people out of income tax. It is this Government that have seen an increase in disability benefit. Above all, it is this Government—a lot of this is thanks to the hard work of my right hon. Friend. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith)—that, because of the growing economy and the changes to welfare, have seen 2.4 million people get work in our country. Behind those statistics are human beings who are able to put food on the table and have a better life for their families because of the work that we have done together. I am sad that my right hon. Friend has left the Government, but I guarantee that the work of being a compassionate Conservative Government will continue.

Mr Keith Simpson (Broadland) (Con): Given the nature of the terrorist threat, does my right hon. Friend agree with me about how important it is that European countries’ intelligence and security agencies co-operate fully with ours in defeating terrorism, and that it is absurd to suggest that membership of the EU is likely to result in terrorist attacks on the United Kingdom?

The Prime Minister: It is important that our agencies work together. On the whole, that will be on a bilateral basis, but it is worth understanding that in the modern European Union, there are a series of mechanisms to do with criminal records, border information, watch lists and passenger name records, all of which help to keep us safer than we would otherwise be. To be completely fair, if we left the EU we could try to negotiate our way back into some of those things, but it would take time, and this prompts the question: if you want to get back into them, why are you getting out of them?

Chris Leslie (Nottingham East) (Lab/Co-op): Will the Prime Minister now justify the nearly £3 billion giveaway in capital gains tax for the wealthy?

The Prime Minister: I think it is right to cut capital gains tax, because we want to have an enterprising economy in which entrepreneurs want to get out there, set up businesses, and create wealth and jobs to generate
[The Prime Minister]

the tax revenues that pay for the health service and the schools that we want for our country. I note that the capital gains tax rate, at 20%, will be a little bit higher than it was when the hon. Gentleman was last in government. Because we are not cutting it for carried interest, we will not have to face the absurd situation we had when he was in government in which people working in the City were paying less tax than the people who cleaned their offices.

Mrs Anne Main (St Albans) (Con): The Prime Minister just sought to reassure my right hon. Friend for Wokingham (John Redwood) that the accession of Turkey was a very long way off. Is this uncertainty what staying in looks like?

The Prime Minister: I have described the situation as best I can. For any new accession, there is veto by every country at every stage. As I see it, if we look at certain countries such as France, we find that there is no prospect of the French allowing full Turkish membership of the EU. In this debate that we are having about Europe—my hon. Friend and I will unfortunately be on opposite sides of the debate, but I promise that it will be a civilised one—I want to get rid of any of the potential scares on either side of the argument. Let us argue about what is actually going to happen rather than things that are not going to happen.

Paul Flynn (Newport West) (Lab): There is merit in selecting the asylum seekers in greatest need, because those people will have the most serious health problems—for some of them, lifelong health problems. Will the Prime Minister agree to compensate those authorities that fully take asylum seekers in, and, in the interests of the asylum seekers and the local community, will he help to spread these asylum seekers fairly throughout the country? Will he tell us how many asylum seekers his constituency helped last year and how many he expects to welcome this year?

The Prime Minister: First, the hon. Gentleman is right to say that by selecting the 20,000 from the refugee camps, with the help of organisations such as the UNHCR we can try to choose the most vulnerable people who might have disabilities or other issues with which we in a civilised country like the United Kingdom can help. On the issue of helping local authorities, there is DFID money in year one, and we are coming forward with this package for subsequent years.

As for my own constituency, a number of families have been resettled, although I do not have the number off the top of my head. I agree with the hon. Gentleman that we want to encourage more local authorities to come forward, which is where the Under-Secretary of State for Refugees, my hon. Friend the Member for Watford (Richard Harrington), is working so hard.

Damian Green (Ashford) (Con): Many of us were delighted to hear the Prime Minister recommit himself to running a one nation Conservative Government, which is what the country voted for only last May. On the issue of refugees, does he agree that it is increasingly clear that this terrible crisis can be solved only through collective action at a European level? Will he commit the British Government to continue to play a leading and constructive role in facing this crisis?

The Prime Minister: I thank my right hon. Friend for what he said. It does require collective action, because the scale of the challenge is so great that it needs the Greek border to be harder and more efficiently run, which requires assistance from other countries. In my view, it also requires the presence of military assets, including NATO assets in the eastern Mediterranean and other assets in the central Mediterranean, to help the civilian authorities with the work they do. Where Britain can bring a lot of experience and left to this is as Europe’s leading military power and as a great expert in how to deal with asylum applications and processes and all the complicated legalities. We are well placed to help on every front.

Paula Sherriff (Dewsbury) (Lab): I would like to thank the Prime Minister for what he said about the so-called tampon tax. This is a great victory for all who have campaigned on this issue, and I am sure that the whole House will congratulate Laura Coryton, whose petition did so much to raise awareness. Will the Prime Minister confirm that he will accept our cross-party amendment tomorrow to provide for a zero rate of VAT in this year’s Finance Bill, and that the Bill will pass through this House before the referendum in June? Will he pledge that this vital funding for women’s services that was provided from the receipts of this VAT will continue? I hope that today is the day on which we can consign the vagina-added tax to history.

The Prime Minister: May I once again pay tribute to the hon. Lady, not least for that new epithet? I think that one will live on in Hansard for many years to come. I should also like to pay tribute to my hon. Friend the Member for Berwick-upon-Tweed (Mrs Trevelyan) for the work that she has done. We will be accepting the amendment, and I am sure that the timing will be discussed further. For my part, all I can say is that getting over the language barriers to explain the arguments on sanitary products in a 28-person European Council is something that will stay with me for a while.

Several hon. Members rose—

Mr Speaker: Order. I would call the hon. Member for Berwick-upon-Tweed (Mrs Trevelyan) if she were standing, but she is not so I cannot do so. There you are. You have a chance: if you stand, you will get in.

Philip Davies (Shipley) (Con): The Prime Minister has reiterated his Government’s support for Turkey’s accession to the European Union. In doing so, he helpfully pointed out that there would be no status quo option in the forthcoming referendum. What assessment has he made of the long-term effect on migration from Turkey, and of any additional costs to the UK taxpayer in increased contributions to the EU, if it were to join? Or is he in favour of Turkey’s accession to the EU at any price to the UK taxpayer?

The Prime Minister: I think I said earlier that there was not a remote prospect of that happening, so I do not think that my hon. Friend has to worry about that. In terms of future accessions to the EU, we set out in our manifesto that we were going to take a much tougher approach. We believe that countries that join the EU should get much closer to the current level of
GDP per capita, because the big migrations have been caused when some EU countries are much poorer than others. No country can get into the EU without unanimity among the existing members, so this is something over which we and other countries have a veto. We can absolutely insist on these different accession arrangements.

**Alison Thewliss** (Glasgow Central) (SNP): When I first raised the issue of the tampon tax last year, the Financial Secretary to the Treasury was quite dismissive, so I would like to commend the Government for this U-turn. I should also like to thank the women of this country who have put such pressure on the Government to take action on this important issue. Given that this was in the Scottish National party's manifesto, are there any other aspects of that manifesto that the Prime Minister would like to help us to implement?

**The Prime Minister:** I am very grateful for the hon. Lady's work on this, and I am glad to have helped. I think she will find that this will have an impact on other European countries, because there is now huge pressure on some of those countries to explain their own level of tax on sanitary products. The Irish are of course legislating the way with a 0% rate. On the matter of the rest of the SNP manifesto, I have to say that if we implemented it in full and had an independent Scotland, we would basically be bankrupt and have to tax everything.

**Mr Jacob Rees-Mogg** (North East Somerset) (Con): May I warmly welcome my right hon. Friend's generous comments about my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith), who is so widely respected on these Benches? Does the Prime Minister agree that two of the three greatest reforms of the Government he leads are restoring fiscal rectitude and welfare reform? May I therefore encourage him to continue with both equally?

**The Prime Minister:** I wholeheartedly agree with my hon. Friend. This goes to the point about the importance of the welfare cap. We have controlled departmental spending carefully for years in our country, but welfare spending has often run ahead. It was up by 60% under the last Labour Government. That money cannot then be spent on hospitals, schools and vital public services. My hon. Friend is absolutely right: fiscal rectitude, welfare reform and making sure we keep welfare spending under control are vital components of a one nation Government.

**Stephen Twigg** (Liverpool, West Derby) (Lab/Co-op): Last week, a cross-party group of MPs heard powerful testimony from an 18-year-old Yazidi girl who had been kidnapped by Daesh and subsequently escaped. John Kerry has now described Daesh's action against the Yazidis and other minorities as genocide. Does the Prime Minister agree that we need to do more to help the Yazidis, and will he raise this matter with the Governments of Iraq and Turkey?

**The Prime Minister:** I agree with the hon. Gentleman that we must do more to help the Yazidis, which is why we are taking action in support of the Iraqi Government, and it is the reason for the work we are doing in Syria. On what Secretary of State Kerry said, I listened very carefully to that. The Government's policy—I think this was the case under previous Governments—that genocide is declared as a matter of legal opinion, rather than political opinion, but it has to be said that there is a growing body of evidence that my learned friends need to look at.

**Several hon. Members rose**—

**Mr Speaker:** Order. I warn colleagues: as they know, I normally call everyone and the Prime Minister most patiently replies, but I fear that that almost certainly will not be possible today. Brevity will help, however.

**James Cartlidge** (South Suffolk) (Con): I welcome the fact that at the end of the Prime Minister's statement he reminded the House of his commitment to estate regeneration. Does my right hon. Friend agree that that is a classic example of one nation Conservatism, given that it is proven to deliver not only better homes and communities for those who live in our inner cities, but the supply of new homes for first-time buyers?

**The Prime Minister:** My hon. Friend is right. The aim should be to remove all the barriers in the way of people progressing and making the most of their lives. That is why regenerating estates can play a huge part, as can addressing the shortage of childcare places, improving our schools and dealing with mental health issues. All these things are about unblocking barriers to success for people.

**Mr Dennis Skinner** (Bolsover) (Lab): Will the Prime Minister give us an assurance that, in view of the financial mess that has been created with this Budget, this will be the Chancellor of the Exchequer's last Budget? He has had eight already; only cats have nine lives.

**The Prime Minister:** No.

**Mr Andrew Tyrie** (Chichester) (Con): Is it not incumbent on those who do not accept the Budget cuts to tell us how else they would reduce the deficit?

**The Prime Minister:** My right hon. Friend is right. There is a series of difficult decisions that we have to take when facing an 11% budget deficit, as we were in 2010, and we still need to get this country back to surplus. I would argue that this is not some artificial target. We have to make sure that in the good years we are putting aside money for a rainy day. That is what this is all about. It does involve difficult decisions. We do not always get those decisions right—I am the first to say that—but it is very important that we stick to the long-term economic plan of getting this country back into the black.

**Stella Creasy** (Walthamstow) (Lab/Co-op): In his statement the Prime Minister mentioned the work of both his former Secretary of State for Work and Pensions and his current Chancellor, so is he ruling out, as he suggested to the right hon. Member for Hitchin and Harpenden (Mr Lilley), further negotiation with the EU on benefits and spending? How does he intend to fix the big hole in his Budget that appeared this weekend?

**The Prime Minister:** The Budget contains a very good package of measures that will help small businesses, get the country back to work and support our schools. The Chancellor will be here tomorrow winding up the
Budget debate, and in the autumn statement a new forecast will be produced and all these issues will be addressed.

Sir Edward Leigh (Gainsborough) (Con): The Prime Minister is a consummate performer at the Dispatch Box and normally I understand everything he says. I do not always agree with it, but I understand it. I am now confused by the answers given to my hon. Friend the Member for Shipley (Philip Davies), my right hon. Friend the Member for Wokingham (John Redwood) and my hon. Friend the Member for St Albans (Mrs Main). The Government say that they enthusiastically back Turkey's accession to the EU, yet apparently they announce something but wish for something else. May we get these facts right: we do want Turkey to join the EU; we do believe in free movement of people; we do want to stay in the EU; and therefore we welcome 77 million Turks living and working here?

The Prime Minister: The answer to that is no, because Turkey is not part of the EU. Look, I know that in this debate, which I know is going to get very passionate, people want to raise potential concerns and worries to support their argument, but I have say that when it comes to Turkey being a member of the EU, this is not remotely in prospect. Every country has a veto at every stage. The French have said that they are going to hold a referendum. So in this debate let us talk about the things that are going to happen, not the things that are not going to happen. If we stay in a reformed European Union, we keep our borders, we keep our right to set our own visa policy, we keep our own asylum and immigration policy, and we can stop anyone we want to at our borders. Yes, we do believe in the free movement of people to go and live and work in other European countries, as many people in our own country do, but it is not an unqualified right. That is why, if people come here and they cannot find a job, they do not get unemployment benefit, they get sent home after six months and they do not get access to our welfare system in full for four years. Ironically, if we were to leave the EU and take up a Norway-style position, we would have those welfare restrictions. So let us set out what can happen, rather than what is not going to happen.

Mary Creagh (Wakefield) (Lab): Lebanon took more refugees in two days last year than the UK has taken in the five years of the Syrian civil war, so when the Prime Minister says it is better to keep refugees in the region, countries there look at us and close their borders, because they have taken 4 million refugees. Will the Prime Minister tell the House what monitoring we are conducting with our European and NATO allies of the ceasefire in Syria? How will violations be reported? What is the timetable for moving towards peace and democratic elections in Syria to allow those refugees to return home?

The Prime Minister: There are lots of questions there. On the question about how we monitor the ceasefire, we are involved in the cell in Geneva that looks at that. I cannot paint an entirely rosy picture, but I think that the ceasefire is better than people expected. As a result, the peace talks are under way.

On Lebanon, the hon. Lady is absolutely right: it has taken a huge number of refugees. It is, of course, the neighbouring country, and neighbouring countries are under an obligation to do so, and Lebanon is fulfilling its obligations. We are helping with a massive aid programme, but we are also helping the Lebanese armed forces, who are now hugely capable because of all the work the United Kingdom has done. They are having considerable success in making sure they keep Daesh out of their own country.

Victoria Atkins (Louth and Horncastle) (Con): The Home Affairs Committee visited Europol recently to see the work done by police forces co-operating across the EU. We were told that 90% of asylum seekers in the hotspots are thought to have reached Europe with the help of human traffickers. Does my right hon. Friend agree that we need to break these criminal gangs to stop them profiting from human tragedy?

The Prime Minister: My hon. Friend is absolutely right. Already, because of the action we are starting to take, the people traffickers are seeing some of their markets more difficult to operate, and some of the costs are going up. We need to finish the job. Europol can play an important role in that, as can the National Crime Agency and our co-operating with other European partners. We have to put these people out of business.

Mr David Winnick (Walsall North) (Lab): On the domestic aspect of the Prime Minister's statement, not once today has he shown understanding of why there was such a public outcry throughout the country over the Government's intention to penalise the most vulnerable. He is becoming increasingly out of touch.

The Prime Minister: Having spent £42 billion on disability benefits when I became Prime Minister, that figure is going to go up to over £46 billion by the end of this Parliament. We will spend more on disability benefits. If we measure compassion by the scale of the benefits paid, there have been more in every year under this Government than ever under a Labour Government. Instead of coming here and castigating me, the hon. Gentleman should be castigating his own party.

Several hon. Members rose—

Mr Speaker: Order. Now is the time for what I call considerate brevity.

Henry Smith (Crawley) (Con): What recent discussions have been had with other NATO members on bearing down on and stopping the vile people-trafficking trade from Syria?

The Prime Minister: We are having good discussions, but, frankly, we still need NATO to be able to do more. I would like NATO ships to be able to spend more time in Turkish territorial waters, working with the Turkish coastguard on turning back boats, because it is stopping that trade that will actually undermine the people-smuggling gangs.

Liam Byrne (Birmingham, Hodge Hill) (Lab): May I bring the Prime Minister back to the issue of unaccompanied asylum-seeking children in Calais? He is right to say that
those children can apply to join parents here, but I understand that, of the 150 take charge requests issued by the French Government, not one has been agreed yet by the British Government. Will the Prime Minister undertake to look at that and bring forward proposals to get the process working before any more children suffer any longer?

The Prime Minister: I am happy to look at this. I discussed it with the French President. The rules are clear: if someone has direct family here, they apply for asylum and they will come here, but we need to make sure that happens.

Dr Andrew Murrison (South West Wiltshire) (Con): In congratulating the ship’s company of RFA Mounts Bay, may I draw my right hon. Friend’s attention particularly to the embarked medical team, whose work under the most professionally challenging, extraordinary circumstances is surely in the best traditions of the naval service?

The Prime Minister: I am very happy to join my hon. Friend in doing that. I had the huge privilege of going aboard one of Her Majesty’s ships when it was in Malta. It had recently been taking part in combating the people-smuggling operations and picking people up. It had saved literally thousands of lives, and we could see—whether it was the medical teams, the Royal Marines or the royal naval personnel—that there was huge pride in what they had done.

Nick Thomas-Symonds (Torfaen) (Lab): The Prime Minister’s tagging on of the events of recent days to a statement on international affairs reminds me of when one of his predecessors, Harold Macmillan, unsuccessfully tried to explain chaos in his own Treasury as “a little local difficulty”. Does the Prime Minister accept that, with the revelation that the Chancellor does not care about vulnerable people because there are not enough Tory voters among them, his own little local difficulty means that compassionate conservatism is completely dead?

The Prime Minister: If I had come to the House and not mentioned these issues, which has enabled colleagues on both sides of the House to question me about them, I think there would have been justifiable outcry, so I wanted to give the hon. Gentleman the opportunity to do so. When it comes to people casting their vote, we won the last election because we won the support of Tory voters among them, his own little local difficulty. Can the Prime Minister rule out, on both sides of the House to question me about them, I think there would have been justifiable outcry, so I wanted to give the hon. Gentleman the opportunity to do so. When it comes to people casting their vote, we won the last election because we won the support of Tory voters among them, his own little local difficulty. Can the Prime Minister rule out, on both sides of the House to question me about them, I think there would have been justifiable outcry, so I wanted to give the hon. Gentleman the opportunity to do so. When it comes to people casting their vote, we won the last election because we won the support of Tory voters among them, his own little local difficulty.

Alex Chalk (Cheltenham) (Con): Is it not right to acknowledge that the British policy of taking refugees from the camps supports those who are in no position to take the journey—the poor, the sick, the weak and the vulnerable—and is absolutely the right thing to do?

The Prime Minister: My hon. Friend is absolutely right, and I think that more and more countries can now see that that is the right approach.

Derek Twigg (Halton) (Lab): If fighting resumes in Syria, what is plan B?

The Prime Minister: Our plan is to continue with the long-term patient work of combating Daesh militarily, which, of course, continues, and, in terms of building the future of Syria, supporting moderate opposition elements that can support a transitional Government in Syria. In the end, a Government in Syria without moderate Sunni opinion in them will never be able to unite that country, so we have to continue with that plan.

Nick Herbert (Arundel and South Downs) (Con): Does the Prime Minister agree that the weakness in the position of those who criticised the agreement between the EU and Turkey in the run-up to it—that also appeared to be the position of the Leader of the Opposition today—is that they have signally failed to advance any credible alternative to those arrangements? Surely, it is in the British national interest to support our partners in making a sensible arrangement with Turkey to prevent migrants from making a perilous journey overseas, while maintaining our own borders.

The Prime Minister: I agree with my right hon. Friend. I think we get the best of both worlds. It is worth asking what difference it would make if we were not there. I suppose my answer is that I think the European Union would have continued for longer with the rather borderless approach of relocating migrants around different European countries. That approach failed. What was required was an approach that was more about looking upstream, supporting people in the camps, finding the funding for that, hardening the external border and breaking the link between getting in a boat and getting settlement. I think that Britain, including my right hon. Friend the Home Secretary, who has been to Council meeting after Council meeting, has done a huge amount to drive that agenda forward.

Jack Dromey (Birmingham, Erdington) (Lab): Angela Maher, the proud mother of two disabled sons, rang me to say, “I could cry,” and then she did, saying, “Why is it always people like us?” Can the Prime Minister rule out, as Robert Meadowcroft, the chief executive of Muscular Dystrophy UK, has said today, any further cuts to support for disabled people during this Parliament?

The Prime Minister: We are increasing the amount of money going to disabled people, as I have explained many times. My right hon. Friend the new Secretary of State for Work and Pensions will set out our approach in a moment, but we set out in our manifesto the changes we needed to make to get the welfare budget under control. We have made those changes and those are the changes we are pursuing.

Alberto Costa (South Leicestershire) (Con): I thank my right hon. Friend for the fair and sensible way in which he has negotiated with our EU partners on the refugee crisis. Will he ensure that UK local authorities such as Blaby District Council, Harborough District Council and, indeed, Leicestershire County Council are properly resourced and financed if they are going to welcome some of the Syrian refugees?

The Prime Minister: I believe that they are properly resourced because of the Department for International Development money that is available, particularly in the first year, and the ongoing support that is being given.
I encourage local councils to make the most of this opportunity. Families are going to come here who want to make a home and who will be hard working and contribute to our communities, and I encourage local councils to come forward with their plans.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): Other European countries are revising the number of refugees that they are taking in. Just what will it take for the Government to revise upwards the figure of 20,000 refugees that we have agreed to take, particularly since there are thousands of unaccompanied children stranded abroad who have disappeared? We have a moral obligation, surely, to look after the most vulnerable in society.

The Prime Minister: If we look at the charts that the European Union is now publishing, it is perfectly apparent that Britain is doing more than the vast majority of other countries. Some countries that made pledges to resettle Syrian refugees have taken one, two, or, in some cases, none. We are doing far more than other countries. Our system is working.

Matt Warman (Boston and Skegness) (Con): In my constituency, Boston has seen the highest level of immigration from eastern Europe of anywhere in the country. Can my right hon. Friend assure me that it would be perfectly reasonable for this country, or indeed any other in Europe, to veto the accession of Turkey?

The Prime Minister: Of course that is the case. Every country has a veto at every stage, so the agreement to open one additional chapter in Turkish accession was something that had to be agreed by every country, including Cyprus and Greece. There is a veto at every stage, and other countries have made their position perfectly clear.

Caroline Flint (Don Valley) (Lab): May I ask the Prime Minister when the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) first spoke to him about his concerns about pressure being put on people with disabilities to fill the gap created by the deficit?

The Prime Minister: Obviously, I received a letter from my right hon. Friend on Friday afternoon on my return from the European Council. There had been prolonged discussions at the heart of Government about disability benefit reform, but, as I have said, we are not going ahead with those proposals.

Stephen Hammond (Wimbledon) (Con): I believe the real test of compassion is not Opposition words but Government action. Will my right hon. Friend confirm that the Government that he leads are taking 3.8 million people out of tax, ensuring that the richest are paying a large amount, creating 2.4 million jobs and spending more than £50 billion on support for the sick and the disabled?

The Prime Minister: My hon. Friend makes a good point. Look at the figures and at what is happening to some of the poorest families in our country, who are able now to get jobs, to get work and to pay less tax, and who will be getting a £900-a-year pay rise through the national living wage. That is what is happening for those families. In terms of people at the top, the top 1% are paying a higher percentage of income tax than they ever did under Labour—some 27% of the total. With a growing economy, that means that we can also build a fairer society.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Amazingly, a few moments ago I heard the Prime Minister praise an independent Ireland and in the same breath slag off the idea of Scotland matching the possibilities that Ireland has today.

Now to the matter at hand. It is claimed that the Government took aim at the poor because they do not vote Tory. A wee while ago, the Government tried to mug Scotland for £7 billion, presumably for the very same reason. Who else in this society does the Prime Minister have in his sights?

The Prime Minister: I do not think that the Irish based their entire case on oil revenues that disappeared. [Interruption.] Oh, that was not the plan. I seem to remember that the plan was referring to $100-a-barrel oil as a modest, mid-market—[Interruption.] You can tell they do not like it. When you are shouting, you are losing.

Mr Speaker: Order. Mr MacNeil, I have told you before that you are an exceptionally excitable fellow. You have aspirations to statesmanship and must comport yourself accordingly. Now, we will have an altogether more subdued tone.

Lucy Frazer (South East Cambridgeshire) (Con): It is often said that the EU is undemocratic and that laws are imposed on us. Is not the decision that the Prime Minister reports today on VAT an example of how Britain can mould and shape those rules and regulations?

The Prime Minister: I agree with my hon. Friend. This supports the argument that if we get stuck in, we can change these things. It is frustrating, and those of us on either side of the argument should accept the frustrations referred to by the other side. VAT has been frustrating—frustrating for the last Government, and frustrating for us. Restrictions were put there so that we could have reasonable trade and so that we would not have cross-border shopping issues and tax competition issues, but they are too inflexible and this change is worth while.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Does the Prime Minister agree that world populations are moving and changing in a way that we will not wish away? Does he agree that we need a strong and united European Union to manage those great challenges and, without it, we will be alone and unable to help those people?

The Prime Minister: Obviously, co-operation among the EU nations helps, but, as well as that co-operation, it is important that we have the right ideas. The hon. Gentleman is right to say there is a lot of movement of people around the world. The scale of movement from Africa has been so much greater in recent years not
because of growing African poverty, but because of the weakness of north African states and the lack of adequate border arrangements. If we have the right thinking, plus co-operation, we can get the right answer.

Mark Pawsey (Rugby) (Con): Does the Prime Minister agree that the best way to show compassion and to provide support for those in need, whether at home, Syria or elsewhere in the world, is to build a strong economy and generate the resources needed to look after them?

The Prime Minister: My hon. Friend is absolutely right. We cannot show compassion unless we have a strong economy generating the revenues that our health service, our schools and our welfare system need. Conservative Members understand that compassion is a combination of getting the economy right and then making the right choices.

Geraint Davies (Swansea West) (Lab/Co-op): Despite the Prime Minister’s best efforts to forge ever closer union within his own party, there is a real risk that the UK will become decoupled from its biggest market and most strategic ally. What impact does he think Russian bombing on Syria and tactical resignation by his Cabinet have had on the appetite for Brexit in Britain?

The Prime Minister: There is a strong argument to say that, at a time of international danger and difficulty, there is strength in numbers and that we should stick with our allies and friends, as we confront Putin in the east of our continent and ISIL in the south. As for ever closer union among my colleagues, we believe in co-operation rather than uniformity.

Several hon. Members rose—

Mr Speaker: Order. As colleagues know, it is very unusual for me not to accommodate everybody, but time is against us and we must move on. If colleagues who were unsuccessful in respect of this statement are patient—who knows?—their voices might be heard. Let us hear the next statement, a statement from the Secretary of State for Work and Pensions.

5.31 pm

The Secretary of State for Work and Pensions (Stephen Crabb): With your permission, Mr Speaker, I would like to make a statement.

It is a privilege to stand here at the Dispatch Box as the new Secretary for Work and Pensions. First, I would like to pay a huge tribute to the work of my predecessor, my right hon. Friend. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith). He came into this job six years ago with a real sense of mission and purpose to transform people’s lives for the better and he achieved some remarkable things. I intend to build on that success.

As a one nation Conservative, my vision is to support everyone to achieve their full potential and to live independent lives. That means people having the stability and security of a decent job, and children growing up in a home with the benefit of that stability. There are now over 2 million more people in work than in 2010 and almost half a million more children now grow up seeing a mum or a dad go out to work each day. We are ensuring these opportunities extend to all those in our society, including disabled people.

Today, there are more than 3 million disabled people in work. In the past 12 months alone, 152,000 more disabled people have moved into work, with 292,000 more in the past two years. That represents real lives transformed as we support people with disabilities and health conditions to move into work and benefit from all the advantages that that brings. We are also supporting the most vulnerable and are determined that those with the greatest need are supported the most. Our reforms have seen support for disabled people increase. In the previous Parliament, spending rose by £3 billion. We are now, rightly, spending about £50 billion on benefits alone to support people with disabilities and health conditions. Devoting that level of resources to such an important group of people is, I believe, the mark of a decent society.

Personal independence payments were introduced to be a more modern and dynamic benefit to help to cover the extra costs faced by disabled people, something its predecessor benefit, the disability living allowance, did not do. PIP is designed to focus support on those with the greatest need and we have seen that working. For example, 22% of claimants are receiving the highest level of support, compared to 16% under the predecessor benefit DLA.

Before Christmas, the Government held a consultation on how part of the PIP assessment worked in relation to aids and appliances. As the Prime Minister indicated on Friday, I can tell the House that we will not be going ahead with the changes to PIP that had been put forward. I am absolutely clear that a compassionate and fair welfare system should not just be about numbers; behind every statistic there is a human being, and perhaps sometimes in government we forget that. So I can also confirm that after discussing this over the weekend with my right hon. Friends the Prime Minister and the Chancellor, we have no further plans to make welfare savings beyond the very substantial savings legislated for by Parliament two weeks ago, which we will now focus on implementing.
I turn directly to the welfare cap. It is right that we monitor welfare spending carefully. The principle of introducing a welfare cap is the right one, given the huge increases in welfare spending under previous Labour Governments—up nearly 60%. If we do not control the public finances, it is always the poorest in society who pay the biggest price, so we need that discipline. The welfare cap strengthens accountability and transparency to Parliament—something that simply was not in place under Labour—and we make no apology for this. As we are required to do, we will review the level of the cap at the autumn statement, when the Office for Budget Responsibility formally reassesses it, but I repeat that we have no further plans to make welfare savings beyond the very substantial savings legislated for by Parliament two weeks ago, which we will now focus on implementing.

Against that backdrop, I want to build on the progress we have made in supporting disabled people. We made a manifesto commitment to halve the gap between the proportion of disabled people in work compared with the rest of the labour market. As I have outlined, we have made good progress in supporting disabled people into work, but to go further will require us to work in a way we have not done before and to think beyond the artificial boundaries of organisations, sectors and Government Departments to an approach that is truly collaborative. That is why today I want to start a new conversation with disabled people, their representatives, healthcare professionals and employers. I want the welfare system to work better with the health and social care systems. Together we can do so much better for disabled people.

This is a hugely complex but hugely important area of policy to get right. Disabled people themselves can provide the best insight into how support works best for them. I am determined, therefore, that all views will be listened to in the right way in the weeks and months ahead, and I will be personally involved in these discussions. The events of recent days demonstrate that we need to take time to reflect on how best we support and help to transform people’s lives. That is the welfare system I believe in, and I commend this statement to the House.

5.37 pm

Owen Smith (Pontypridd) (Lab): I start by saying “Croeso a llongyfarchiadau”—welcome and congratulations—to the new Secretary of State. He and I have history at the Wales Office, and I look forward to renewing our relationship. On the basis of today’s statement at least, it looks like it will be a bit more productive than the one I had with his predecessor. I thank him for advance sight of the statement and welcome the vital and wholly inevitable U-turn on the cuts to PIP.

The way this mess has been handled is a textbook example of Tory social security policy—long on divisive rhetoric and totally lacking in competence and compassion. We had the lies before the election; the sham consultation—I welcome the new Secretary of State saying he will listen to the disabled, but the Government should have listened to them in the consultation, when 95% told them not to go ahead, instead of listening to just 11 respondents and putting it through—the announcement snuck out on a Friday night; the briefings before the Budget, the spin afterwards, the extra £20 million set aside to fight the appeals; but, above all, the deliberate targeting of disabled people to pay for tax cuts in the Budget, as exposed so mercilessly by his processor, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), at the weekend.

However entertaining it has been watching this Tory civil war over the weekend, what really matters are the 640,000 disabled people who have been in the firing line of the Prime Minister’s Budget, so on their behalf I sincerely thank the new Secretary of State for doing the right thing and reversing the cuts to PIP.

But however welcome that decision, the manner in which it came about leaves many questions unanswered and strips all credibility from the claims of this Government and this Prime Minister to protect all the people of Britain. Never again can he or this Government claim that we are all in it together. Never again can he claim to lead a one nation Government, because the right hon. Member for Chingford and Woodford Green has left that claim in tatters. Speaking from the heart of the Tory Government, he said that their “unfairness” is damaging the people: it is attacking the poor and dividing our nation.

So my question, quite simply, to the new Secretary of State is: does he agree with his predecessor about the fundamental unfairness of those welfare policies and is that why he is reversing the PIP cut today? Can he reassure us that those cuts will be fully reversed? Can he reassure us that changes made to the points system under PIP will be dropped and that full support will be maintained for people who need, for example, help going to the toilet or getting dressed in the morning? Can he reassure us that this is a real U-turn, not another slight of hand or sham, as we saw with tax credits? Disabled people need to know definitively today that they are being protected, so can he rule out any further cuts to the incomes of disabled people?

I presume the Secretary of State cannot, because I read in the statement that he refers to the “substantial savings legislated for by Parliament two weeks ago”. He did not say what he meant by that, but I can tell the House what he meant. What he meant were the cuts to the education and support allowance work-related activity group budget—£30 a week taken away from the best part of half a million people, who will lose £1,500 a year. We know the Secretary of State’s attitude to that, because he voted for it two weeks ago and he defended it just last week. In fact, on a blog—[Interruption.] Hon. Members would do well to listen to this: they need to know about their new Secretary of State. In a blog written last week, he said that those who were opposed to the ESA WRAG cut were engaged in mere “political banter”. Well, there is nothing fun for disabled people—it is not “banter”—about losing £1,500 a year out of their fragile incomes. So can the Secretary of State be serious and tell us: did he mean the ESA WRAG cut? Is there no chance that he is not going to agree with his predecessor that that, too, is unfair and reverse it, as he should?

Thirdly, could the Secretary of State confirm for us—and correct the errors made once more from the Dispatch Box by his hon. Friend the Financial Secretary earlier today—that spending on disabled people in this country is not increasing in real terms, as was alleged, but declining? The independent Institute for Fiscal Studies confirmed last week that spending on PIP and DLA is falling in real terms by 3%, or £500 million. In fact,
if we take into account all disabled benefits, as the House of Commons Library has done, in analysis for the Labour party to be released later today, we see that spending has fallen by 6% in contrast with the 60% increase in spending on disabled people that we saw under the last Labour Government—6% down under the Tories; 60% for the disabled on our side.

Finally, I welcome what the new Secretary of State had to say about starting a new conversation with the disabled. He has made a good start with a U-turn, but will he decide now that he is going to put an end to the divisive rhetoric that has characterised this Government’s approach over the last few years? Will he stand up for a fair and progressive renewal of our welfare state—the system of support that should be there for us all when we need it?

The new Secretary of State stands at a crossroads today. He can choose the path trodden by his predecessor—to cut the incomes of the disabled; to defend the illegal bedroom tax; to take money from working families through universal credit—or he can choose the path less trodden by Tory Secretaries of State. He could reverse the ESA cut; he could scalp the hated bedroom tax; and he could truly speak in favour of disabled people, the poor and the vulnerable in our society.

Among the many extraordinary truths spoken by the Secretary of State’s predecessor yesterday was the shameful admission that these two nation Tories decided to cut people’s benefits because they did not think that those people would vote for them. It was extraordinary, it was shameful, and the new Secretary of State for Work and Pensions will have a hell of a job on his hands to wash that stain out.

**Stephen Crabb:** Let me begin by saying “diolch yn fawr” to the hon. Member for Pontypridd (Owen Smith) for his welcoming remarks. It is good to renew the relationship with him that culminated so happily, for me at any rate, on 7 May last year, when he had to crawl out and explain why the Labour party had lost Cardiff North, Vale of Clwyd and Gower. I am very happy to be partnered with him across the Dispatch Box once again. He has lost none of his usual spiky style, and he retains what I described, when he was shadow Welsh Secretary, as a rather “pantomime anger” approach.

The hon. Gentleman asked me about my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith), who spent many years bringing passion, commitment and dedication to his post as Work and Pensions Secretary and who will be sorely missed in many quarters.

I am delighted that my right hon. Friend the Secretary of State is going to take the opportunity presented by the current focus to open his dialogue with disabled people and disabled groups. May I ask him to consider particularly how the welfare system works for people with autism? I hope that he will agree to meet me, along with representatives of the National Autistic Society and members of the all-party parliamentary group on autism, so that we can discuss how the welfare system can work really well for this very important, and sometimes deserted, group of people.

**Stephen Crabb:** I am, of course, very familiar with the excellent work that my right hon. Friend and other Members on both sides of the House, have done with the all-party parliamentary group, and we certainly want to involve and include the group in the discussions that we are having. I should also put on record my appreciation of the fantastic work that my hon. Friend the Under-Secretary of State for Disabled People has already been doing with disability groups and charities.

**Dr Eilidh Whiteford** (Banff and Buchan) (SNP): I welcome the new Secretary of State to his role and thank him for advance sight of his statement. I think he knows that he is inheriting one almighty mess. As the debacle has unfolded, there have been untold adverse consequences not just for those who depend on personal independence payments, but many others, such as those who are set to lose £30 a week in ESA, the thousands of low-income families affected by cuts in work allowances under universal credit, the thousands of mostly disabled people already affected by the bedroom tax, and the women born in the 1950s for whom the goalposts have been shifted relentlessly on their state pension age.

Last week, the Government proposed taking a further £4.3 billion out of the pockets of disabled people to fund tax cuts for the wealthiest. Even by their standards, that was a new low. I am glad that they have been forced to backtrack on the latest round of PIP cuts, but the policy’s problems are more fundamental. The PIP roll-out has consistently failed to meet the Government’s own implementation targets and has been dogged by inordinate delays. Meanwhile, the Government have missed every single opportunity to sort out the fiasco of the implementation of universal credit. Indeed, their cuts have butchered the aspects of universal credit that might have created work incentives. Instead they have hammered low-paid workers, in particular those with children.
I said last week that the Government have remained wedded to austerity as a political choice, even when that has meant a heartless and callous disregard for the wellbeing of disabled people. Now those same people have become pawns in an increasingly bitter Tory civil war. Parts of the social security system, including PIP, are set to be devolved to the Scottish Parliament, yet there has been wholly inadequate consultation and engagement with Scottish Ministers ahead of the changes coming into effect. I urge the Secretary of State to take the opportunity to go back to the drawing board not only on PIP, but on the wider social security reform agenda, including the cuts to ESA and work allowances. Will he meet disabled people and work with them? Will he meet me and my colleagues to identify a more constructive way forward?

Stephen Crabb: I thank the hon. Lady for her series of questions. She listed several specific issues, all of which are high up in the in-tray that I have inherited at the Department, but I do not recognise her description of my inheritance. When I arrived at Caxton House yesterday and again today, I found that I had inherited an amazingly committed, passionate, capable group of civil servants and an amazing team of Ministers, who share a real determination to work together in unison to carry on reforming welfare.

On Scotland specifically, I have already checked the matter out and the working relationships in the Department, at both ministerial and official levels, with the Scottish Government are positive and constructive. I want to look at that and will be making an early visit up to Scotland. Perhaps we can carry on the discussion about the new devolved powers that Scotland will be getting.

Dame Angela Watkinson (Hornchurch and Upminster) (Con): I congratulate my right hon. Friend and welcome him to his new post. Does he agree that disability is an umbrella term? At one end of the spectrum, there are people with very serious disabilities, for whom independence is impossible. At the other end, however, there are many disabilities that should not preclude people from finding employment. Is not right that we focus spending on that group to help them to gain skills and lead a productive life?

Stephen Crabb: I thank the hon. Lady for her series of questions and for her warm and generous remarks. Her point is absolutely right. The term disability covers an immensely varied range of issues and people with different challenges in their life. The changes that we have been making to focus the most resources on those who most need the care of the state and the most vulnerable are absolutely right. Increasing the resources from £60 million to £100 million as part of the employment and support allowance changes will help more disabled people to achieve their aspiration of moving into the workplace.

Frank Field (Birkenhead) (Lab): I congratulate and welcome the Secretary of State to the Dispatch Box today. Did his officials brief him over the weekend on what has been happening to his Department’s budget? Being large, it has of course been singled out for cuts. Within those cuts, however, the pensioner budget not only has been protected, but has risen by 11%. All the cuts have fallen on those of working age. As he is now unsackable—it would be sheer farce if anybody moved against him—I urge him to reconsider seriously any further cuts affecting ESA claimants not only because justice demands it, but because he might face difficulties in getting them past the Back Benches behind him.

Stephen Crabb: I thank the right hon. Gentleman, the Chair of the Select Committee on Work and Pensions, for his kind remarks and for the message he sent me at the weekend. I look forward to some constructive discussions with him in the weeks and months ahead. I made it clear in the statement that we are not pursuing further welfare savings and not looking to make alternative off-setting savings to replace the changes to PIP that we were going to bring forward. I hope that that makes it clear for the right hon. Gentleman.

Kevin Foster (Torbay) (Con): On Saturday morning, I had a remarkably well-timed visit to the Multiple Sclerosis Society’s south Devon branch to welcome it to Torquay and to speak to a number of its members, and I was given quite a lot of feedback. Will my right hon. Friend tell the House how he intends to take forward his dialogue with disabled people and disability groups over the next few weeks?

Stephen Crabb: We are already in the process of setting up meetings with such organisations. As I said earlier, I will be building on some fantastic work that has already been done by the Under-Secretary of State for Disabled People, but I want to lead the discussions myself and find out what they are thinking and how best we can work with them. There is a lot of goodwill in the sector for what we are trying to do, recognising the long-term challenges of reform and of getting the health system to work far better with social services and employers to achieve far better outcomes for disabled people. I hope that all of us on both sides of the Chamber can unite around that aspiration.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Secretary of State says that there will be no further savings beyond those legislated for. Will he confirm whether that means no alternative welfare cuts to meet the PIP cuts hole? Does it also mean not going ahead with the further £3 billion a year in cuts to meet the welfare cap on page 26 of the Red Book? Given that he was part of the Cabinet that agreed to the Red Book, published last Wednesday, will he tell the House whether he thinks the entire Cabinet got it spectacularly wrong or just the Chancellor?

Stephen Crabb: I think I fully addressed the right hon. Lady’s question in my statement.

Mr Stewart Jackson (Peterborough) (Con): I welcome my right hon. Friend to his new position. He is a good man, and I think he will do a great job. He will of course know that the Conservative party has a proud heritage of welfare reform in areas such as public health and social housing. If he is to have a debate, it must surely be about intergenerational fairness and ring-fencing. Those of my constituents who see welfare reductions cannot understand why, according to the Institute for Fiscal Studies, we intend to spend another £900 million on Scotland and are ring-fencing the Department for International Development budget. We need to refocus our priorities on the most needy across our country.
Stephen Crabb: My hon. Friend makes an important point on intergenerational fairness, about which a debate is emerging. If he looks at the changes to the state pension, half a trillion pounds is being saved over the next 50 years as a result, so the burden is being spread across generations, but there is an important debate to be had.

Norman Lamb (North Norfolk) (LD): I welcome the Secretary of State to his new role and genuinely wish him all the very best of luck. I suspect he realises that he will need it. The problem is that there is a sense of double-unfairness in the Budget. Not only were taxes cut for the better-off while the burden on disabled people increased, but better-off pensioners were again completely protected while working-age people suffer another cut. Does he set himself completely against looking again at the problem of intergenerational fairness?

Stephen Crabb: My intention, very simply, is to look at all these questions with a fresh pair of eyes and with the support of a fantastic team of Ministers around me. The point the right hon. Gentleman is making is similar to the point made by my hon. Friend the Member for Peterborough (Mr Jackson), and my answer is the same at this moment in time.

Dr Tania Mathias (Twickenham) (Con): I, too, congratulate my right hon. Friend on his appointment and am glad the Government are not pursuing cuts to PIP. May I remind him that his predecessor showed great empathy and assisted me greatly with a constituent who had very difficult concerns regarding her disability? Will he note that not only do people with a disability have insight into how a policy may have an impact on them, but that they are the experts?

Stephen Crabb: I completely agree with my hon. Friend on both counts. First, on the empathy of my predecessor, my right hon. Friend for Chingford and Woodford Green, I can say that he was a man who spent years thinking about these problems in a very serious and considered way, and, as I said earlier, the Government should always be proud of his legacy. The second point she makes is about disabled people who experience these issues being the experts. We absolutely recognise that and want to put them at the very centre of the debate we are about to begin.

Stephen Doughty (Cardiff South and Penarth) (Lab/Co-op): The Secretary of State may strike a different tone but in the end he is going to be judged by his actions. My constituents would like to know the following: will he scrap the bedroom tax? Will he scrap the cuts to ESA? And will he deal with the shameful treatment of older women and their pensions?

Stephen Crabb: I say to the hon. Gentleman that if this is about judging by actions, I will happily stand by the record of this Government every day of the week when marked against the record of previous Labour Governments, who allowed the benefits bill to spiral out of control but left a legacy of long-term unemployment. They left hundreds of thousands of people who had not worked a day in their life with no effective support from the state to help them make the transition back into the workplace.

Mims Davies (Eastleigh) (Con): I welcome the Secretary of State’s statement and the commitments he makes in the House today. On Friday, I visited the Enham Trust, which is trading in Eastleigh as Mount Industries. It is turning over £1 million a year and nearly half its current workforce are people who are disabled or who have come off disability living allowance, having been supported by the Department for Work and Pensions. This Government are helping the company to grow and it is helping to create more jobs. I would like to see the Minister continue this work, alongside the changes we need to make sure we have the jobs and opportunities for people to come into the workforce, as they are doing in Eastleigh.

Stephen Crabb: I agree with my hon. Friend on that, and the company she mentions is a great example. It is not one that I have had meetings with, but my hon. Friend the Under-Secretary of State for Disabled People has. It is exactly the kind of organisation we want to see replicated and growing throughout this country.

Barbara Keeley (Worsley and Eccles South) (Lab): The new Secretary of State talked about being a one nation Conservative, but what does that mean to the UK’s 6.5 million carers, 52,000 of whom will have been worried about losing their carer’s allowance, with the link to the PIP changes? Those worries come on top of those of 60,000 unpaid family carers hit by the bedroom tax. Will this new Secretary of State start to consider the very people who provide the bulk of care in this country?

Stephen Crabb: The hon. Lady makes a really important point about the vital role of carers in our communities and all across society. That is exactly why since 2010 the Government have spent more than £2 billion extra supporting carers, but I would always be happy to meet her and other groups representing carers to find out what more we can do to ease the challenges they face in their daily lives.

John Glen (Salisbury) (Con): I warmly welcome my right hon. Friend’s appointment, and I know that he will respect the policy legacy of his predecessor. When he looks at pay progression in this country and the worthwhile pilot that his Department is undertaking, may I urge him to look creatively at solutions across government with the Department for Business, Innovation and Skills and the Department of Health to ensure that we are not just satisfied to get people into work, but that we look to move them through the pay scales to sustainable, independent living?

Stephen Crabb: That is a really important point from my hon. Friend, who serves on the Work and Pensions Committee and is very knowledgeable about these issues. It is not just about seeing more disabled people move into work—an increase in the number—we want to see more disabled people earning higher wages, too. I confess that I was not previously aware of the initiative he mentions, but I will certainly look into it to see whether we can expand it.

Toby Perkins (Chesterfield) (Lab): I think my hon. Friend the Member for Cardiff South and Penarth (Stephen Doughty) was being a little generous, because I am not sure we have even heard a change of tone
today—we are hearing precisely what we heard under the previous Secretary of State. As we all know, the new Secretary of State is a patron of Pembrokeshire Mencap. Is he seriously telling us that in his listening exercises with its members they would have told him that they recognise what he said today, which was that the previous Secretary of State had a record to be proud of, that he transformed the lives of disabled people and that members of Pembrokeshire Mencap would be proud of the job he had done as Secretary of State?

Stephen Crabb: I am not sure whether the hon. Gentleman knows anyone from Pembrokeshire Mencap or has ever been to Pembrokeshire in his life. It is made up of a special group of people doing fantastic work, and I am very proud to have been their patron for the past 11 years, supporting them in all kinds of practical ways.

Byron Davies (Gower) (Con): May I congratulate the Secretary of State on his recent appointment and say that it is good to see Welsh MPs on the march? I am pleased to see that under this Government just under 300,000 more disabled people are in employment. That is positive progress, but does he agree that there is more important work to be done in this area?

Stephen Crabb: Yes, my hon. Friend is absolutely right about that. He raises the issue at the heart of my statement today: we want to see society doing a much better job of supporting disabled people make that move into work. We had a manifesto commitment to halve the disabled employment gap that currently exists, but that will require lots of new ways of thinking and working across different sectors.

Christian Matheson (City of Chester) (Lab): The Secretary of State, whom I congratulate, talked about a decent society. Let me assure him that he is not in a position to lecture the House on a decent society, given that Conservative Members voted to cut ESA, cut tax credits and introduce the bedroom tax, and just five days ago were cheering the very cuts that they are now decrying. He spoke about providing support for the “most vulnerable” and those in the greatest need to make sure that they are “supported the most”. The problem is that that excuse only works once. If someone has a disability, the chances are that they will not be cured. Will he therefore guarantee to the House today that those who are in receipt of PIP will not have to reapply for it, because their disability is so severe?

Stephen Crabb: I thank the hon. Gentleman for his welcome, and he raises a number of different issues. The statement I made to the House today was clear on some of the changes we are making, some of the ones we are not and some of the longer-term aspirations that I have coming into the Department. It is just day one for me, so he will forgive me if I am not quite on top of all of the specific issues he wants to talk about—I would be happy to have a meeting with him.

Mrs Flick Drummond (Portsmouth South) (Con): I welcome the new Secretary of State, as I am sure he is going to be an excellent one. I also thank the Government very much for their rethink, because last September Portsmouth had 4,400 people on DLA and since January 1,094 are now on PIP. What steps is the Department taking to ensure that all its communications to claimants are accessible to all and to reassure them that the help is there when they need it?

Stephen Crabb: My hon. Friend raises an important point about communications with people who are disabled, and she will be pleased to know that within the Department, we recently set up a taskforce of stakeholders and interested organisations such as the Royal National Institute of Blind People, the British Deaf Association, Action on Hearing Loss, Sense and Mencap.

Angela Smith (Penistone and Stocksbridge) (Lab): I congratulate the Secretary of State on his appointment. I hope his commitment to a more inclusive listening approach will deliver a more positive set of outcomes for disabled people, unlike the missionary zeal of his predecessor. Given that we now have a £4.4 billion gap—a big hole in the Red Book—will he say, as a member of the Cabinet, where the Government will find that money from? If it is from the welfare budget, which part of the welfare budget will be targeted?

Stephen Crabb: That “missionary zeal” that the hon. Lady mentions in relation to my predecessor is a really important quality when one is trying to achieve big changes across Whitehall. As I have repeatedly said this afternoon, we have much to be proud of when it comes to the achievements of my right hon. Friend the Member for Chingford and Woodford Green. On the question of savings, we have another debate on the Budget tomorrow, in which my right hon. Friend the Chancellor will be speaking on that very issue. For the sake of absolute clarity, let me reiterate this: the Government have no plans to make further reductions in welfare expenditure.

James Morris (Halesowen and Rowley Regis) (Con): The Secretary of State may be aware that the Government have recently accepted the recommendation of the independent Mental Health Commission to put more money into supporting those with mental health problems to get back into work. That is a totally new and radical approach to ensuring that people with mental health conditions can lead productive lives and get back into the workplace.

Stephen Crabb: Supporting people with mental health issues has been debated many, many times in this House. There is a recognition across all parts of the House that, as a society, we have not always got it right, but as a Government we are determined to improve on that, which is why we are currently undertaking pilot projects worth £43 million, providing individual and tailored support, including face-to-face support, group work, online and telephone support, and the co-location of Improving Access to Psychological Therapies services.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): The Secretary of State has indicated that disabled people are themselves best placed to inform him of their needs. As chair of the all-party group on disability, I urge him to attend a specially convened meeting of the APPG so that he can outline the changes and listen to disabled people’s concerns. Will he confirm today that he will attend that meeting?
Stephen Crabb: Yes, I would very much like to attend that meeting. The Under-Secretary of State for Disabled People is whispering to me that the group does genuinely excellent work, so I look forward to that opportunity.

Mrs Anne-Marie Trevelyan (Berwick-upon-Tweed) (Con): Like me, my right hon. Friend was brought up by a devoted single mum. Does he believe that it is thanks to the fundamental welfare reforms and the personalised nature of support for those looking for work—those with disability and those without—that so many more parents are now finding good jobs and are better able to support their family?

Stephen Crabb: Some of the most impressive people I meet, week in and week out, in my constituency and elsewhere are single mums. As a Government, we are doing far more than ever before to support people in those circumstances to realise their ambitions, to move into work and to achieve some quite exciting things in their careers.

Yasmin Qureshi (Bolton South East) (Lab): Some 640,000 disabled people will be relieved to hear the announcement this afternoon. Will the Secretary of State reassure me that those cuts will never be reintroduced by this Government again?

Stephen Crabb: The hon. Lady and other Opposition Members are trying to tease out a commitment from the Government that there will never, ever, ever be any other changes to welfare spending. Such a commitment would be absurd. We know that we need to carry on with reform. The commitment that I am making today, based on some very long conversations with the Chancellor of the Exchequer and the Prime Minister over the weekend, is that we will not go ahead with the proposed PIP cuts, that we will not be seeking alternative offsetting savings, and that as a Government we are not seeking further savings from the welfare budget.

Simon Hoare (North Dorset) (Con): My right hon. Friend’s appointment is very much welcomed. He is a one nation, pragmatic and moderate Conservative from the tips of his toes to the end of his beard. I am the chair of the inquiry into employability by the APPG on multiple sclerosis, so does he accept from me that there is still huge anxiety among employers over bringing disabled people into the workplace? Will he work with our APPG and other groups to ensure that employers across the country are aware of the huge opportunity and benefits that those who are disabled can bring to their business and enterprises?

Stephen Crabb: There really should not be any nervousness on the part of employers over hiring disabled workers. Disability Confident, into which we as a Government have put a lot of resource, is doing some really excellent work; indeed, I had the pleasure of meeting a taskforce of experts to work on new and innovative ways to ensure that the scheme reaches small and medium-sized enterprises. Hopefully, in that way, we will support employers to hire more disabled people.

Daniel Zeichner (Cambridge) (Lab): For almost three hours now, we have been addressed by a Treasury Minister, the Prime Minister and now the new Secretary of State, and yet we still have not had an answer to Labour’s very direct question of where the £4 billion is coming from. There are two possibilities: either the Government do not know, or they do know but will not tell us. Which is it?

Stephen Crabb: We have explored that issue in depth for a long time this afternoon. There will be further opportunities later today and tomorrow in the Budget debate. Let me just repeat the commitment that I have made today: we will not be pressing ahead with the proposed PIP cuts; we will not be seeking alternative offsetting savings; and the Government do not have plans for further welfare savings.

Paul Maynard (Blackpool North and Cleveleys) (Con): I welcome my right hon. Friend to his new role. I see him as a ray of sunshine after a bleak few days. He will be aware that PIP is there to meet the extra costs of disability, and those costs have been rising rapidly. May I apologise for adding to his workload by recommending that he read Scope’s Extra Cost Commission report, which looks at how Government can reduce—and work with the private sector to reduce—those extra costs to ensure that PIP really does go further?

Stephen Crabb: I thank my hon. Friend for his kind remarks. I always like to try to be a ray of sunshine if I can. I am really grateful for the reading recommendation, and will make it an early priority.

Cat Smith (Lancaster and Fleetwood) (Lab): The Secretary of State is doing an excellent job of avoiding answering the question from the Opposition Benches. Where will the £4.4 billion be found? If it is not from the welfare bill, where will these savings be found?

Stephen Crabb: I am genuinely really puzzled as to why Labour Members cannot listen to and follow the arguments that we are making. I have repeated the Government’s position. I am sorry if the hon. Lady was not listening to the statement earlier, but it was very clear.

Paul Scully (Sutton and Cheam) (Con): I welcome the Secretary of State to his new position. His personal background and experience mean that he knows the benefits of an effective welfare system. Will he assure me that he will continue his predecessor’s work of the past couple of years of getting 292,000 people back into work? At the end of the day, work and an effective welfare system are far more in tune with true social justice than the numbers that are being bandied about by the Opposition.

Stephen Crabb: My hon. Friend is exactly right. When he uses the figure of 292,000, we should make it absolutely clear that we are talking about 292,000 disabled people who, with lots of support from the different initiatives of this Government, have made that transition back into work. That is a terrific record, but let us not be complacent. There is so much more to do if we are to achieve our manifesto promise of halving the disability employment gap.

Hywel Williams (Arfon) (PC): I congratulate the Secretary of State on his appointment and wish him well. He faces a huge challenge, but he also leaves behind a huge challenge for his colleagues in the Wales Office in respect
of the Wales Bill. With one bound he was free—or possibly not. I welcome his commitment to resetting the conversation with disabled people. The abandoned changes to PIP were apparently based on review of just 105 cases of the more than 600,000 people who depend on PIP, supplemented apparently by 400 further reviews after the decision was taken. Will he guarantee that before further changes to welfare are proposed, proper, independent research will be publicly available beforehand?

Stephen Crabb: The kind of research that the hon. Gentleman talks about is always published by a Department ahead of any major policy change. There is a duty on Departments to publish impact assessments and to conduct their policy making in an open and transparent way. What I hope he has taken away from my statement today is my personal commitment to ensuring that as we look again at these really challenging long-term issues around disabled people moving into employment, I will be doing so in a way that is transparent, open and based on sound evidence.

Michael Tomlinson (Mid Dorset and North Poole) (Con): Before coming up to London this afternoon, I held one of my regular surgeries in Upton in my constituency. One constituent who came was a disabled lady who was in work but wanted support from her employer and support in finding new work. What practical steps will the Secretary of State take through conversations with the disabled, with disability groups, and, importantly, with employers to ensure that we halve the disability employment gap?

Stephen Crabb: One of the big challenges we have as a Government is working with employers to reassure them and support them in making good decisions about recruiting and hiring disabled people. We have a really important initiative in my Department called Access to Work. We need to publicise it a lot more and get more employers looking at it and accessing it.

Helen Goodman (Bishop Auckland) (Lab): We were all pleased to hear the Secretary of State say, “We have no further plans to make welfare savings beyond the very substantial savings legislated for”. Can he therefore guarantee that there will be no reductions in rates or eligibility criteria for any social security benefits in this Parliament?

Stephen Crabb: The statement was very clear. The kind of changes that the hon. Lady describes would be cuts to people’s benefits, so we as a Government are not looking at that at this moment in time.

Nadhim Zahawi (Stratford-on-Avon) (Con): I congratulate my right hon. Friend on his appointment. There is no one more appropriate to take on the reform and social justice agenda of his predecessor. What is his Department doing for disabled entrepreneurs? May I remind him not to forget entrepreneurs who are disabled?

Stephen Crabb: There are some amazing examples of disabled people who have set up really successful small, and not so small, businesses around the UK. In my previous role as Welsh Secretary, I recently had the pleasure of meeting a number of them in Cardiff. They are absolutely the kind of people that we as a Government need to be backing and supporting. Schemes like Access to Work are a really important part of that.

Neil Gray (Airdrie and Shotts) (SNP): I welcome the Secretary of State to his place. I also welcome the Treasury’s retreat on cuts to PIP which he has been credited with. Will he use his new-found power to press the Treasury to make a further retreat on cuts to ESA and to properly fund the White Paper on health and work beyond the previously committed £100 million—and also, having had a commitment from his predecessor only last week, to have it published well before the summer?

Stephen Crabb: The changes to ESA have been debated at length in this House on numerous occasions, and Members have had an opportunity to vote on them. I will of course look at the other issues that the hon. Gentleman mentions and will be in touch with him.

Craig Williams (Cardiff North) (Con): I welcome my right hon. Friend to his new position. I can think of no Member of this House who could bring any more compassion and empathy to this new role, given his personal life experience. Does he agree that a fair welfare system should not just be about numbers?

Stephen Crabb: It is about human beings, as I said in my statement. All the statistics that we talk about in this place have lives, families and individuals behind them, but it is especially important in the area of welfare and disability to remember that we are talking about human beings.

Peter Kyle (Hove) (Lab): I welcome the Secretary of State to his post. As my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) pointed out, page 26 of the Red Book commits the Government to £3 billion of cuts to meet the welfare cap. Is this not what his predecessor described over the weekend as “too focused on narrowly getting the deficit down” at the expense of the poorest? Is the £3 billion going to be honoured, and how he is going to deliver that?

Stephen Crabb: I have a very direct answer to that very direct question. It is the one I have been giving all afternoon, which is that the Government will not be seeking further savings in the welfare budget.

Bob Blackman (Harrow East) (Con): One of the major problems that disabled people face is the prejudice in a society that talks about what they cannot do rather than what they can do. In leading the Department, what will right hon. Friend do to change that attitude to concentrate on what people can do rather than what they cannot do?

Stephen Crabb: The can-do principle that my hon. Friend describes is very important, and it is at the heart of everything we are trying to achieve in all our welfare reforms. In the area of disability, the central understanding that my predecessor brought to the Department, along with the sense of mission and purpose, was to focus on
what people can do. For people who genuinely cannot work and need the support of the state, we need to reorient resources to make sure that those who are the most vulnerable and need them most get those resources.

Chris Leslie (Nottingham East) (Lab/Co-op): The Secretary of State would do well, though, to recognise that there are a lot of very upset and unsettled disabled people who, having heard the Chancellor on Wednesday, were very concerned indeed. The new Secretary of State says that he wants to “reset the conversation”. Does he not think he would do well to apologise for this appalling upset that people have felt over recent days? Will he use the word “sorry”?

Stephen Crabb: I am not sure that the hon. Gentleman’s line of questioning is particularly fruitful. I made a very clear statement about what I am trying to achieve on day one in this new role. If he is looking for apologies, he should look to his own party’s Front Benchers and ask for an apology for the scandalous state in which they left the public finances in 2010.

Maria Caulfield (Lewes) (Con): I congratulate the Secretary of State on his appointment, but also pay tribute to my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) for his previous work. A good welfare system is an important safety net that is there when people absolutely need it, but the true route out of poverty is through education and work. This Conservative Government have not only got more people into work but raised the lowest paid out of tax by increasing the tax threshold and introducing the living wage. [Interruption.] As someone who grew up in a poor area of Labour-controlled south London in the ’70s, I can say that the lack of aspiration that is evident today is the same as it was then. [Interruption.] Does the Secretary of State agree that if you want a lecture about poverty, you should ask Labour, but if you want something done about it, you should ask the Conservatives?

Stephen Crabb: Labour Members jeer my hon. Friend, who, with her own upbringing and her work as a cancer nurse on the south coast, has far more understanding, in real-life terms, of working with vulnerable people who need the support of the state than the Opposition are displaying.

Ms Karen Buck (Westminster North) (Lab): When the Secretary of State says, “Read my lips—no more cuts to welfare,” he does not of course include the huge cuts in social security spending that have already been agreed and are still to be implemented. The Government website says:

“If you’re ill or disabled, Employment and Support Allowance…offers you…financial support if you’re unable to work”.

Only last week, he, as a Government Minister, was telling people on his Facebook page that people on employment and support allowance were able to work. Will he correct that, please?

Stephen Crabb: I think the hon. Lady is referring to an error that was on my constituency Facebook page. It was a good spot, but it has been corrected.

Mr Robin Walker (Worcester) (Con): I welcome my right hon. Friend to his position. I particularly welcome his commitments for the future and his decision to back Access to Work and Disability Confident even further. I shall shortly be holding a Disability Confident jobs fair in Worcester. I would be delighted if he came to Worcester at some point to see amazing businesses such as Dolphin Computer Access that employ large numbers of disabled people.

Stephen Crabb: In the past five years, my hon. Friends have had a fantastic track record of running jobs fairs, putting themselves at the vanguard of the great turnaround in the employment situation in this country. I am conscious that about 50 colleagues have already been holding disability jobs fairs. I have not been to one, and I would love to come along to attend my hon. Friend’s.

Chris Stephens (Glasgow South West) (SNP): One of the big challenges the new Secretary of State will have is that the lowest-paid civil servants are employees of the Department for Work and Pensions, with 40% on tax credits and many on social security benefit. First, when he is implementing social security reforms, will he commit to publishing an impact assessment of how they affect employees of the DWP? Secondly, will he address the issue of low pay among employees in his new Department?

Stephen Crabb: The Department for Work and Pensions has a very good record on pay and conditions, and 80,000 people work in it across every part of the United Kingdom. I had the pleasure and privilege of meeting a few of them today, and I will be getting out and meeting far more people in the days and weeks ahead. The hon. Gentleman raises an important point and we will look at it again, but there is already a duty on the Department to publish impact assessments.

Mark Spencer (Sherwood) (Con): The welfare state is a safety net. If that safety net is to be sustainable in the long term, not only do we need sound economic policies to fund it, but we must work to challenge some of the underlying causes that lead people on to that safety net. Will the Secretary of State work across the Government to assist with the challenges facing people who have drug and alcohol addiction and other family breakdown challenges?

Stephen Crabb: My hon. Friend raises an important point that has not been mentioned so far. The Government are focused on working with people who have drug and alcohol problems, and I point to the excellent work currently going on with the troubled families programme. That is key to creating lasting pathways out of poverty. It is not just about increasing the jobs available; it is about supporting people who have underlying conditions that prevent them from going into work.

Mr Gordon Marsden (Blackpool South) (Lab): The Secretary of State was keen to say that behind every statistic there is a human being, and in my constituency 1,586 human beings are in receipt of PIP and hundreds are on DLA and Motability. Some 13,000 people with disabilities lost their Motability claim last year. How will the Secretary of State ensure that Motability, which has had such a huge impact on the lives of disabled people, does not disappear down the plughole?
Stephen Crabb: Motability is not decreasing or disappearing down the plughole, and the number of people benefiting from it is increasing, not decreasing.

Suella Fernandes (Fareham) (Con): I welcome my right hon. Friend to his position. Like his predecessor, he shares a commitment to social justice, and brings real empathy born out of his personal experience. In Fareham, I have been working with local residents to set up a support group for sufferers of epilepsy. More than 600,000 people in the country have that condition, yet many of them still encounter insensitivity and prejudice in society. What steps are the Government taking to raise awareness in schools and the workplace, so that that stigma is smashed?

Stephen Crabb: Through her work in this place my hon. Friend is a powerful voice on behalf of many vulnerable groups. Epilepsy is an issue close to her heart and those of other hon. Members, and I look forward to discussing with them how we can better address that issue and support people with epilepsy.

Liam Byrne (Birmingham, Hodge Hill) (Lab): Last year, the Government tried to cut tax credits and that plan failed. This year, they tried to cut disability benefits and that plan failed. The House wants to know who is next. Let us be clear: has the Chancellor of the Exchequer told the right hon. Gentleman that his budget is now set to rise by £4.2 billion? It is a simple question—yes or no?

Stephen Crabb: Spending on welfare is rising, so, yes, the budget is increasing. I repeat that the Government have not got plans for further welfare savings beyond those that Parliament has already voted for, and we will focus on implementing them.

Dr Andrew Murrison (South West Wiltshire) (Con): I congratulate my right hon. Friend on his appointment and statement. In May, he and I stood on a manifesto that pledged to protect pensioner benefits, so I am sure that under his stewardship there will be no backsliding on our commitment to older people.

Stephen Crabb: The commitment and promises that we made in our manifesto were clear, and the Government are absolutely focused on delivering those promises and keeping our commitments to the British people, including pensioners.

Tristram Hunt (Stoke-on-Trent Central) (Lab): The Budget’s cuts to capital gains tax and support for the wealthiest in the country were paid for by spending cuts for the most disadvantaged in our society, which was immoral. The right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) said that he could not “watch passively” while such divisive policies targeted non-Tory voters. Why is the Secretary of State so craven and so keen to introduce such unfair policies?

Stephen Crabb: The hon. Gentleman is another one with a good line in theatre. Even with the changes that we are making, capital gains tax will still be 2% higher than it was left by the previous Labour Government.

Mr David Burrows (Enfield, Southgate) (Con): My right hon. Friend has always walked and talked social justice, and he is the right person to take forward the good reforms of his predecessor. He emphasised the human dimension, and as he reflects on the additional costs for disabled people, which are reflected not only in personal independence payments but in social care, housing and the national health service, and as he works on future reform, will he reflect on bringing together all those factors, rather than picking off areas such as PIP?

Stephen Crabb: My hon. Friend makes a crucial point that was at the heart of what I was trying to communicate in my statement. If we are serious about breaking down long-term barriers to people with disabilities moving into work, we must think in new ways and much more creatively and effectively across different sectors such as social care, healthcare, employers and education. We have a big challenge ahead of us, and I hope to bring fresh thinking and a new approach.

Kevin Brennan (Cardiff West) (Lab): To be clear, will the Secretary of State confirm that the £4 billion in the Red Book that people have mentioned will have to be found from somebody else’s Department, not his?

Stephen Crabb: Such questions really ought to go to the Chancellor of the Exchequer, and tomorrow the hon. Gentleman will have the opportunity to put them to him. This statement is about my Department and budget, and it is extremely clear that we are not pressing ahead with the proposed changes to PIP, that we will not be seeking alternative offsetting savings and that the Government will not be coming forward with further proposals for welfare savings.

Several hon. Members rose—

Mr Speaker: Order. I am genuinely sorry to disappoint colleagues. This is a rarity because my objective is always to get in every colleague who wishes to speak on a statement, but every rule has its exceptions. I hope that colleagues will understand that I have to move on and that there is an element of rough justice when that happens.
Points of Order

6.36 pm

Owen Smith (Pontypridd) (Lab): On a point of order, Mr Speaker. Before the Secretary of State for Work and Pensions leaves the Chamber, may I point out that he said in his statement that the Government will not be seeking future savings from the welfare budget? However, Treasury sources were apparently briefing to The Sun newspaper during his statement that that is not what he means, and that he means that there are no “planned” increases in the cuts to the welfare budget in this Parliament. Can he tell us which it is?

Mr Speaker: The hon. Gentleman has raised his concern under the guise, or within the clothing, of an attempted point of order, but as he knows—his puckish grin merely testifies to his awareness of this—that is not a matter for the Chair. If he is beseeching the Secretary of State to come in on that point of order, he is entitled so to beseech. The Secretary of State can do so if he wishes, but he is under no obligation.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Further to that point of order, Mr Speaker. If indeed the Secretary of State for Work and Pensions has been put in an impossible position by the Treasury and may have unintentionally used misleading language in the House, would the way to clear that up be for the Chancellor to come to the House and make a full statement in which people can ask questions, rather than simply closing the very end of a debate?

Mr Speaker: I say to the right hon. Lady and many other Members throughout the House. She has referenced the motion that the right hon. Lady and many other Members throughout the House. She has referenced the motion that the Bill are well known. She referred to constituencies on the line of route and I mention, purely in passing, that my own constituency situation is well known to the right hon. Lady and many other Members throughout the House. She has referenced the motion that the Government have tabled. That business of the House...
motion, item 2 on today’s Order Paper, allocates time to the remaining stages, and she has complained about what she regards as the total inadequacy of that time. As she also knows, because she has been in the House for almost 24 years, I am afraid that such motions are not the preserve of the Chair: there is absolutely nothing that the Chair can do on that matter. It is up to the House whether to agree to the motion.

However, for the benefit of the right hon. Lady and those beyond the Chamber interested in these matters, I would simply add that if the motion is reached after 10 pm, it cannot be debated and can be agreed tonight only if there is no objection. I am not a seer—the right hon. Lady knows that I cannot be sure how events will play out—but given the time now and the fact that we are about to hear two Front-Bench speeches and that some dozens of colleagues wish to give the House the benefit of their views on the Budget, it seems at least highly probable that the motion will not be reached until after 10 o’clock. Knowing the indefatigability of the right hon. Lady, I feel sure that she will be in her place at the point the motion is reached, and she will know what she thinks she should do.

Beyond that, the right hon. Lady should have a chat with her right hon. Friend, the Secretary of State for Transport, and deploy her combination of intellect and charm to try to secure an improvement in the position.

Mrs Gillan: Further to that point of order, Mr Speaker.

Mr Speaker: There is really nothing further to that point of order, but because it is the right hon. Lady, I feel I must take it.

Mrs Gillan: Thank you, Mr Speaker, for that piece of information. Unfortunately, I have already deployed my intellect and charm. They have failed to work on the Secretary of State for Transport. Hence my appeal to the Chair in this instance.

Mr Speaker: In that case, I can advise the right hon. Lady and anybody else who feels as she does only as I have just done. It is not for me to tell the House how to vote. I would not dream of doing so; that would be most improper. All I am doing is saying to the right hon. Lady that that is the position procedurally. She will go into the situation with open eyes if she wants to be in the Chamber close to and beyond 10 o’clock. She knows that what I am telling her is not opinion, but based on sound procedural advice. I think we had better leave it there. I suggest that the Clerk now proceeds to read the Orders of the Day.

Ways and Means

Budget Resolutions and Economic Situation

AMENDMENT OF THE LAW

Debate resumed (Order, 17 March).

Question again proposed.

That,

(1) It is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

(a) for zero-rating or exempting a supply, acquisition or importation;

(b) for refunding an amount of tax;

(c) for any relief, other than a relief that—

(i) so far as it is applicable to goods, applies to goods of every description, and

(ii) so far as it is applicable to services, applies to services of every description.

Mr Speaker: Before I call the Secretary of State for Communities and Local Government, from whom we look forward to hearing—we also look forward to hearing from his shadow—I simply point out that some dozens of colleagues want to speak in the debate. There will have to be a very tight time limit on Back-Bench speeches, but I know that the Secretary of State and his shadow, who are both very considerate Members of the House, will, while wanting to treat comprehensively of the issues within their domain, wish to facilitate contributions by colleagues.

The Secretary of State for Communities and Local Government (Greg Clark): No one can pretend that this has been an easy Budget for the Government, but none of them is. Every single one of them is overshadowed by the events of the previous decade, by the deepest recession since the war and by a financial and fiscal crisis in which a large part of our national wealth disappeared in a puff of debt. GDP, productivity and revenue were all decimated. That is what happens when one spends a decade using a credit bubble to inflate the size of government. One day, the income suddenly disappears, but the commitments remain. In 2010, those responsible in the Labour party left government and did so without looking back. In the six years that followed, they have retreated ever further from any sense of responsibility.

It fell to us on the Conservative Benches to put things right: to rebuild an economy on firm foundations, to wrestle down the deficit and to mend the many institutions left in disarray. Financial regulation, educational standards and the housing market—all were broken, and all are being painstakingly restored to working order by this Government. However, every decision we made has been a hard one, because when the gap between the need and the Government’s resources is so wide there are no easy answers. We have not always got them right first time—the least worst option is not always apparent—but this is a Government willing to listen and to respond, while also keeping on track to squeeze out debt, encourage growth,
generate jobs and build new homes. On all these fronts, we are moving the country in the right direction, while the Opposition rush headlong to the left. They can go their way, but we will keep on moving forward.

**Clive Efford** (Eltham) (Lab): This Government said that they would eradicate the deficit in four years. Will the right hon. Gentleman tell me when that policy changed? How long does a long-term economic policy last for?

**Greg Clark**: I do not know whether the hon. Gentleman was in the Chamber for the Budget statement. If he was, he will have seen that the Office for Budget Responsibility confirmed that we are on track to eliminate the deficit by the end of the Parliament and to have a surplus. He should spend a bit of time talking to his right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne), who might provide the answer to why it has taken some time to reduce the deficit.

**Mark Spencer** (Sherwood) (Con): Hundreds of thousands of small businesses are paying lots of those taxes. What assistance can the Secretary of State give to small businesses that are facing rate demands from local authorities?

**Greg Clark**: My hon. Friend draws attention to a very important point. We have doubled small business rate relief, benefitting businesses right across the country—the small businesses that are the backbone of our economy and that are contributing a record number of jobs, meaning that we have more people employed than ever before.

**Melanie Onn** (Great Grimsby) (Lab): Will the reduction in small business rates have an impact on local authority incomes?

**Greg Clark**: If the hon. Lady had attended DCLG questions earlier in the day, she would have heard me confirm that every penny will be made up. I am sure she is delighted to hear that.

**Mr Clive Betts** (Sheffield South East) (Lab): I asked the Secretary of State about this issue in questions earlier. He said that the cost of small business rate relief in this Parliament would be funded by section 31 grants. Will he confirm that that grant will not come from any other part of local authorities’ budgets, and if it is not will he point out precisely where in the Red Book it says how that is funded?

**Greg Clark**: On page 84, line 15.

Let me turn to the subject of today’s debate, which is infrastructure and devolution. Those issues will still matter a year from now—indeed 10 years and 100 years from now. In “The Wealth of Nations”, Adam Smith spoke of three fundamental duties of Government: the defence of the realm, the maintenance of law and order, and a third duty that he described as follows:

“the duty of erecting and maintaining certain public works and certain public institutions, which it can never be for the interest of any individual, or small number of individuals, to erect and maintain; because the profit would never repay the expense to any individual or small number of individuals, though it may frequently do much more than repay it to a great society.”

We can therefore take it from the father of free market economics that there is no contradiction between faith in free markets and public investment in infrastructure. Indeed, they support one another and this Budget shows how.

The Budget announces new infrastructure investments in every part of the country—from Crossrail 2 in London to High Speed 3 for the northern powerhouse. There can be no more tangible demonstration of our belief in a one-nation economy.

**Toby Perkins** (Chesterfield) (Lab): I will not give way.

Not for us the discredited model of a one-city economy, because much as we value London it is wrong to rely on a single centre of wealth creation. Instead, wealth must be created and retained in communities across our nation—hence our ongoing commitment to HS2, a north-south axis linking London to the midlands engine and to the northern powerhouse. Quite literally, we must go further. We must build the vital east-west links needed to unlock the full potential of our great cities beyond London.

The Pennines might be the backbone of England, but frankly they are not the Himalayas. Some of our nation’s greatest cities stretch like a string of pearls across the north—and they can and should be drawn together. That is why this Budget strikes out in a new direction with the key announcement on HS3.

**Toby Perkins**: I have told the hon. Gentleman where it is.

**Mr Betts**: On a point of order, Mr Deputy Speaker. The Secretary of State gave me a direct answer about where in the Red Book the cost of the compensation for local authorities will come from is specified. He referred to page 84, line 15. However, that deals with the cost of the loss for small business rate relief, and does not deal with the grant that will replace it. Whereabouts is the section 31 grant covered in the Red Book?

**Mr Deputy Speaker** (Mr Lindsay Hoyle): Order. I think we had better have an answer to the point of order first. I realise that the Secretary of State has recognised that this was not a point of order, which is exactly the point I was going to make!

**Greg Clark**: Before the Chairman of the Select Committee comes to Budget debates, he should read the Red Book and do his homework. I am not going to help him in this debate.
Our road investment will complement rail investment. This includes the M62, accelerating progress to the achievement a four-lane smart motorway fit for the 21st century. Other improvements to both road and rail are not quite as high profile, but they are just as important—improving local links to bring home the benefit of national infrastructure.

John Glen (Salisbury) (Con): Does my right hon. Friend recognise that the road improvement of most interest in the south-west is the upgrading of the A303—in particular, for my constituents, the tunnel at Stonehenge—which will transform the whole south-west peninsula?

Greg Clark: I do agree, and I note two things about what my hon. Friend says. The first is that this never happened when Labour were in government, and the second is that this could not have happened without the strong economy that this Government have built.

Many of these investments, such as the road just described by my hon. Friend, the Member for Salisbury (John Glen), are long overdue. It has fallen to this Government to make improvements that could and should, as my hon. Friend says, have been made in earlier decades. That is why we must continue to make savings across the public sector.

Kevin Foster (Torbay) (Con): Will the Secretary of State join me in welcoming not only the improvements to the road links to the south-west but the money put aside for further development work on rail resilience in the south-west to ensure that in future we have a railway that works and serves our region?

Greg Clark: I can certainly confirm that. It is a welcome development that we are following the traditions of our Victorian predecessors with the great revival of railway building, which is so important for the south-west that my hon. Friend so ably represents.

Toby Perkins rose—

Greg Clark: I am going to make some progress.

In order to make these investments, we need to continue to make savings. The failure to control current expenditure means not just more borrowing, but that less is available for capital expenditure—a double dose of debt for our children and grandchildren, with financial debt compounded by infrastructure debt. The decisions that we make must be for the long-term good of the nation. This Government are therefore determined to draw upon the very best advice available, including that of Lord Heseltine, who will chair the Thames Estuary 2050 Growth Commission, and that of Lord Adonis, the chair of the National Infrastructure Commission, whose excellent work has informed many of the decisions made in this Budget.

Derek Twigg (Halton) (Lab): Further to the point raised by my hon. Friend the Member for Sheffield South East (Mr Betts), on which page and in which paragraph is the compensation issue referred to?

Greg Clark: I have already given not only the page, but the line number—and the hon. Gentleman too should have done his homework.

I am delighted to say that the remit of the National Infrastructure Commission will be expanded to include large housing developments. It is vital that the big decisions we make on transport and utilities infrastructure are co-ordinated with those we make on housing. As well as building more homes, we need to build better homes. The idea that we can sacrifice quality to achieve quantity is utterly wrong-headed. The only way to build the homes we need over the long term is through forward planning, good design and sound finance.

That is why the Budget lays the groundwork for a new generation of garden villages, towns and cities. We will provide targeted support for local authorities to develop locally led schemes. We will adjust the legislative framework to speed up and simplify the process of delivering new settlements. We will adopt a localised, deal-making approach to planning reform, working with councils to tailor the system to local needs in return for commitments on housing delivery. Instead of trying to force new housing through a fundamentally unformed system—the approach of the last Government—this Government understand that only a different policy can deliver different results.

Tristram Hunt rose—

Greg Clark: There are time constraints, so I am going to make some progress.

This month marks four years since the introduction of the national planning policy framework. Overnight, 1,300 pages of central Government guidance were replaced with 52 pages of plain English. I see in his place my hon. Friend the Member for Henley (John Howell), who played such an important role in that. It is a crystal-clear guide to achieving sustainable development. We have seen massive improvements in planning performance and housing delivery in that time. Before, most councils did not even have a local plan; now, most of them do; and before long, all of them will.

This is not just about plans, but about planning permissions—and not just permissions, but new homes actually being built. And not just new homes, but popular support for new homes. We are seeing a rekindling of the faith in development that was destroyed under the tenure of the Labour party. There is a sense that development can make places better, not worse—not least owing to another achievement of our planning reforms, including the NPPF, which was to establish a fully fledged system of neighbourhood planning.

I am proud that the neighbourhood planning process is under way in thousands of communities across the country. Through community consultation and neighbourhood referendums, local people have been given a real say. This is proof that when the planning system is made accessible and accountable, we can deliver both quantity and quality. However, we do not regard the progress of the last four years—important though it is—as mission accomplished. Rather, it is a spur to further action: to implement the new measures set out in the summer Budget, the autumn statement and this Budget, and to continue the work of reform until we have fully achieved our vision of a property-owning democracy.
The NPPF was a new start, not an end point. The same applies to the other great reform agenda that my Department is responsible for: devolution. It was four years ago that I stood before this House to announce the first wave of city deals. The response from the Labour party was mixed: disparaging in this Chamber but welcoming beyond the confines of Westminster. Four years on, the process of decentralisation has gone further and faster than even the enthusiasts thought possible.

Tristram Hunt: Will the Secretary of State give way?

Greg Clark: I am going to make some progress, given that about 60 hon. Members want to speak in the debate.

We have seen a second wave of city deals and the launch of growth deals and devolution deals to encompass cities and shires alike. We have even seen something of a change of heart on the Labour Benches. I very much welcome that, if it is a genuine source of support—however qualified—for the principles at stake. If the party of central planning accepts that power must be exercised locally, that is progress indeed.

Norman Lamb (North Norfolk) (LD): Perhaps the Secretary of State will come on to this point, but will he tell me whether he is at all concerned about social care? The independent Health Foundation estimates that there will be a gap of about £6 billion by 2020, and the Local Government Association actually asked for a roll-forward of extra funding for the better care fund, which has not been forthcoming. Does he not have real concerns that if the amount being spent on social care is not enough, it will simply place an extra burden on the NHS?

Greg Clark: As the right hon. Gentleman knows, provision was made in the local government financial settlement and the spending review to allocate up to £3.5 billion for adult social care by the end of the Parliament. The directors of social services and the Local Government Association actually asked for £2.9 billion, so our provision went beyond that. We also need to bring together the treatment of our elderly members of society so that councils and the NHS can, between them, look after those people well. After all, those requiring health care and social care are often the very same people. I know that, as a former Minister in the Department of Health, the right hon. Gentleman will favour that. Part of the devolution deals that we are pursuing will do that. We are seeing it happening in Manchester, and I hope that he will follow that with interest.

Barbara Keeley (Worsley and Eccles South) (Lab): Will the Minister give way?

Greg Clark: I am going to make some progress, as I have said.

This Budget announces a number of new devolution deals establishing combined authorities for the West of England, Greater Lincolnshire and East Anglia, and there are more to come soon. Far from erasing local diversity, the deals make the most of it—for example, by bringing together shire, unitary and district authorities to work together for the common interests of their area. The Budget announces further transfers of power to the Liverpool city region and to Greater Manchester. This shows that establishing a combined authority, with the accountability of a directly elected Mayor, is just the beginning: a democratic basis for the ongoing devolution of power.

Growth deals are another front for the advance of localism. Through the business-led local enterprise partnerships, we are devolving control over the £12 billion local growth fund. The Budget explains how we will allocate the latest tranches of the fund. It will be done on a truly competitive basis to encourage ambition, innovation and the productive use of taxpayers’ money. I am also delighted to see the announcement of new city deals in Wales and Scotland. Specifically, the conclusion of a deal with the Cardiff capital region and the opening of negotiations with Edinburgh and south-east Scotland are important steps forward.

From north to south and from east to west, devolution is transforming our nation. In 2010, the UK was one of the most centralised countries in the free world. There were no combined authorities, and only one big city mayor. Nearly 80% of local government expenditure was centrally controlled. By 2020, there will be combined authorities across the country, and at least eight big city mayors. Local authorities will keep 100% of the income that they collect. This Budget describes and accelerates a process of profound change involving the revival and rebalancing of our economy, the rebuilding of our national infrastructure and the redistribution of power from the few to the many. I commend it to the House.

7.5 pm

Jon Trickett (Hemsworth) (Lab): How time flies. It was only late last year that the Secretary of State was buoyed up by the Chancellor’s announcement that he had found a few extra billion quid down the back of his settee. The Secretary of State came to the House and offered no less than a guaranteed budget for every council. Sadly, as the Financial Times put it recently, the good times lasted only about a month. By February, the Chancellor was thousands of miles away in Shanghai. From there, he announced to the British people that there would have to be more cuts. Did no one remind him of the ancient Chinese curse, “May you live in interesting times”? Yes, it is a curse. As we now know, the Budget is a mega-shambles, but in China the Chancellor was blaming foreigners for his problems. He said that the EU was flatlining, the Chinese economy was failing to grow and petrol prices were collapsing everywhere.

Today’s retreat means that there is a financial hole of a further £4 billion in the Government’s accounts. No explanation has been given as to how that hole will be filled. More importantly, we have been reminded this weekend by the resigning Secretary of State for Work and Pensions that there is an ethical hole, a moral vacuum, at the Government’s core.

Jeremy Quin (Horsham) (Con): The hon. Gentleman seems completely oblivious to what is going on elsewhere in the world. The fact is that trends are happening in the world economy that will be reflected here in the UK. The Chancellor has cut the deficit by two thirds. Surely the hon. Gentleman would welcome that.

Jon Trickett: The hon. Gentleman will not get away with that. The truth is that this Chancellor has been in charge of the nation’s finances for six years and he now wants to wash his hands of the mess he is making of the economy.
I was talking about an ethical hole at the Government’s core. We still remember Conservative Members cheering last Wednesday. They thought it was okay to rob the benefits of the most vulnerable for the purpose of cutting taxes for the better-off. It is not only the cuts to the welfare budget that illustrate the Government’s willingness to attack the poor; it is also the cuts to local government. Furthermore, the way in which the cuts are being distributed across local government equally illustrates the ethical hole that I have described. Those councils that face the greatest social needs are now suffering the greatest grant reductions.

Barbara Keeley: The Secretary of State would not give way to answer questions on social care, and that is unfair because it is a key responsibility. He keeps trotting out the usual figure of £3.5 billion, but that is a false premise because the Local Government Association wanted £700 million to cover the two years that will not be covered by the better care fund. My local authority can bring in £1.6 million from the 2% social care precept but it is going to cost £2.7 million to pay for the national living wage in the care sector. That is the sort of gap that we are faced with.

Jon Trickett: My hon. Friend is right. I shall come to that point shortly.

Mr Robert Syms (Poole) (Con): Will the hon. Gentleman give way?

Jon Trickett: I shall make a little progress, if I may, as a lot of people want to speak in the debate.

I was talking about the unfair distribution of cuts. The three most affluent areas in the country have had the lowest amount of cuts to their Government support since 2010, yet lo and behold, the same three affluent councils then received an extra £33.5 million from the Secretary of State’s transitional grant. That £33.5 million was 10% of the entire amount of transitional grant that was given to the whole country, just focused on the three most affluent councils.

I will give way to my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) if she wishes. It seems she does not. I evidently made such a devastating point that she is still reflecting on it.

Let me draw a comparison between the three most affluent councils and the most deprived councils in the country. [Interruption.] This is an important point. I hope Government Members are not scoffing. Liverpool, Knowsley, Hackney and Manchester not only had the most severe cuts to their budgets since 2010, but they did not receive a single penny in transitional grant. There is no rational explanation for such a distribution of Government largesse. Perhaps the Secretary of State will consider publishing the criteria by which the civil service distributed that £300 million. We have had no luck so far in finding out how he managed to produce a distribution that favoured the richest councils and penalised the most deprived.

Kevin Hollinrake (Thirsk and Malton) (Con): How does the hon. Gentleman reconcile his comments that rural areas are getting a better deal? My local authority, North Yorkshire County Council, was facing a 39% reduction, compared to an average reduction of 20% to metropolitan areas.

Jon Trickett: I believe the hon. Gentleman said North Yorkshire. If I remember correctly, North Yorkshire got £10 million in transitional funds. West Yorkshire and south Yorkshire got not a single penny. Not a single council in the whole of west and south Yorkshire got a single penny, yet the cuts that west Yorkshire councils faced were much more acute than those that North Yorkshire had faced.

Liam Byrne (Birmingham, Hodge Hill) (Lab): My hon. Friend is making his case well. Is there not worse to come? We heard last week that another £3.5 billion worth of efficiency savings are to be made in the final year of the forecast, yet this Secretary of State is asking many councils to agree four-year funding deals. Has my hon. Friend heard whether those that agree four-year funding deals will be spared that £3.5 billion extra efficiency savings, or will they just have the money taken off them?

Jon Trickett: Not a peep from the Secretary of State so far. Unfairness and inequality run through the DNA of this Government in every Department. Local government provides services that make the lives of the most vulnerable in our society bearable, yet it is suffering the most draconian cuts.

Jack Dromey (Birmingham, Erdington) (Lab): Will my hon. Friend give way?

Jon Trickett: I shall make some progress now.

The same people who rely on the personal independence payments, which the Government so recently wanted to cut, rely on home helps and community services, yet nowhere is the pressure greater than the growing crisis being experienced by social care. The Tory-controlled Local Government Association estimates that despite the Government’s measures there is a big funding gap in social care—£700 million this year. Many of the frail elderly in our society are no longer being looked after properly. Lord Porter, the Tory leader of the LGA, put it starkly. He said that “vulnerable members of the community still face an uncertain future where the dignified care and support they deserve, such as help getting dressed, fed or getting out and about, remains at risk.”

Yes, a Tory leader said that vulnerable elderly people will be denied help to be fed.

A few years ago my own family faced a crisis that so many of us have to confront at some time in our lives. Let me quickly describe what happened. I went to visit my dad in the fabulous St James’s hospital in Leeds, whose staff continue to amaze with their skills and dedication. But the nurse told me that my dad was coming to the end of his life and that he had to be discharged because there was little further the hospital could do. Clearly, he could not go home. By good fortune, I was able immediately to convert a downstairs room in our house into a bedroom and shower room and within days he came to live with me. He died in that room a few months later, but we spent a wonderful time together. The sun seemed to shine into our house every
day that he was there. We were blessed to have the space available, and a loving family as well as loving neighbours who helped.

However, we could not have coped without the frequent house visits by the council’s care teams, who came every day, several times a day. Last year I held a fund-raising event at my house. One of our guests that day was a woman I recognised. She had been a carer who had helped me with my dad. She told me that she would always remember her visits to our house, but I felt a chill down my spine when she told me that because of the Government cuts, council carers could no longer provide the level of care to others that my family had received. “Honour thy father and thy mother” is an injunction that a civilised society should never forget.

Local government is facing £10 billion of additional future cost pressures. There are three main threats to council finances in this Budget. First, the Chancellor demands £3.5 billion of spending cuts, as we heard, to help to fill the black hole in the Government’s accounts. On top of that, there is the £4 billion that we heard about today.

The House knows that there are very few unprotected services left. Local government is one of them and is therefore a prime target. It is home helps, children’s centres, libraries, leisure centres, firefighters and youth clubs that are at risk.

Secondly, there is the overhaul of the business rates system. We welcome the extra help being given to small business in rate relief. That was in our manifesto; we campaigned for it, and it will cost about £7 billion. The Government have said they will compensate local government for this loss. The Secretary of State quotes page 84, line 15 in the Red Book, but he is wrong. That does not indicate where a single penny is coming from. Where is that £7 billion coming from? The Tory-chaired LGA has said that this will mean that once the 100% rate retention has been brought in, the resources to be retained will be less than previously projected as a consequence. By contrast, we would have financed these cuts to small business rates because we would have maintained, not cut, the level of corporation tax.

The third threat that the Budget outlines is the decision to ring-fence business rates in London, ahead of the rest of the country. But Westminster alone takes more business rates than Manchester, Liverpool, Sheffield, Birmingham and Bristol combined—£1.8 billion. If prosperous Westminster keeps this £1.8 billion, there will be a significantly smaller pot of money to be redistributed to less affluent areas. Tucked away in the Office for Budget Responsibility’s report are the implications of this for the hard-pressed council tax payer—something on which the Secretary of State was silent.

The OBR estimates that 95% of councils will increase council tax by the maximum allowed, and they are being encouraged to do so by the Government. This means that for the first time ever, the average council tax bill payer will be paying £1,500 a year. Over the next five years local residents face a 14% increase above inflation in council tax. In return they will get a worse service. So much for the Tories being the party of low taxation: capital gains tax cuts for the well-off and council tax increases for ordinary families. It is an unacceptable set of priorities.

Christian Matheson (City of Chester) (Lab): Is my hon. Friend aware that the Chancellor’s decision to remove retail rate relief for small shops will mean that more than 400 shops in Chester will be paying about £1,300 a year extra? Is that consistent with the argument that he has just made?

Jon Trickett: Of course. The Tories are not interested in looking after ordinary people and small businesses. They are interested in directing money at the privileged few.

Let me turn briefly to the subject of devolution, which the Secretary of State mentioned. In his Budget statement the Chancellor announced a number of devolution deals, about which concern has been expressed in all parts of the House. The Minister cannot say we did not warn him that there would be trouble on that from the Labour Benches. The whole process is far too top-down. The insistence on a single mayoral model has caused much resentment, especially in cities where the idea was recently voted down by local people in referendums.

It is not councils’ fault that there are these tensions—our councillors are under enormous pressure to get whatever they can for local residents. The fault lies entirely with the process imposed, not by the Secretary of State, but by the Chancellor, who is stubbornly refusing to allow ordinary citizens to have a say in how their areas should be governed.

Dr Rupa Huq (Ealing Central and Acton) (Lab): The idea of devolution setting people free from centralised diktat may sound good on paper, but how does it square with the forced academisation of schools?

Jon Trickett: I agree entirely with my hon. Friend’s point.

Let me make some progress on devolution. The average pot of money available to the metro mayors appears to be about £30 million a year, but that is dwarfed by the severity of the cuts that each of their councils has suffered. Top-down devolution, compounded by financial injustice, simply will not work as an enduring solution. Labour wants properly funded, real devolution, which would include, for example, the power for every council to open schools, build homes and regulate buses—mayor or no mayor.

That brings me to the Budget’s implications for the north of England. The Chancellor boasts about his northern powerhouse, but his Budget cuts to northern councils alone since 2010 add up to £3.9 billion being taken out of the northern economy. What do we get instead? A few million pounds for a scaled-down flood defence scheme in Leeds, and a few million more to fund not an electrified rail link, but a study that might report eventually on whether there should be electrification. None of that cuts the mustard—it is more of a power scam than a powerhouse.

Let me express my great admiration for councillors of all parties who do their very best across the nation, despite years of cuts, to protect services. Libraries, for example, are one of the most prized assets in any community, but they are frequently the first to go. On Friday, I visited Wyke library in Bradford. The council has managed to keep it open, despite the prospect of losing half its budget in a decade. The library is a beacon of hope and self-improvement, buzzing with learning. I met people there who were studying to better their lot in life. They told me there was no way on earth they could afford to buy the books they could borrow
from a public library or to use the internet, which was also available. The priority had to be putting food on the table for their kids, but they were able to come to the library and have access to knowledge. I met one man who was using the internet—publicly provided in a public library—to complete his PhD. Cutting libraries, cutting museums, cutting theatres—all of this is nothing short of cultural vandalism.

The Secretary of State did a round of media interviews this morning. On ITN, he told Conservative Members to come together again; he said they should stop scrapping with each other. Well, good luck with that. Then he went on the “Today” programme and talked about the rough and tumble of Budget negotiations, as if that explained the resignation of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith).

I think the Secretary of State is a decent man, and I suspect that, in his heart of hearts, he appreciates the value of local government services. He knows the role—how could he not?—that many of them play in supporting the vulnerable, but what does he really know about the rough and tumble of Budget negotiations? He was the first Secretary of State to sign up on the Chancellor’s terms.

On the radio this morning, the Secretary of State referred to the right hon. Member for Chingford and Woodford Green as his very good friend. My guess is that he may not want to follow the path of his very good friend and resign from the Government to defend local councils. I hope, however, that he will decide to fight his corner rather more strongly than he has this year against a Chancellor who has proved his judgment is nil.

**Greg Clark:** I am grateful for this little riff on resignations, but coming from a party that resigned from reality last August, it is pretty rich.

**Jon Trickett:** I think the Secretary of State should have stayed in this seat rather than make that intervention. It is time for the Secretary of State to stand up to the demands of an unreasonable Chancellor, rather than standing by while communities are decimated. If he will not, we will.

**Several hon. Members rose—**

**Mr Deputy Speaker (Mr Lindsay Hoyle):** Order. May I point out to the House that, from now on, there will be a five-minute limit, apart from for Front Benchers?

7.25 pm

**Sir Henry Bellingham** (North West Norfolk) (Con): It is a pleasure to be called early in the debate and to follow the two Front-Bench speeches—particularly the quite superb opening speech by the Secretary of State. I pay tribute to him and his team of Ministers, who serve us really well.

This was a Budget for small businesses and enterprise as much as anything else. I welcome the doubling of small business rate relief and the increase in the maximum threshold for relief from £12,000 to £15,000. I really welcome the reduction in corporation tax, the capital gains tax changes, and particularly the 10% rate on long-term investments in unlisted companies, which will do a great deal for start-ups and business angels. I also welcome the stamp duty changes on commercial properties and the abolition of national insurance for the self-employed.

The other day, I worked out that this is the 40th Budget, including emergency Budgets, that I have been privileged to listen to, but this is without doubt one of the best Budgets, if not the best Budget, for small businesses, enterprise and wealth creation in our communities.

The Opposition have accused the Chancellor of favouring the rich, but let us hang on a moment. In the last financial year, the richest 1% paid 28% of all income tax. That is really quite staggering, and it completely undermines the Opposition’s argument.

**Toby Perkins:** Like other Conservative Members, the hon. Gentleman seems to be celebrating the fact that, under a Government that have seen the rich get much, much richer and the poor get much, much poorer, the rich are actually starting to pay more tax. Would it not be better not only if the top 20% paid more tax, but if the bottom 20% actually got wealthier rather than poorer?

**Sir Henry Bellingham:** I am grateful to the hon. Gentleman for that intervention; he and I get on very well together, and I respect his views. However, I would refer him to the comments by Paul Johnson, the head of the Institute for Fiscal Studies, who pointed out that, over the past few Budgets, higher earners have “seen huge reductions in pensions tax relief”, as well as a host of other measures, such as a “clampdown on buy-to-let”, and that they have been “squeezed in other ways”. He points out that this Budget’s impact on income distribution has been “incredibly modest”. That underscores the point that this is a fair Budget and, indeed, one for all our constituents and communities.

In the few minutes I have left, I want to touch on the devolution proposals. I support devolution. The flexibility that comes with making Government money available at the local level and responsive to local aspirations makes sense. I will certainly look carefully at the Secretary of State’s proposals for the combined authority in East Anglia. However, I would ask the Minister who winds up to confirm whether the £30 million a year is new money and whether the £170 million for housing will be spread over 30 years or treated on an annual basis. Could we have a look at that?

I certainly support the idea of devolution, but I am sceptical about the idea of elected mayors, for the following reasons. Back in 2000 and 2001, I was one of those politicians who were vehemently opposed to the now Lord Prescott’s proposals for regional assemblies, on the grounds of extreme cost and empire building. I also took the view that they would probably lead to the demise of the shire counties. I therefore regard the plan to bring in elected mayors with extreme suspicion. We are going to have to look at the cost very carefully. I remember when we discussed the plans for police and crime commissioners four years ago, and the view was that they would cost very little. It was said that the chairman of the authority—who is now called the police and crime commissioner—would sit in the police headquarters at no extra cost, but our PCC now costs £1.37 million and has a large number of staff in a separate building. He has built a mini-empire. The cost of the 41 PCCs across the country comes to £52 million.
Barbara Keeley: Does the hon. Gentleman agree with the Chancellor, who, as part of devolution, has forced an elected mayor on Greater Manchester? Does he think we should have devolution without forcing elected mayors on areas that do not want them and never voted for them?

Sir Henry Bellingham: This discussion is going to have to continue, because the most important thing is to have the support of the local authority.

I am worried about empire building. The new mayor is not going to operate out of a garden shed, although if one of us is elected in East Anglia perhaps we will do so. He or she is going to want to build a large empire and have a large number of staff, including directors of this and that division and department. Before too long, there will be a lot of pressure to have an elected assembly, and the heads of highways, infrastructure and housing will then become elected. Before we know where we are, we could well have an elected assembly.

I am glad that the Secretary of State has shown the courtesy to come here for my speech, because he has obviously been here a long time. People in Birmingham, Manchester, Newcastle and London feel an affinity with and an attachment to their city, so they are more likely to support the idea of having a mayor. I feel absolutely no affinity whatsoever with East Anglia, but I do feel an affinity with Norfolk. Does East Anglia include the three counties of Norfolk, Suffolk and Cambridgeshire that will be in the combined authority? Does it include Essex as well? No, it does not. What about Bedfordshire and Lincolnshire, just north of my county boundary?

I think that a mayoral election would face the problem of a pitiful turnout of perhaps 12% or 15%, so there would be no mandate. I am also worried that the institutions of Norfolk county could be undermined: this could be the death knell of Norfolk County Council, Suffolk County Council and Cambridgeshire County Council.

I also think this could lead to conflict with MPs. If I open a factory or campaign on a big issue and the elected mayor comes along and says, “Hang on, I also have a mandate of all of 12%,” and starts ordering us around, that is not good for the constitutional relationship between MPs and their voters. I am bruised by my experience of campaigning against the incinerator proposed by Norfolk County Council, when the local enterprise partnership suddenly waded in behind the county council.

I ask my right hon. Friend: can we have devolution, but can we also look very carefully at the idea of an elected mayor? Let us have devolution first, perhaps with a Minister for East Anglia. Perhaps that could be his colleague, the Minister for Housing and Planning, my hon. Friend the Member for Great Yarmouth (Brandon Lewis). Let us then move very cautiously before we turn to the election of a mayor. If I do not have an assurance from my right hon. Friend, it will wreck what is an absolutely outstanding Budget.

7.33 pm

Alison Thewliss (Glasgow Central) (SNP): The Scottish National party approach the Budget with some degree of success compared with last year, having secured measures relating to the tampon tax. We have not yet secured those on VAT relating to police and fire, but perhaps we can pursue them as the Budget winds its way through the House.

I am glad that this Government are picking up on the success of the Scottish Government, whose small business bonus scheme has, for some years helped many small businesses across Scotland to survive in these very difficult times. We are now moving towards a considered review of business rates, but we are including the business community in the process and will take until 2017 to establish what the new system might look like. We are taking our time to get it right. Our Government like to consider these things more carefully and we do not like to jump, as this Government seem to do, from one crisis to the next.

Similarly, a cross-party commission on local tax reform has looked at council tax in Scotland. The cross-party review carefully considered all the different options relating to council tax and how we could make it a fairer system. The review took evidence, had public meetings and came up with a set of recommendations to which all parties could sign up. That had real credibility and an evidence base behind it. The right thing to do is to give clarity and certainty in order to try to make tax fair.

It would be good if this Government took on board that lesson, because they are so different from ours in Scotland. They are in chaos over welfare reform. There is a black hole in the Chancellor’s Budget, and that is on top of the targets he has failed to meet. He is responsible for local government tax hikes—the social care precept is a tax hike by any other name. He also claims to be helping tenants by cutting 1% of social rent for those in housing association accommodation, but he is ignoring altogether the rise in private rents, which is contributing to the housing crisis in England.

Members may have heard me say during DCLG questions earlier that the Communities and Local Government Committee took evidence from Crisis and Shelter that suggested that soaring rents in the private rented sector are now the leading driver of homelessness in England. There are already 3,600 people sleeping rough every night in England, and that figure has gone up 30% in the past year. There has been a 250% increase in the past five years in the number of people who end up homeless because they cannot afford to pay their rent. We are taking a different approach to the issue in Scotland. Our recent housing legislation has provided greater protections for people in the private rented sector, as well as for those in the social rented sector who have long enjoyed protections.

Tenants are being forced into poverty. There is, of course, a place for the private rented sector in the housing mix, but in England families are increasingly being forced to rely on that sector. They have no certainty in their tenancies and they cannot afford to get by, while social rented properties are being sold off, left, right and centre, with nothing similar to replace them.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): The Scottish Government have the power to control the housing market, so they could introduce a rent cap if they wanted to do so. Should not the regions of England have the same powers as Scotland to control our housing market, so that if our London Mayor and Assembly, for example, wanted to introduce more rent controls, they could do so?

Alison Thewliss: Yes, I think that would be a very useful idea. Rents in the private sector are soaring compared with those in the social rented sector, so it is
perverse that this Government view the social rented sector as the source of the problem, not the acceleration of rents. That would be a useful power for local government in England.

It is evident to just about everybody outwith those on the Government Benches that the solution to the housing crisis is not starter homes of £450,000. A salary of £77,000 with a deposit of £90,000 is the going rate for these starter homes, but that will not exist in perpetuity for the next generation, who will go back into the very expensive retail housing market.

The Budget includes a welcome commitment to combat homelessness, but the funds involved are a drop in the ocean, given the size and scale of the housing crisis facing England. Virtually nothing is happening to encourage growth in the social rented sector in local government and housing associations. This Government are providing a sticking plaster when the patient needs urgent urgent CPR.

In Scotland, homelessness is falling and we are continuing to invest in the social rented sector, despite the cuts we face from the Government down here.

I will now turn to issues relating to devolution deals and draw Members' attention to the “Pitch Book” on the Scottish Cities Alliance website, which outlines the scale of the ambition for some of Scotland’s cities. This Government could be doing a lot more to support growth deals. There is news that the Inverness and highlands city deal may be announced tomorrow in the back of the Treasury sofa. Aberdonians often get unfairly maligned for being thrawn, but this Chancellor and the Minister have made a great to-do about the fact that negotiations have been opened, but waiting six months before opening negotiations does not constitute an announcement. That is not an announcement; it is delay, delay, delay.

Alison Thewliss: I absolutely agree with my hon. Friend and with other colleagues from that part of the world, who are also here. I understand that the Edinburgh and south-east Scotland city deal team put in their bid in September last year. To open negotiations only now is an unacceptable delay in a region that needs that stimulus.

Select Committee reports on city deals have mentioned that they are often dictated by political imperatives. It seems as though Edinburgh’s deal sits nowhere in those political imperatives. We have waited and waited with bated breath for an announcement on the Edinburgh and south-east Scotland deal, but we have had no certainty about how well the plans have been received. It would be good to have an announcement soon, because the purdah period for the Scottish Parliament elections is imminent. There will then be a further purdah period for the EU referendum.

The people of Edinburgh deserve to know how their deal is being received and when work can get under way. It would be a shame if the ambitious proposal in the bid for £1 billion to improve infrastructure, skills and innovation were put on hold by an EU referendum. That £1 billion of investment could unlock an additional £3.2 billion of private sector investment in Edinburgh and south-east Scotland. Because the bid team is working collaboratively with Edinburgh University, surely the potential impact of the city region deal to the UK’s productivity and growth is deserving of an announcement of significant funds very soon.

There are fledgling deals in other parts of Scotland as well, and I would welcome early engagement by the UK Government in those deals. This morning, I met people involved with the Ayrshire growth deal, which involves ambitious proposals for the area to bring in greater science, technology and innovation and to make the most of the Prestwick hub—

Alan Brown (Kilmarnock and Loudoun) (SNP): And beyond.

Alison Thewliss: There is lots of potential in the area, and indeed in Kilmarnock. The growth deal should help to encourage young people to stay in the area and to make their lives there, and it should attract back families who have moved away.
There are many ways in which Scotland looks at issues differently. Our population of 5 million allows us fleetness of foot and innovative thinking. In local government, housing, homelessness, city deals and a host of other areas we can lead the UK. I hope that the SNP’s involvement in this Parliament, however long or short that involvement may be, will allow Members to look to Scotland for ideas of civilisation.

7.44 pm

Mark Pawsey (Rugby) (Con): It is a pleasure to follow the hon. Member for Glasgow Central (Alison Thewliss) to speak in this important Budget debate. The Budget carries on the Government’s good work of the last five and a half years and helps to secure our country’s future—a future that is rosier than it would otherwise have been, thanks to the action that the Government have taken.

Let us look back to 2010 and the very serious financial position that the country faced before the election. Had the people not voted as they did, we would now face more borrowing, much more debt and higher borrowing costs. The welfare budget would have been out of control, public spending would have continued to spiral and the economy would have been wrecked.

It is a fact of life that Labour Governments always wreck the economy and that Conservatives have to come back in, clean up the mess and get our country back on track. The Budget carries on that work. The people understood that difficult decisions had to be made in 2010. They understood that at the election in 2015, and they understand it now. There have been significant achievements. In my constituency, unemployment is down by 90% over the past year and by 62% since the Government took office in 2010. The economy is moving in the right direction.

I will focus my remarks on the way in which the Budget affects local authorities through the devolution of business rates. Before first arriving in this place, I was a small businessman, and I used to receive a bill from my local authority for what I thought was quite a substantial chunk of money. That was not for services directly received—commercial waste collection, for example, is a commercial service, and we paid extra for it—but my bill arrived with the Rugby Borough Council logo on, so I consolled myself with the thought that the money was being spent in my community. That, of course, was not the case, because for a long time local government simply acted as a collection agent on behalf of central Government, and the money went back to central Government. I think it is ideal for local authorities to retain the business rate, and that is the right thing to do. I used to ask myself, “If the local authority does not retain the business rate, what incentive is there for the local authority to grant consent for new development and new businesses and to encourage the growth of the local economy?” Of course, there was none, but there is now.

I am very pleased that the Government will carry out a business rate revaluation. I support that, because I believe that any tax that is based on the value of property should be based on the current value, and that there should be regular revaluations. I note that the Government will publish a discussion paper with options for achieving that. I am pleased that the maximum threshold for relief will go up from £12,000 to £15,000. Some 600,000 small businesses will therefore never pay business rates again, which will save them almost £6,000 a year.

There are some issues in respect of the effect on local authorities. For Rugby Borough Council, the cost of doubling the relief for businesses with rateable values of up to £12,000 will be around £570,000. I hope that the Secretary of State or the Minister who responds to the debate will set out how the effect on local government will be dealt with. Analysis by Rugby Borough Council shows that there are 134 businesses in the borough with a rateable value of up to £15,000, from which it collects almost £900,000 in business rates. It is uncertain at this stage how many of those 134 businesses will qualify for relief, or what level of relief they will be entitled to. There is some uncertainty among local authorities.

I am further concerned that business rate relief will act as an incentive for local authorities to consent to larger, rather than smaller, business units. In my constituency, a big unit is relatively easy to provide, but there are fewer units available for smaller businesses that wish to grow and develop. If a local authority is faced with an application for a smaller unit from which it will generate no income and an application for a larger unit from which it will retain the business rate, it is not hard to see which route the local authority will take. I also fear that by creating a cliff edge as the rateable value increases, the relief might disincentivise small businesses from growing and developing.

7.49 pm

Mr Stephen Hepburn (Jarrow) (Lab): This sorry excuse for a Budget is falling apart in front of our very eyes, just like the Chancellor’s reputation. Harold Wilson said that a week is a long time in politics, and by heaven doesn’t the Chancellor realise that today? Just one week ago, the Chancellor was standing at the Dispatch Box flaunting himself as a future Prime Minister, but now what do we see? His credibility is devaluing faster than a banknote in a banana republic.

I do not see the former Work and Pensions Secretary, who threw the towel in, as any comrade in arms in the fight for fairness and decency. I welcome his conversion to our cause after six years of the most brutal attacks on the welfare state since its creation: attacks on the lower paid, the unemployed, the disabled, the young, the vulnerable and the weakest members of our communities; and the bringing in of policies such as the bedroom tax, which has seen three-quarters of the people affected having to cut down on food to be able to afford to pay it.

Jim Shannon (Strangford) (DUP): Parkinson’s UK and Arthritis Research UK say that 682,100 people currently claim PIP. Of those, 200,000 have a musculoskeletal condition, which means they cannot dress or go to the toilet unless they receive help. That is just one example of disabled people who need help. Have the Government forgotten about these people?

Mr Hepburn: Yes, they have forgotten about them and such cases are replicated right across the UK.

The introduction of a benefit cap will cast an extra 40,000 children into poverty. There have been cuts to employment and support allowance, tax credits and housing benefit, and with the botched universal credit, more than 2 million families will see their benefits cut.
by £1,600 a year. The infamous work capability test targeted terminally ill cancer patients and those with severe learning difficulties to reach targets. I welcome the change of heart from the ex-Work and Pensions Secretary, who finally realises that it is morally reprehensible to persecute people who need help to just wash, dress or go to the toilet.

What is more, we are sick of the spin from the Chancellor, whether the northern powerhouse guff he keeps coming out with or him pretending to be the builder of the infrastructure in this country. Bob the Builder was funny, but George the builder is not, Lurking in factories or loitering on building sites wearing shiny hard hats and high-vis jackets, his trips around the country are nothing but public relations trips funded by the taxpayer.

All this is happening at a time when we are facing a housing crisis in this country. I remember first coming down to London and seeing people out on the streets as rough sleepers. We all thought that was disgraceful. Labour cleared that up, but what do we see now as we walk into Parliament these days? The very same thing we saw when the Tories were in power in the ‘90s—rough sleepers. It is a scandal that the fifth-wealthiest country in the world sees its priorities as cutting welfare for the weakest and increasing the number of rough sleepers by 50%, while lavishing tax cuts on the very rich.

I am proud to be a member of the Union of Construction, Allied Trades and Technicians. I joined when I was a building labourer, long before I became a Member of this House. I want to see the building of houses to sort out homelessness and the housing crisis, and I want to see infrastructure built for the benefit of everyone. But what do I see under this Government? I see rent rises in the private sector, council sector and housing associations brought about by a Government who persecute tenants. I see disgraceful threats to end the security of tenure to families who can be kicked out of their council houses, with kids ripped out of school and communities destroyed forever. I see the privatisation of housing association properties when the Government force them to be sold on the cheap. I see councils being forced to sell their best properties to spivs and speculators, depriving parents and children the chance to live in a nice area. I see the ludicrous first-time buyer scheme and the ridiculous belief that ordinary people can get on the property ladder by purchasing a house costing up to £450,000, which must be something like 18 times the average wage in my constituency.

I pay tribute to South Tyneside Council and Gateshead Council, who cover my constituency, for the work they have done to protect people from the cuts that have happened in the past and for what they will do in the future. Instead of building up the country and building a future for everyone in society, we have a Chancellor who is just digging his own political grave.

7.54 pm

Lucy Allan (Telford) (Con): I am really pleased to be able to welcome the Budget. This Budget delivers on the promises made to the people in my constituency in May. Let us take away some of the noise we have heard today and focus on the big picture of what is actually in the Budget.

This is a Budget for ordinary working people. This is a Budget for small business and enterprise. This is a Budget for Telford. Telford has a proud history of innovation, creativity and finding solutions to problems. We have a rapidly growing, dynamic small and micro-business sector with increasing numbers of people who are self-employed; people who are doing it for themselves and building their businesses from nothing. They are the job creators of today and of tomorrow.

More than 3,000 small businesses in Telford will benefit from the measures in the Budget to cut business rates. Sadly, for some, this help has come too late. I want to put on record the sad closure of Queenies Cupcakery in Ironbridge, which closes its doors in April after a long struggle to meet its business rates. However, the cut is just in time for many of the small kiosks in the town centre, which will welcome the news, as will Fabulous Hair in Dawley, Ketley Cod in Station Road and Zen Communications in Stafford Park. This is a Budget for them.

Telford is an area of low pay, where many people have little disposable income. People in Telford work hard. They take on extra hours; they take on two jobs to make ends meet; and they save for their family and their future. This Budget incentivises and rewards that ethos. By raising tax thresholds, 2,000 people on low pay in Telford will be taken out of tax altogether and many others will keep more of their hard-earned cash.

Working people in Telford support the Budget. In particular, they like the freeze on fuel duty. Be under no illusion: a freeze in fuel duty makes a massive difference to everyday life and ordinary household spending power for those on a small income in Telford. I remember three years ago going to Asda in Telford and spending 135p on a litre of petrol. Today, a litre of petrol costs less than £1. More people in Telford have money to spend. One has only to go to the retail park on a Saturday, as I did on Saturday, to see what I am saying. It is hard to get a place to park and there is a queue around the block to go to the Costa in Next. People in Telford are keeping more of the money they earn, and hard work is being rewarded. I welcome that and the people in Telford welcome that—and this is before the introduction in April of the national living wage.

This Budget supports business, rewards hard work and boosts household income. These are the big-picture measures for tens of thousands of working people in Telford. This is a Budget for them. What else will the Budget do? It will incentivise people to save for their future. For those under 40, the Government will give them £1 for every £4 they put away. This will help young people in Telford to save for a home or to start a family. The lifetime savings account is flexible, simple and gives people the opportunity for self-reliance. This is a measure for Steve, a teacher at Madeley Academy and a measure for Stefan, a care worker from Dawley. This is what we do in Telford: we try hard, we work hard and we want to get on. That is why this Budget is for Telford.

There are pockets of significant deprivation in Telford, which is why I am delighted to see in the Budget support to tackle homelessness. I want to pay tribute to a homeless charity that I support called Stay, which is celebrating its 25th anniversary next month.
This Budget enables people to make ends meet and to save for the future. It is a Budget for hard-working people, a Budget for business and enterprise, and a Budget for Telford. It is for those reasons that I wholeheartedly support it.

7.59 pm

Mr Clive Betts (Sheffield South East) (Lab): I want to get beyond the Budget headlines, which often lead to cheers from the Government Benches, and instead consider some of the details and try to get some answers.

I want to return to the point I raised in Communities and Local Government questions earlier, in an intervention on the Secretary of State and then in a point of order, because I still have not had an answer. The Government have said that local authorities will be compensated for the change to small business rates relief, which amounts to £1.7 billion in the next financial year—2017-18—and to similar amounts in years after. He said it was mentioned on page 84, line 15, of the Red Book, but that refers to the cost to the Government of the small business rates relief changes; it does not show how local authorities will be compensated for that loss by a section 31 grant. Will someone please show me where in the Red Book the section 31 grant is described as compensating local authorities?

Barbara Keeley: Does my hon. Friend agree that this is a very pressing issue? In Greater Manchester, the business rates retention scheme could be put in place as early as 2017. Will the Government even have finished the consultation by then? Where are we? We need to know where we are.

Mr Betts: Local authorities are entitled to absolute certainty. We can welcome the help for small businesses but not at the cost of local authorities and their services. If the Minister cannot explain this today, I hope that the Secretary of State, to whom I have written, can at least give us a written answer that can be made available to everyone else through the Library.

The Secretary of State went on to say that after 2020, because no grant will be available, compensation will be provided by a reduction in devolved powers to local councils, so that they will not have as many things to spend their money on—money they now will not get through business rates relief. It is a bit disappointing that the Government’s way out is to reduce devolution. That does not seem to be consistent with their claim to be devolving more powers all the time. More worrying, on the change between the retail prices index and the consumer prices index, which comes into force in 2020, how on earth will the Government find a mechanism by which to compensate authorities for that change, given that it will vary year on year? How will they do it, when the only way to provide compensation will be by changing the devolved powers available to local authorities, which cannot be done on a yearly basis? Will the Minister please provide the mechanism and explain it to us?

There will be a fundamental problem here after 2020. If any future Government were to introduce the sorts of changes this Government have made to business rates, where would it leave local authorities? Their income would simply be cut, and there would be no means by which to compensate them because there would be no revenue support grant in existence. Local authorities’ devolved powers cannot be changed on a year-to-year basis. This does not just throw up the need in future to devise receipt of business rates to local authorities; we also need seriously to consider devolving the right to set business rates and business rates assistance. If that is not done, this will be sham devolution, and it will raise the great risk of future Governments on a whim being able to change the system on which local authorities will rely for a good percentage of their income. This problem has to be thought through.

I turn now to the four-year settlement that the Secretary of State rightly offered to local councils for the rest of the Parliament. Where is that left by the £3.5 billion of efficiency savings the Chancellor announced in his Budget and the £4.4 billion of extra savings that presumably have to be found now that the PIP cuts are not being carried through? In total, it would seem to amount to an extra £7.9 billion that he will have to find. Can we have a categorical assurance from Ministers that this will not affect the four-year settlement offered to local councils? I hope that it will not once again be a case of giving local authorities certainty for the Parliament, only to come back within a few months and ask for more cuts, which would put them in an impossible position.

Moreover, are we going to see further cuts to the public health grant, which the Government have not preserved? In the last Parliament, the public health grant was initially—up to 2013—part of the health budget and ring-fenced accordingly, but it is now part of the local government budget, and already this financial year it has seen a one-off cut of £200 million. It is estimated that there will be £600 million more in real-terms cuts by 2020. Will the grant face any further cuts as a result of the Chancellor’s need to fill the £7.9 billion black hole?

Finally, the Government have announced £115 million of help to tackle rough sleeping. It is a blot on our society and it is right that extra help is being given to deal with it, but to tackle homelessness properly—apart from the prevention at one end—we need more social housing to offer to homeless people. What do the Government have to say about the Chartered Institute of Housing’s report stating that there will be 300,000 fewer social rented homes by the end of the Parliament than there were at the beginning? What about the evidence that St Mungo’s gave to the inquiry by the Communities and Local Government Committee the other day stating that, unless the Government changed the link to the local housing allowance, all its help and provision for homeless people will have been closed by the end of the Parliament? That is a situation that no one can tolerate.

8.5 pm

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to be called to speak in this Budget debate.

In these debates, we normally have a chance to pick over the elements of a Budget of which we particularly approve, to consider and discuss them and to draw conclusions, and normally by the Monday the devil in the detail has been uncovered. I think we can safely say that this year that has largely been the case: we have found the devil, and the devil has been chased out of the room.
I would love to speak for the remaining five minutes about the importance of the northern powerhouse, about why it is about more than just transport infrastructure projects—important as they are—and about why devolution has the opportunity to be a visionary policy and how the Chancellor deserves immense credit for persisting with it. Owing to the pressures of time, I will focus on the elements that I think form a golden thread running through the Budget and the Government’s approach.

We can call it compassionate conservatism, one nation, social justice, a preferential option for the poor—the title does not really matter—but running through everything we do as a Government and a party should be a concern for the people the state has failed; those who face challenges we might not face ourselves; those at the bottom of the pile, the low-earners; and those who might not always be at the forefront of our minds as we go about our regular business. If we want to be a party that can look itself in the mirror and believe it is doing its best for everyone in our country, we must meet that challenge.

We have to make sure that our values and principles apply equally across the generations, which is why it was so important that this was a Budget for young people as much as for old people. Focusing on every generation, and on the balance and links between them, and ensuring that the next generation has the chance to exceed the achievements of its parents’ generation have to be the fundamental tests of every Conservative policy in every manifesto we put out. They should be at the centre of what we seek to do.

I heartily welcome the Government’s decision to rethink PIP. I had real difficulty understanding how the limited technocratic changes to the points-scoring system in the PIP assessment could be squared with the large saving the Treasury was seeking to derive from the PIP changes. I am glad we are not going down that path now.

I welcome our remaining a party committed to halving the disability employment gap, but I am realistic enough to recognise that it will require some radical policy reform to ensure that the complex needs of people trying to find work are adequately assessed and met so that we help them back into work. Moreover, we have to recognise that a significant number of people on a benefit such as PIP will never be able to return to work, and we must be ultra-careful in this place not to fall into some inadvertent utilitarian trap that sees those who cannot return to work as somehow being less deserving of our sympathy and financial support. Many who are in work rely on PIP to stay in work—it is a working-age benefit; it is not means-tested. Equally, however, many are not in work and never will be. They will face a life reliant on the state, but that is not necessarily a bad thing or something to be ashamed of.

We need to do more to ensure that money is spent in a way that is aligned with incentives and that the most vulnerable within a vulnerable group are looked after. Those with every chance of returning to work are no more worth while than those who are not. There is no hierarchy of human value in our welfare state. The benefits system should not be seen as a greater opportunity for savings among the economically inactive.

It genuinely staggers me, though, that the Labour party is a bystander in this debate. Labour Members talk the language of welfare reform, but they have no ideas at all, other than to get out the national credit card, time and again, to pay for every U-turn. I have said in the past that to make real progress on disability policy, there needs to be cross-party agreement. I look to the Labour Benches to try to decide who might be brave enough to make that step—to dispense with the ill will and malevolence and to come forward with some real proposals to find that cross-party support. I do not see it yet.

8.10 pm

Mr Ivan Lewis (Bury South) (Lab): I want to focus my contribution on the devolution deal for Greater Manchester. I welcome the principle of local politicians and communities having far greater control over the policies and funding that affect their localities. It is right that we have a much greater opportunity to shape our own destiny and build a world-class, fair and prosperous Greater Manchester. However, as we take greater responsibility, the Government, and especially the Chancellor, must understand that we are not prepared to be set up to fail or to collude with policies that are plainly wrong. Greater Manchester’s political leaders are right to do business with the Government, notwithstanding, in most cases, serious political differences. However, I have come to the conclusion that, in some key areas, the combined effect of the devolution deals so far is flawed. We must negotiate a new, fairer deal that enables us to tackle the inequality that has left too many people and communities behind.

On skills, it is essential that we raise our game in Greater Manchester, so that we can tackle the scourge of worklessness, improve poor levels of productivity and ensure that people living in our communities benefit from the future jobs that businesses will create at the cutting edge of the technological and green revolutions. The current devolution deal only gives Greater Manchester control over 19-plus education. This is nonsense and is setting us up to fail. I want local authorities and the mayor to have the power to support school improvement through a properly funded schools challenge, on a par with London, to build a 14-to-19 phase of education with a high-quality vocational offer and to have greater flexibility to work with employers on apprenticeships. If the Government are serious about supporting Greater Manchester to tackle the scandal that is 25% of children living in poverty, they will provide additional funding so that we can expand early childhood development programmes, not cut them, as is happening now.

On health and social care, we have agreed to create an integrated care and support system. However, we have a £2 billion NHS funding gap in Greater Manchester. Cuts to council budgets are severely restricting access to social care, and community mental health services are in crisis. In many areas, preventive services, often provided by voluntary organisations, are being cut to the bone. On top of that, we have no guarantee that the Treasury will not cut our funding further in the future. A fair deal would mean NHS England more than doubling the transformation fund established to support those changes in Greater Manchester, from the current £450 million to £1 billion. Any deal must also make it clear that in Greater Manchester we vehemently oppose the privatisation of the NHS.
Let me turn to business rates. I strongly support the principle of money raised in Greater Manchester staying in Greater Manchester. Indeed, in the longer term, devolution must mean greater fiscal autonomy on a much broader level. However, at the same time, Government cuts to councils’ grant aid and the disparity in revenue generated in the different cities and towns of Greater Manchester increase the risk that the deal will increase inequality, not reduce it. A deal that is fair must put in place transitional arrangements to ensure that the cumulative impact of 100% rate retention, combined with cuts to Government grants, does not disadvantage any of our 10 Greater Manchester authorities.

In some parts of our conurbation, the decline of town centres has damaged both economic opportunity and civic pride. Despite being identified as a priority in negotiations between Greater Manchester and the Government, bids for town centre renewal funding have so far been rejected by the Treasury—another flaw. A fair deal would recognise the importance of towns and district centres across Greater Manchester. Finally, the devolution deal is silent on accountability and public participation. While some of these issues require resolution at Greater Manchester level, a fair devolution deal would include funding to enhance public involvement and the accountability of the mayor and the cabinet.

A new, fair devolution deal is essential if Greater Manchester is to reduce inequality and become a world-class conurbation for all its people. This Budget reaffirms the Government’s commitment to a northern powerhouse, but I must warn Ministers that it has all the hallmarks of the big society—a tarnished brand, fatally undermined by reality. Disproportionate cuts and policies such as the forced academisation of our schools make a mockery of the northern powerhouse; indeed, we would be a northern poorhouse if it was not for the innovation and commitment of our local councils and communities. It is for that reason that our leaders in Greater Manchester have been right to be pioneers for devolution, but the time has now come to demand a fair, not a flawed, devolution deal.

8.15 pm

Mr Robert Syms (Poole) (Con): I have sat in this House for a period of time, and Budgets come and go, but what is important is the direction of the country over a period of years. When we came into office in 2010 in coalition, we inherited the largest peacetime deficit—nearly 11%. That required some tough measures and also some persistence, but fortunately the Government have been quite sensible. They have not pushed the deficit down in four years, as we heard earlier in the debate; they have done so with regard to the real economy. Disproportionate cuts and policies such as the forced academisation of our schools make a mockery of the northern powerhouse; indeed, we would be a northern poorhouse if it was not for the innovation and commitment of our local councils and communities. It is for that reason that our leaders in Greater Manchester have been right to be pioneers for devolution, but the time has now come to demand a fair, not a flawed, devolution deal.

done a fantastic job. That is because employers have been sensible and employees have been sensible, sometimes accepting the fact that they have to be more productive or accept lower pay rises, but it is also because the Government’s policies of ensuring a combination of welfare reform and pushing up allowances—the rate at which people pay tax—have provided a big incentive for people to take employment.

There were two events on Wednesday: one was the Budget, but the other was the employment figures, which I want to focus on briefly. We have employment in Britain of 31.42 million—a record. That is a massive number of people, and it is up nearly half a million over the last year. We have real wages growing at 2.1%—above inflation—which means that living standards are slowly starting to recover, albeit perhaps not fast enough. In this Budget, the Government have again pushed up the allowances before people pay tax, but they also have proposals for a living wage, which should help to repair living standards, which we all want.

The number of people in private sector employment is 26.1 million—a record level. The claimant count has fallen in the last year—102,500. Even youth unemployment is down, while the number of those on unemployment benefit is down to its lowest since the 1970s, so there is a pretty good record on what is happening in the British economy. The Government have created a framework and they have the stability and a plan—a long-term economic plan. Employers have been able to invest, employees have taken sensible decisions, and we have got a lot of our citizens into work. We all know that one of the best ways out of poverty—one of the best ways for people to skill themselves; one of the best ways to get the most out of life—is, for those who can, as my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) said, to be given a job. That gives people hope and an opportunity for the future.

I do not think we say enough in this House about how the British have done well. If we look in the back of The Economist, as I occasionally do, at the relative rates of unemployment and employment across Europe, we see that Britain’s unemployment rate is lower than Germany’s, which one would not have thought. Our unemployment rate is only a little above that of the United States, which has been recovering pretty well. Indeed, the chances of getting a job in this country are far better than in most countries across Europe. If there is a problem of people migrating to try to get into Britain, it is for reasons: we speak English and it is easy to get employment. Our employment market is far more flexible and robust than most of those in the continent of Europe.

When I looked at the Red Book and the other financial documents that were provided, I was glad to note that the Government were assuming that, although the rate of growth would slow as productivity picked up, we would still end up with unemployment below 5% over the next two to three years. That constitutes a real success of economic policy, changing people’s life chances and giving them far more opportunities to make the best of their lives.

This is a Government for hard-working people, and long may it remain so.
8.20 pm

Jo Cox (Batley and Spen) (Lab): As is now abundantly clear, the Budget was developed with short-term politics in mind rather than compassionate, long-term economics. On one level, we have to admire the sheer audacity of the Chancellor: the audacity of someone who genuinely thought that he could get away with rewarding Tory donors in the City with a cut in corporation tax while attempting to cut benefits for disabled people, get away with cuts affecting those who were least likely to vote Conservative while sticking to his mantra that “we are all in this together”, or get away with preaching about the northern powerhouse just as the Department for Business, Innovation and Skills closes its Sheffield office and moves all 200 jobs to London. Today, all that he has got away with is shirking his duty to come to the House and account for his failure and the black hole in his Budget, and his reputation is now in tatters.

There was never any compassion in trying to cut the benefits of 370,000 of the most vulnerable disabled people in our society by £3,500 a year. As we know, this Government has always hit disabled people hard, through the bedroom tax and cuts in employment and support allowance, but I would have had much more sympathy with today’s U-turn had it been based on the warnings from charities such as Sense, which called last Wednesday’s Budget a “bleak day for disabled people”.

A constituent of mine is disabled, and determined to carry on working. The personal independence payment helps him to do that. When he gets home, his joints are so stiff that his wife has to help him go to the toilet and have a bath, yet he is determined to go on working. He wants to keep working because he wants to keep his dignity; the Chancellor wanted to take it away. The Chancellor has performed a U-turn, not to help my constituent and help him to keep his dignity, but in an attempt to keep his own dignity. All that we need to know now is who he will pick on next in order to fill the £4.4 billion hole in his Budget. We can be sure of one thing: even after today, the most vulnerable in our society will continue to pay for the Government’s failures.

Let us take the announcement of business rates relief. On the face of it, the announcement was good news for small businesses in my constituency, but our local councils could find themselves cutting more services for those in need in order to make up the shortfall in their budgets. In my local area, we are proud to have more small and medium-sized businesses in the economy. In Kirklees, small business relief accounts for 11% of net rates income, as opposed to 4% in England as a whole. When 100% retention is introduced and the promised compensation for the loss of income ends, the council will be stuck once again, trying the balance the books to pay for a short-term victory for the Chancellor. As my hon. Friend the Member for Sheffield South East (Mr Betts) explained so clearly, despite the vague assurance that we heard today that councils would be compensated, the Red Book includes no explanation of where the money will come from and how long it will last.

The Chancellor was no less audacious in telling us great things about the northern powerhouse. If only we could believe him. Electrification of the trans-Pennine rail route would be a crucial development, but the project has been announced, cancelled, re-announced, delayed, and then re-announced once more, and we still have no clear commitment from the Chancellor as to when it will happen. There is nothing clever about announcing big investments and then running for cover when it comes to their implementation.

Indeed, work has only just started on 9% of the projects in the Chancellor’s infrastructure pipeline. A lack of infrastructure investment fuels poor productivity. Like so many of the Chancellor’s audacious predictions, productivity forecasts—as we now know—have been revised down for the next five years, and, once again, it is the north that suffers as low productivity strangles economic growth, holds back wages, and delays the much-promised recovery. The output of the Leeds city region is now 12% behind the national average.

I am afraid that I can feel no compassion for this Chancellor. He wanted the poorest fifth in our country to lose an average of £550 a year, while the richest fifth gained £250.

Barbara Keeley: My hon. Friend is making a great speech, but could she touch on the subject of the Women Against State Pension Inequality Campaign? Women up and down the country must have been very disappointed that the Budget contained no move towards them. Those women, born in the 1950s, are really suffering.

Jo Cox: I could not agree more. There was also nothing for long-term social care, nothing for the NHS and nothing for the next generation, despite the Chancellor’s rhetoric.

In fact, the Chancellor was playing politics with some of the neediest people in our society. Those who put politics before economics take a risk. The Chancellor had obviously started to believe some of his own press; I wonder whether he still believes it tonight. He got the economics very wrong, but he also got the politics wrong. He should now come back to the House with a package that addresses the real long-term needs of the country, not his own short-term aspirations. He should stop playing politics, and start planning for an economy that works for the benefit of all, not just his wealthy mates. If he cannot do that, he should have the courage to say so and take the consequences, rather than asking others to pay for his failures.

8.26 pm

Iain Stewart (Milton Keynes South) (Con): Before addressing the main Budget issue that I want to discuss, I want to mention two announcements in the Budget which, although small, are of great significance to two institutions in my constituency: Bletchley Park and the Open University.

The award of £1 million will allow Bletchley Park to establish a major new exhibition of the Turing-Welchman bombe, which helped to break the Enigma cipher during the second world war. Let me take this opportunity to congratulate Iain Standen and his team at Bletchley on all that they have done to transform it into a world-class heritage site, and to secure its legacy for generations to come. I warmly invite any Members on either side of the House who are seeking a distraction from political storms during the Easter recess to visit Bletchley Park, and to see for themselves how this vital part of our nation’s heritage has been transformed.
I also thank the Chancellor for announcing a measure that will help another world-class institution in Milton Keynes, the Open University. The extension of the eligibility for Masters loans to include three-year part-time courses with no full-time equivalent is very welcome. The Open University had been worried that the absence of such a provision would have a detrimental effect on numbers for the 2016-17 academic year, but the Chancellor’s announcement will help to secure its future.

The main issue on which I want to focus today is not only the long-term future of Milton Keynes and the surrounding area, but the wider national benefit. Announcements are sometimes hidden in a Budget’s small print and can make unwelcome surprises, but I was delighted to discover on page 82 of the Red Book the decision to ask the National Infrastructure Commission to “develop proposals for unlocking growth, housing and jobs in the Cambridge – Milton Keynes – Oxford corridor.”

I have long argued that we should be looking at the huge economic potential of that arc and I am delighted that the commission will now be focusing on it. I welcome the acknowledgement in the terms of reference issued by the Chancellor that the commission should work not on its own, but in collaboration with local stakeholders, including Network Rail, the local enterprise partnership, and further and higher education. A number of exciting projects to develop the arc are already under way. I am chair of the east-west rail all-party parliamentary group and the new rail line will unlock huge economic growth, tax revenues, new jobs, and connectivity within the region. The Department for Transport is also exploring options for the Oxford to Cambridge expressway.

In addition to traditional transport infrastructure, we are innovating the intelligent mobility solutions of tomorrow. We have the Transport Systems Catapult in Milton Keynes, and the Open University and others are developing the MK Smart project. Such schemes will unlock the digital and hard-infrastructure improvements of the future, and it is important that the National Infrastructure Commission takes that work into consideration.

This is about more than just transport. The MK Futures 2050 Commission, ably chaired by Sir Peter Gregson of Cranfield University, is looking at housing, education and training, energy, water supplies and the many other factors that are needed to support economic growth and to preserve the local environment and designs that have made Milton Keynes a success. We celebrate our 50th anniversary as a new town next year, and the MK Futures 2050 Commission is looking at the 50 years beyond that. I also draw the National Infrastructure Commission’s attention to the Centre for Cities report on fast-growing cities, which was published just a couple of weeks ago and contains important findings that the commission should consider.

I echo the vision set out in the terms of reference. It notes that we already have “global centres of research expertise in Oxford and Cambridge and advanced manufacturing and logistics in Milton Keynes” and that we should “maximise the potential of the area as a single, knowledge-intensive cluster that competes on a global stage”.

The terms of reference also acknowledge that “Institutions to strengthen governance across the corridor” are necessary. I strongly echo that point and my one ask today is for a meeting with the Secretary of State for Communities and Local Government to discuss the matter. We need local devolution across the corridor. We must be able to compete with the northern powerhouse and the west midlands engine, and there are important debates to be had about that.

8.31 pm

Mr Jamie Reed (Copeland) (Lab): It is not often that those of us privileged enough to gain membership of this House witness a political statement that destroys a political philosophy. Last week, however, the Chancellor’s Budget statement did precisely that when it destroyed the philosophy of compassionate conservatism. Compassionate conservatism has been killed stone-dead and, at a stroke, the Chancellor has re-toxified the Conservative party. The nasty party is back.

We have a Chancellor who introduced a Budget last week that was morally wrong, politically stupid and economically incompetent. The Chancellor has missed every target that he has set for himself. He sets his own tests, he marks his own tests, and he then proceeds to fail every single test. This vainglorious Budget contains a clear national vision, a vision that the Government have been rolling out at speed in every policy area. It is a national vision that balances the books on the backs of the poorest and most in need. It is a vision built upon mortgage debt, hollowed-out public services, collapsing councils, decrepit adult social care, rising child poverty and defunded children’s services. It seeks as a matter of principle to strip the national health service of the funding it needs while actively misleading the public at every turn.

It is remarkable that it has taken the resignation of the former Secretary of State for Work and Pensions, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) to illustrate this flawed, nasty national vision, because we have been told for years that the right hon. Gentleman is on the right of his party, but he has outflanked his Chancellor on his left in recent days. The Chancellor has disappeared. He was unable to make his sums add up or to defend himself or explain his own incompetence. The Chancellor is in the bunker, sat in the ashes of his incurcened ambitions. He is a man who has placed his personal ambitions and the electoral calculations of the Conservative party above every single consideration for the national good.

I was a boy when the former Secretary of State for Work and Pensions was described by Prime Minister John Major as one of the “bastards” outside his Cabinet. Thatcherism was entering its final days back then, but it is back, making sure that austerity works for the rich while punishing the poor. Millions of people all over the country now see this Prime Minister and this Chancellor in precisely the same way as John Major saw his Maastricht rebels. The Budget fails our country, it fails my constituents and it fails every community in west Cumbria.

Before the Budget I wrote to the Chancellor setting out again what my community required from him on infrastructure, on our local NHS, on the second phase of the West Cumberland Hospital and on local government. I received yet only a deafening silence followed. Thanks to our locally produced, real, long-term economic plan, established by me over 10 years ago, west Cumbria now stands on...
the verge of a truly transformative era. We have the opportunity to become one of the fastest growing sub-regional economies in the whole country. The single biggest private sector investment Cumbria has ever seen, in the shape of new nuclear reactors at Moorside, presents west Cumbria with remarkable opportunities. The project has taken over 10 years to reach this point and meaningful Government assistance could expedite progress.

The A595 is the main road artery in my constituency and the industrial Cumbrian coast. The road cannot cope as it is, but the increased population and works traffic resulting from Moorside will put even more pressure on it. The case for improving the road is overwhelming.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): West Cumbria is part of the north, so is there any sign of the great northern powerhouse over there? We are yet to see it over in the north-east.

Mr Reed: I am grateful to my hon. Friend for that intervention. The fact is that the north will succeed despite this Government, not because of them, but we could have a whip-round to buy the Chancellor a map to explain to him where the north actually begins and ends.

My local health economy is currently engaged in the success regime process, which is already being undermined by Ministers in the Department of Health. A necessary body of work—working out how we adapt the Cumbrian health economy to best meet the needs of such a challenging geography and a dispersed population with specific needs—is becoming fatally compromised by the refusal of Ministers to listen to those who have been tasked with undertaking the success regime. To secure the outcomes and achieve the improvements that the clinicians and other experts within this process want, the system requires more resource. This is simple and obvious, and the request is being made, but the response from the Government so far has been a resounding no. Without additional resources, the success regime will fail, yet this Budget offers no help for our effort to recruit more health professionals; to finish the redevelopment of West Cumberland hospital; and to finally achieve the ambitions of everyone in Millom for our local hospital.

Barbara Keeley: Is my hon. Friend as concerned as I am that two more cuts to the NHS will hit and cause extra pressures? There will be £650 million of pressure from the pension contributions that have to be paid for NHS staff and a £1.1 billion cut in the maintenance and repairs bill for the NHS. All of that will have to be found.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. A great many people wish to speak in this debate. Every time there is an intervention—and these have been too long—another minute goes by and somebody else drops off the end of the list. Just so long as hon. Members know that when they make interventions, the time available for the debate does not increase but merely prevents their colleagues from speaking. I am not saying for a moment that the hon. Member for Worsley and Eccles South (Barbara Keeley) has done anything wrong. She is perfectly entitled to intervene, but I merely point out the consequences.

Mr Reed: Thank you, Madam Deputy Speaker. I appreciate my hon. Friend’s intervention and I share her misgivings. Let us make no mistake about the message being sent to the NHS in Cumbria—this Government are saying that people in Cumbria have to make do with a defunded NHS that cannot provide the same level or standard of care that the rest of the NHS does in terms of quality or accessibility. If that is true, the notion of a truly national health service is yet another casualty of this Prime Minister’s twisted national vision.

The future of Copeland— the most remotely accessible constituency from Westminster in England—and west Cumbria is brighter than it has ever been. As I said earlier, that is despite, not because of, this Government. With investment and support from Government, we can remove the barriers that are preventing us from achieving our vast economic potential. The achievement of this potential is in the national interest as much as the local interest. West Cumbria can help, perhaps better than many other areas, to rebalance the national economy, secure our national energy supplies, help us to fulfil our environmental objectives and attract massive, truly significant overseas investment.

Finally, let me say that this rotten Tory Budget has been made possible only because my party failed to convince the British people to trust us at the last general election. The consequence of that failure is this Budget and more like it between now and 2020. These Budgets damage our communities, they damage those most in need and they damage the life chances of the very people that my party was founded to represent. On the Opposition Benches we must listen to the people of this country, regain their trust and, by any means necessary, ensure that we are in a position to earn their confidence and support at the next general election. Because wherever you are in our country, whoever you are, and whatever your background, race, ability or circumstance, you deserve better than this Government, and it is the job of my party to provide precisely that.

8.38 pm

Chris Green (Bolton West) (Con): Last week, the Chancellor delivered a Budget that will ensure our continued economic recovery following the great recession—the worst since the great depression. Figures show that our economy is expected to grow faster than any other advanced economy, and that is very welcome news, but we must ensure that all parts of the country share in that growth.

Unemployment has fallen again under this Government, and the claimant count for out-of-work benefits is at its lowest level since November 1974. Employment is growing fastest in the north-west, and my constituency of Bolton West has seen the unemployment rate fall to 2.6%. Although I appreciate that more needs to be done, we have an economic stability that is reassuring for our businesses and manufacturers, creating the confidence that they need to continue to invest and thrive in Britain. Businesses have created more than 2.7 million new jobs, and the private sector has created six jobs for
every one lost in the public sector. Stability is especially important for industrial recovery as investment in training, plant and machinery requires long-term confidence because the costs involved are high, especially by comparison with other sectors.

With employment in the north-west growing faster than in the rest of the UK, we can clearly see that the northern powerhouse is delivering the skilled jobs that provide the foundations for a better economy. The Budget seeks to increase the connectivity of the northern powerhouse through a strong transport infrastructure network. The green light has been given to the High Speed 3 link between Manchester and Leeds, and an extra £161 million was announced to upgrade the M62 to a four-lane smart motorway and to upgrade the A66 and A69. Work is under way on the Mersey Gateway project, which is set to conclude in the autumn of 2017, with a six-lane bridge over the Mersey between Runcorn and Widnes. We have had funding to upgrade the A5036 Princess Way—through Seaforth and Litherland—which links Liverpool’s ports to the motorway network, and is key for an increased manufacturing and export-led economy.

Our rail services in the region are also set to improve, with the electrification of the Manchester to Liverpool line and the ongoing work between Manchester and Preston to help to provide a reliable and sustainable railway and tackle overcrowding. My constituents have experienced delays as a result of the electrification process, but appreciate the reasons for it. None the less, I urge the Government to consider providing more carriages until that work is finished. The Budget also announced plans to develop the case for a tunnel to link Sheffield and Manchester, which will be appreciated by anyone who finds that their route takes them over Snake Pass—especially in winter. All that investment in connectivity and infrastructure in the north is enabling the rebalancing of the British economy and providing the foundations that we need for the northern powerhouse to prosper.

The plans for further devolution to our cities is continuing with the transfer of criminal justice powers to Greater Manchester. The original police and crime commissioner role merely replaced the police authorities, but this reform gives the potential for changes to better reflect local needs and allow increased innovation. We need a system that prevents people from getting involved in crime in the first place, and that reduces stubbornly high reoffending rates. Devolution provides opportunity for the north, as it moves power away from Westminster and brings it closer to the people. The mayor of Greater Manchester will have more powers than the London Mayor, and we need to make sure that those powers will be exercised in all our interests and improve services across Greater Manchester. The Government has delivered for this generation, and the Budget now ensures that it will also deliver for the next.

8.43 pm

Liam Byrne (Birmingham, Hodge Hill) (Lab): I do not want to speak at length this evening, but I do wish to add my voice to the chorus of congratulations that has greeted this Budget from all parts of the House. Certainly, in the 12 years that I have been in this House, I cannot remember a Budget in which so big a hole has opened so fast, which is why it is perfectly natural for it to have provoked such a hymn of praise.

According to the right hon. Member for Haltemprice and Howden (Mr Davis), when one starts picking the details apart, the whole thing falls apart. The hon. Member for South Cambridgeshire (Heidi Allen) said that the Government had made some poor decisions. Over the weekend, the hon. Member for Brigg and Goole (Andrew Percy) said that this was a Budget that hit exactly the wrong people. According to The Times, Members of Parliament, who were presumably once supportive of the Chancellor, now say that he is a “busted flush” and “damaged goods”. Let me associate myself with this new consensus breaking out right across the House.

I also congratulate the Chancellor on going to such lengths to, in his words, “put the next generation first.”—[Official Report, 16 March 2016; Vol. 607, c. 951.]

That was a pithy message, and he has presided over an economy where that is exactly what has happened. This is now the first generation to be worse off than the generation that came before them. This is now the first generation to be more likely to live in poverty than pensioners. Today’s young generation are the first generation to have to work years longer in order to earn their pension. Young people today are the first generation to graduate from university with over £50,000 of debt. This was indeed a Budget for the next generation, but not quite in the way the Chancellor presented it. In fact, it was just the latest from a failed generation of Conservative politicians.

For me, the final proof was this: if the Chancellor wanted to do something for the next generation—if he truly wanted to put the next generation first—he would surely have done something significant, perhaps even magnificent, for Britain’s youngest city, which is of course my home city of Birmingham. Instead, we have a Conservative Birmingham bombshell of over £100 million of tax rises and spending cuts. That is the how the Chancellor has put Britain’s youngest city first. The Government now admit—that is the irony—that the great city of Birmingham needs a fair funding formula. In fact, they are so convinced of the need for this new funding formula that they are determined not to introduce it now but in a couple of years’ time. This short-changing is costing our city some £98 million in lost grants. Indeed, there would be almost no need to introduce cuts in this year’s council budget were it not for that short-changing.

Jack Dromey: I am grateful to my fellow Birmingham MP for giving way. The great city of Birmingham has been hit by the biggest cuts in local government history. Three quarters of a billion pounds. Had it been treated fairly this year, it would have been £98 million better off. Does my right hon. Friend share my concern, and that of the people of Birmingham, that although we put a powerful case to the Government for support out of the transitional fund, 95p in every 100p goes to Conservative councils, but not one single penny to hard-hit Birmingham?

Liam Byrne: My hon. Friend is absolutely right. It takes some doing to sit in Whitehall and write a formula that means that pretty much only Conservative councils get the money, but I take my hat off to the Secretary of State and the Chancellor for somehow finding a way of doing it.
The problem is not just that £98 million was shortchanged from the budget for Birmingham this year, but that because we have a weaker tax base in our city, we have to raise significant extra resources from the social care levy, costing us another £5.5 million, and that despite the fact that our police service is on one of the most dangerous frontlines, we have had £10 million of cuts to its budget this year. Altogether, the total is £113 million. This is a bombshell that the people of Birmingham will not forget.

Whoever is winding up this debate should recognise that there are some significant questions that we from our home city need answers to. We would like to know why we have not got any of the transitional funding that went to others. We want to know whether, if we agree a four-year funding settlement, our budget will be put into play in 2019-20 as part of the £3.5 billion of efficiency savings earmarked by the Chancellor last week. This is a significant issue for councils up and down the country. If they agree four-year funding settlements with this Government, will they be protected from the new £3.5 billion efficiency drive that the Government announced last week? Yes or no is the simple answer.

Birmingham is up for the challenge of business rate retention, but we need much clearer answers than we got earlier about whether the gaps will be made good. Will Ministers confirm whether the OBR’s assumptions that there will be a 14% increase in council tax over the next four years are true? Do they share those assumptions?

The Labour party in Birmingham is rebuilding our city and getting it back to work, delivering record numbers of new businesses, record amounts of new investment, and record new infrastructure. We have built more council homes than any other council in the country, we have got over 3,000 young people into work, and we promised and delivered the living wage on day one of the new Labour council. Give us the tools and we will do the job!

8.49 pm

Mrs Cheryl Gillan (Chesham and Amersham) (Con):
It is a pleasure to follow the right hon. Member for Birmingham, Hodge Hill (Liam Byrne). He claims everything for the Labour Administration in Birmingham, but he cannot claim that they had anything to do with High Speed 2 finishing in the city. Sadly, HS2 goes through my constituency and causes a great deal of grief.

It is a pleasure to welcome the Budget, and I do so in the knowledge that the British economy is far stronger because when we came into government in 2010—albeit as a coalition Government—we took difficult decisions, and the British people reacted positively to a Conservative vision for the country. They reacted by starting businesses, creating jobs, and embracing a long-term economic plan.

The phrase “long-term economic plan” is oft mocked for its repetition, but it is responsible for the emergence of sound public finances that provide the security that people want—a welfare state that works, an NHS free at the point of need, a good education system, and security in old age, all of which we have on offer in the UK.

I wish to mention a couple of points that perhaps have not featured in other people’s contributions, and to thank the Chancellor for two announcements in the Budget that are personal to my constituency. First, for several years I have worked with my constituent Peter Dodd and with Zero-m to gain a lower clean fuel duty rate for aqua methanol. This fuel, which produces virtually no particles, or NOx, and much reduced carbon dioxide, should now be able to play a great part in reducing street-level pollution in our cities. The tax changes had been postponed for bureaucratic reasons, together with a new Treasury review of a 2013 European Court of Justice ruling—an example of how the EU holds back innovations in the UK, because the measure could have been introduced much earlier.

I was therefore delighted when the Chancellor announced the new reduced rate at the originally planned 7.90p per litre, which is a significant reduction from the standard rate of 57.95p and will be introduced from 1 October 2016. That will enable aqua methanol to be brought to the market, since it will finally be on a level playing field with other clean burning natural gas based fuels, such as compressed and liquid natural gas.

Secondly, I currently chair a cross-party limb loss forum that is working to improve access, quality and research in prosthetics and wheelchair services, as well as rehabilitation. We are pleased to welcome the announcement of £1.5 million of investment in sports prosthetics for children, as well as a fund to develop innovative prosthetics for the NHS. Pace Rehabilitation is a company with a base in Chesham in my constituency, and it works across the board with people with limb loss. Its attention to detail and ability to tailor its work to meet individual needs is exceptional, and I have been privileged to meet amputees who, thanks to its work and that of many others, can live their lives to the full and even ski, cycle and snowboard again. Indeed, I understand that Pace prostheses have been walked to both ends of the world.

Today is a day for the Department for Communities and Local Government. Like other councils, Buckinghamshire County Council remains concerned about the impact of the Budget. A large worry is the prospect of further cuts downstream to meet the Chancellor’s Budget surplus targets, particularly in the light of recent developments. The council has applied for a four-year settlement that would help to alleviate the uncertainties, but there is no guarantee that it will be forthcoming. There are concerns about the impact of the small business rates relief announcements, so I hope that during the consultation the compensation that DCLG officials have indicated will be forthcoming will be confirmed.

The announcement that all schools will become academies is also causing concern, particularly among those in the area of special educational needs. What does it mean for the role of local authorities in providing additional support for those with special educational needs if they have no power over any of their local schools? Could we have clarity from the Minister about how support for SEN will work?

Finally, I am concerned about the implications of these measures on social care, and the National Autistic Society, with which I work, is facing concerns about
the future of care homes and companies. Will the Chancellor provide an assessment of the gap in care funding between now and 2020?

All in all I welcome the Budget, but I could save the Chancellor a great deal of money and fuss. There is one project that could be axed that would put a lot of money into Treasury—and that, of course, is HS2.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I am afraid that I have to reduce the time limit to four minutes.

8.55 pm

Derek Twigg (Halton) (Lab): If we go back to 2010, when Labour left office, the economy was growing and unemployment was falling. Unfortunately, the Chancellor's inept handling of the economy meant that we had a longer recession and lower growth for quite some period after that. In terms of his record in the last Parliament, he failed on his borrowing target and he failed on his deficit target. In this Parliament, he has missed his debt-to-GDP target and his welfare cap target. His surplus forecast for 2019-20 will be achieved only with some very creative accounting and sketchy assumptions. In fact, Paul Johnson of the Institute for Fiscal Studies has said that the chance of the Chancellor hitting his target was “only about a 50-50 shot”, and that he would need to impose “proper” tax rises or spending cuts if there was any further downgrade in public finances.

In relation to today’s discussion about cuts for the disabled, we have already heard that there have been £24 billion of cuts for disabled people since 2010. Under cuts to the ESA work-related activity group, which were forced through Parliament recently, 500,000 disabled people will lose £1,500 a year. The real reason why the Government have today backtracked on their further cuts, particularly to PIP, is that they were going to lose the vote. A number of their Members were already rebelling, and they have also been hammered by what the Labour party and the public have said in recent days and over the weekend. I cannot believe that the Government actually had the face to try to push through the cuts in the first place. It is quite incredible that they thought they could get away with it.

One thing the Government failed to address in the Budget is the Women Against State Pension Inequality Campaign for women born in the 1950s and the disastrous way in which the Government have handled raising the retirement age. The Government should go back and look further at that.

The Government have once again left the future of local government very uncertain. The Budget announced £1.5 billion of efficiency savings in non-protected areas. It is unclear whether this will fall on local government. We also want to know whether the £4 billion that was going to come from cuts in PIP will fall on local government.

The total reduction in Government grant funding for Halton Borough Council in my constituency is £59 million, or 57%, between 2010-11 and 2017-18. Halton has a very low tax base, with 68% of properties in bands A and B. Only 1,629 properties have been built in the past five years, despite the fact that many more have been given planning permission, against a housing requirement of 2,700. There is little scope to grow the borough’s tax base in the near future. A shortfall of £4.2 million in adult social care funding has been identified, compared with only £800,000 per annum that the new 2% social care precept would generate. As my hon. Friend the Member for Sheffield South East (Mr Betts) asked, where is the compensation for the business rate changes? The council in Halton is not an inefficient council; it is a very efficient council. In its last external audit report by Grant Thornton, the auditors assessed the council’s financial performance as showing strong financial management and delivering value for money.

In the few seconds I have left, I want to turn to the NHS. The Budget said nothing about, and had no answers for, solving the growing crisis in the NHS. Doctors’ leaders have accused the Conservatives of deceiving the public by giving the NHS less than half the extra £10 billion that Ministers regularly cite as proof of their support for the service. The fact is that the Government have no answers to solve the crisis in the NHS. The former Liberal Democrat Minister, David Laws, said on Sunday that those in Downing Street dismissed NHS boss Simon Stevens’s bid for the £15 billion to £16 billion more because they believed he was mad and that it was unaffordable, and they told him to make do with much less instead. The Government are not looking at the real crisis in the NHS, which includes the payment by results mechanism, with ridiculous demands for efficiency being made of the NHS and hospitals. There are no answers in this Budget for the NHS.

8.59 pm

John Howell (Henley) (Con): I want to pick up on what the Secretary of State said about local plans and particularly about the work of the local plans expert group, which is referred to in paragraphs 2.287 and 2.288 of the Red Book. I had the honour to serve on the local plans expert group throughout. The importance of local plans can be seen in the national planning policy framework, to which the Secretary of State referred. It says:

“Local Plans are the key to delivering sustainable development that reflects the vision and aspirations of local communities.”

That is what is missing when local plans are not produced. During the production of our report, we heard many reasons why local plans were not produced. These included green housing needs, difficulties with the duty to co-operate, a lack of local political will and commitment, a lack of clarity on key issues such as SHMAs—strategic housing markets assessments—and a lack of guidance.

On SHMAs, the lack of an agreed approach has become one of the most burdensome, complex and controversial elements of producing a local plan. What we have suggested is that there should be guidance on how to produce a SHMA, with the aim of taking away significant disagreement and uncertainty over housing numbers. Coupled with that, we need a proper identification of the housing market areas, particularly with local authorities.

The second element can be seen in what the national planning policy framework refers to as local plans being just the start of the process or rather identifying needs...
as being the start of the process. An environmental assessment of capacity within an area is necessary for councillors to be able to decide how the figures can be adjusted. There is no need for councils to provide for all the houses required where they can show that the difficulties of doing so would outweigh the benefits. Very few companies go along that line; very few provide that sort of information. It is essential to go down that route.

Another important point is the need for an early MOT in the plan process. When it comes to the production of local plans, it too often happens that mistakes are identified at the end of the process and the plan is found to be unsound. That is not a suitable way to carry out the process. There should be at least one or two intermediary MOT sessions where the parties could be told whether they were going in the right direction. They would not be provided with certainty over the figures, but they would be given an idea that progress was being made in the right direction.

Finally, on the five-year housing land supply, we think that it should be taken away completely from the local plans and dealt with through a separate document that is put in the local annual monitoring report of the local council. There it can be monitored and determined on an annual basis, so that figures can be produced against which there can be no argument while they are in that report, and this will determine the amount of housing need relevant to the area.

9.3 pm

Mr Gareth Thomas (Harrow West) (Lab/Co-op): This Budget does not tackle the still evident fundamental weaknesses in our economy. Despite the lofty rhetoric of the Secretary of State today, the Budget still says that Whitehall knows best. It takes from the poorest to boost the incomes of the richest, and it will make the challenges facing our public services even more difficult.

In recent years, the weaknesses in our economy have become ever more marked. We remain hugely dependent on financial services and London. The jobs being created are predominantly short term, low paid and with little employment protection. Critically, too many small and medium-sized businesses still cannot get the capital and the lending they need to create jobs and wealth. Unsurprisingly, therefore, our productivity is lower than that of all our biggest competitors.

Among the many specific disappointments with this Budget is that faster progress towards full fiscal devolution was largely notable by its absence. There is little chance, for example, of really tackling the housing crisis in London if the Mayor and Assembly cannot match the tax regime around housing to help to meet Londoners’ needs. Full devolution of all property taxes to London and, in time, to other cities and counties in England, is essential.

This Budget offers little for investment in public services, as others, particularly my hon. Friends, have already mentioned. The NHS is struggling to balance its books, with a number of NHS trusts, including those covering my constituency, in what the National Audit Office calls “serious and persistent financial distress”. Our local hospital, Northwick Park, has had a deficit in every year but one since 2010, and that deficit has steadily risen to almost £30 million last year. It is therefore hardly surprising that Northwick Park has had one of the worst performances of all English hospitals for waiting times in accident and emergency in the past 12 months.

Our clinical commissioning group, from which Northwick Park receives much of its money, receives less funding than any other London area. It, too, is in deficit, and has been since it was set up. By last year, its underlying deficit had risen to some £20.1 million. So it certainly does not look as though the Budget is going to lead to much improvement in NHS finances nationally or, I suspect, in my area either.

The position of other public services in Harrow is little better. As a result of the new funding formula, many of the schools in my constituency are expecting a budget cut of up to 1.5%, which is the equivalent of an experienced teacher or four teaching assistants, and that is before the vast costs, in time and money, of being forced to become academies. The number of police officers in Harrow has decreased by 137 since 2010; indeed, we have fewer police officers than virtually every other London borough. Our council is being hit by some £83 million of cuts over the next few years, and according to a Library analysis it remains one of the worst-funded local authorities in London. Westminster, Brent, Camden and Islington all get double the revenue support grant funding that Harrow does. Our other neighbours, Barnet and Hillingdon, get between 25% and 50% more than Harrow does. I hope that, even at this late stage, perhaps in the course of the Finance Bill, the Chancellor will recognise the need fully to change tack, to invest more in public services and to do so in a fairer way. My constituents certainly hope so.

9.6 pm

Nusrat Ghani (Wealden) (Con): I have just returned from my constituency of Wealden, where the topic over the past few days has been the Budget. I want to share with the House how my constituents are creating opportunities and jobs for their rural community with the support of Conservative Budgets. Wealden has seen at first hand the benefits of having Conservatives in government delivering a strong and stable economy. Unemployment is a little over 400, which is less than half what it was back in 2010 when Labour left office, and there are 380 more registered enterprises and hundreds of smaller businesses thriving across the constituency.

In particular, I want to praise the support offered to small businesses by the Chancellor’s Budget measures. Doubling small business rate relief will help businesses up and down the country. More than 600,000 small businesses will benefit from a saving of up to £5,900. This will make it easier for them to flourish, with knock-on benefits for employment and local prosperity. Members on both sides of the House should welcome that.

I represent a rural constituency that the Secretary of State for Communities and Local Government knows well as I have the pleasure of being his constituency neighbour. We must not forget rural people, rural communities and rural businesses, and I am delighted that this Budget is extending the opportunity of devolution
to rural areas. In East Sussex, we are hoping to join with West Sussex and Surrey to create a devolved authority, and that is something that I am proud to back. Local people know their areas best, so they know best how to run their affairs. I would welcome an update from the Minister on how this is progressing.

I stand here tonight to make a couple of requests on behalf of the good people of Wealden. The Chancellor has announced a number of infrastructure projects that will benefit local economies and communities, especially the investment in the northern powerhouse. However, I want to champion the rural powerhouse. In Sussex, we struggle with poor road infrastructure, especially on the A21 and the A27, both of which are in need of investment. These are key roads connecting commuter towns and the families who live in them, and they need real improvements, not just aesthetic ones. I hope that Ministers will be able to put gentle pressure on our Cabinet colleagues to look favourably on us in the next round of investment. This is vital to keep pace with the progressive Wealden Council, which is already fulfilling its duty to the next generation by building homes above and beyond what has been requested, and with East Sussex County Council, which is diligently working on infrastructure projects. Those councils’ commitment needs to be matched with real-terms funding for Wealden’s roads.

I was delighted that the Chancellor chose to extend the freezing of beer duty, as well as duty on spirits. I recently conducted a survey of 81 pubs in Wealden, and that is something they asked for, as well as requesting me to come along and pull some pints. But what about a good old glass of wine? What has the humble grape done to offend the Chancellor so much that it has been left out?

This is a Budget for the next generation and for entrepreneurs, but let us ensure that it works for rural and urban communities alike. I urge Members on both sides of the House to do the right thing by supporting communities, opportunities and the progress of small businesses in their constituencies by supporting this Budget with all the enthusiasm they can muster.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order. I am trying to accommodate as many as possible of the colleagues who are left, so I am reducing the time limit to three minutes.

9.10 pm

Dr Alan Whitehead (Southampton, Test) (Lab): This is a Budget that should have come to the aid of local government. Instead, it continues a course of punishment for local government that has been with us for a number of years, with 20% cuts in local government spending up to 2015 and a further series of cuts announced in the autumn statement and the spending review. The Conservative chairman of the Local Government Association commented on those cuts:

“Even if councils stopped filling in potholes, maintaining parks, closed all children’s centres, libraries, museums, leisure centres and turned off every street light they will not have saved enough money to plug the financial black hole they face by 2020.”

I am proud of my city council in Southampton, which has faced cuts of £71 million in the past three years, but by heroic efforts and enormous ingenuity has nevertheless kept the libraries open across the city, road repairing schemes up and running, and all children’s centres open, yet it faces further shortfalls in its budget that it will have to plug every year over the next period. We know where the cuts of £3.5 billion announced by the Chancellor for the next period are almost certainly going to fall—on local government and thereabouts. That will exacerbate the shortfalls that local government faces, not just in Southampton, but across the country.

We also face a business rates revolution, which at most can be described as half-baked because of the ill-thought-out way it will come to the aid, if at all, of local government. This change in business rates will result in local government having to rely entirely on business rates and local taxation by 2020, but no thought has been given to changes in small business relief. We do not know how changes to business rates will be distributed. We do not know whether the change from the retail prices index to the consumer prices index will mean a substantial reduction in the pot for local government, relying as it does on business rates.

In short, the Budget does nothing to come to the aid of local government at a time when that is needed by people who rely on local government services now and in future. The Budget has failed those people and, unless rapid changes are made, it will continue to fail them.

9.13 pm

Robert Neill (Bromley and Chislehurst) (Con): I could not disagree more with the hon. Member for Southampton, Test (Dr Whitehead) about the impact of this Budget on local government. The Budget should be welcomed by all in local government with self-confidence and belief in their own communities. The opportunities offered by the devolution of business rates and other financial measures are real and should be seized.

The business rates devolution is particularly welcome. I note that in opening the debate the Secretary of State properly recognised that where, as a result of national policy, the tax base is reduced by increasing the reliefs on small businesses, that will be compensated for by the section 31 grant. I hope the Minister replying to the debate will take on board the importance of that being uprated on any future changes of Government policy, so that the tax base of thrifty and effective local authorities is not thereafter eroded.

The second point I want to make is on the setting of the baseline for the retention of the business rate, on which the Department is currently conducting a six-month consultation. That is a complicated matter. It is nonsense to suggest, as one hon. Member did earlier in the debate, that business rate-rich areas such as Westminster will retain everything. There is always an element of redistribution, but we have to get the system right, because we do not want too frequent resets—there has to be a long-term run to give local authorities a real incentive to invest.

I hope we will use the ability to calculate the baseline to do greater justice to authorities such as mine in Bromley that have a long record of efficiencies. In the past, we have tended to calculate local government finance settlements on the basis simply of a needs-versus-resource matrix. That does not take account of the fact that some local authorities have been more effective and...
efficient than others in using their resource. When we look at the baseline, I hope we will find a measure that recognises and rewards councils with records of historical efficiency. It is perfectly possible—indeed, it has already been demonstrated—that we can achieve comparable unit costs for services in similar authorities. We need to look at that carefully in setting the baseline, because it will give a further incentive to authorities that use their money well. That is an important step forward.

Finally on business rates retention, I welcome the news that the Greater London Authority will have 100% retention advanced to 2017. The logic is surely—I hope the Minister will confirm this—that that should apply to the London boroughs too, because they are the collecting authorities for both tiers of business rates, and they often participate together in funding the kinds of ambitious devolution project in London that we are keen to bring forward. The logic, therefore, is that all of London should, rightly, have 100% retention at the earliest opportunity.

9.16 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): In the time allotted, I cannot cover all the items that make up this ultra-shambles of a Budget, but I will set out a few.

The Government believe that the complete academisation of our schools by 2020 will help to address the widening gap in educational outcomes for the most disadvantaged in our schools. Yet there are many concerns about what that will mean in reality, especially for children with special educational needs and disability.

Since the publication of the Department for Education White Paper, many parents and organisations have contacted me regarding their concerns about what the proposals will mean for children with autism, dyslexia or other special educational needs or disabilities. Evidence has shown that academies have higher rates of exclusion of children with SEND, who are then pushed into local authority maintained schools. Once all schools are academies, who will take the excluded children with SEND? Those children are as worthy as any others of receiving a high-quality education, and I hope the Government will ensure that we continue to have an inclusive education system and that children with SEND are not sidelined or excluded in the fully academised school system they are creating.

Other announcements by the Chancellor failed to recognise the need for further investment in the north-east. That was seen clearly when he announced £80 million for Crossrail 2 in London and the next phase of high-speed rail—High Speed 3—which will go only as far as Leeds. Some of us live more than 100 miles further north, in the north-east, and I wait with bated breath for the day when HS4 or HS5—or will it be HS 67?—reaches us in the north-east.

The Chancellor obviously sees himself as the King in the North, with his northern powerhouse project, but he needs to realise that there is a lot more of the north before he gets to the wall—that is Hadrian’s wall, not the one in “Game of Thrones”. If he truly wants to be the King in the North, and we all know he has—or should I now say had?—ambitions for higher office, he needs to realise that there is a large section of the north between Yorkshire and Scotland called the north-east and to ensure that investment is directed to our region too.

However, there is still something the Chancellor can do now—invest in the future of the Tyne and Wear Metro. The rolling stock has not been updated in its 36-year history. However, for an estimated £400 million, a much-needed completely new fleet could be built, which would future-proof the network into the 21st century, with options for dual voltage giving it the ability to procure vehicles suitable to support future route extensions, such as the expansion into Washington via the Leamside line, for which I have campaigned for more than 10 years. That would help not only to drive economic growth, with improved connectivity to other parts of the region, but to provide the vital jobs we need through the building of the new fleet.

9.19 pm

William Wragg (Hazel Grove) (Con): It is a pleasure to be able to speak, albeit briefly, in this debate, and I thank you, Madam Deputy Speaker, for accommodating as many speakers as possible.

The Budget contains welcome measures to improve our schools so that all children get the best start in life. It includes extra money to every school in England either when it becomes an academy or when it is in the process of conversion. That process is relevant to the DCLG, as the role of local education authorities will be reduced. The academies programme is transforming education for thousands of pupils across the country.

My closeness to the issue and my personal experience as a teacher mean that I sympathise entirely with many of the frustrations that teachers sometimes express towards LEAs, but I do not want to speak with vitriol—quite the reverse. I do not think that LEAs have been all bad. In many circumstances, they have empowered staff and they will play an important role in continuing school improvement over the next four-year transition period. I emphasise that it is important that the Government get the policy clear, and I hope it will be implemented in a considered way, without rancour from either schools or local authorities.

Most importantly, this Budget accelerates the move towards fairer funding for schools, which I welcome after a long campaign. Indeed, last December I presented to the House a petition calling for a fairer school funding formula, which was signed by hundreds of local parents and teachers in my constituency. I am delighted, on behalf of my constituents, that their voice has been heard.

My right hon. Friend the Chancellor confirmed on Wednesday that the arbitrary and unfair system of allocating school funding will be replaced by a fairer national funding formula. Under the proposals, every school and local area, no matter where they are in the country, will be funded fairly, according to need.

The starkness of the current discrepancy in funding was brought home to me when I visited a school in Stockport on Friday. The Pendlebury Centre pupil referral unit works with some of the most vulnerable students from my constituency, yet its per-pupil allocation is several thousand pounds lower than that in neighbouring authorities. I therefore congratulate my right hon. Friend the Chancellor on this bold and important policy.
I also welcome the new £20 million-a-year northern schools strategy, which will help transform northern schools and tackle the discrepancies in school performance that have resulted in educational progress in some parts of the north lagging behind that in the rest of the country.

In conclusion, I welcome many elements of the Budget, particularly those to which I have referred, but I will add my voice to those welcoming the rethink by Her Majesty's Government over disability benefit matters. It is important to keep our country on the right track to recovery and to continue to grow faster than any of our European neighbours. It is also important that we take the right decisions to make people better off, protect the vulnerable, help business, boost jobs and invest in our children and the next generation.

9.22 pm

Norman Lamb (North Norfolk) (LD): There are moments when events have a profound effect on politics, and I believe that this Budget and the subsequent resignation of the former Secretary of State for Work and Pensions is one of those moments. He said that this is a “deeply unfair” Budget and that we are “drifting in a direction that divides society rather than unites it.”

He also said: “it just looks like we see this as a pot of money, that it doesn’t matter because they don’t vote for us”.

That strikes at the very heart of any sense from the Conservatives that we are all in this together. It also reinforces the public’s view of the Conservatives that, ultimately, they will not govern for the whole of the country. This is a profoundly dangerous moment for the Conservatives.

The Budget is unfair in two particular respects, both relating to the rich and poor. It cuts taxes for better-off people while striking at those with a disability. At the same time, it completely protects the interests of better-off older people while striking at those with a disability. At the same time, it completely protects the interests of better-off older people while striking at those with a disability. At the same time, it completely protects the interests of better-off older people while striking at those with a disability.

In the time available to me, I want to focus on the NHS and care. Of course, they were not mentioned at all in the Budget, but it seems to me that we are sleepwalking towards the edge of the precipice. It is accepted by everyone that we are looking at a gap of about £30 billion in the NHS budget by 2020, and a gap of about £6 billion in social care, according to the Independent Health Foundation. That does not take into account another £1 billion for the increased cost of the minimum wage. We are due to spend a reducing percentage of our national income on health and care between now and 2020, at a time when demand is rising massively. If we are to have any chance of achieving the objective of genuine equality for those who suffer from mental illness, investment is required, but such investment is not forthcoming from the Government.

I repeat my plea to the Government that we should work together on this. Partisan politics have failed to come up with a solution. We need a cross-party commission to get to grips with the problem and come up with a long-term settlement for the NHS and for care—a Beveridge report for the 21st century.

9.25 pm

David Mowat (Warrington South) (Con): I want to speak about two issues: the northern powerhouse and devolution. Neither of those initiatives is perfect, and I have some thoughts and suggestions on both, but they are an awful lot better than anything we have seen for the last 20 years. The Opposition might want to remember that.

I also want to talk about the direction of travel of the Budget. When we came into office, £1 was being borrowed for every £4 that was spent. We are trying to fix that. Labour Members are right; it has taken us longer than we thought. Perhaps they wanted us to cut harder. This evening, however, we have heard that as well as the bedroom tax being wrong, every single cut that has been made was wrong. The NHS apparently needs more, and the police need more. We have even heard from the right hon. Member for Birmingham, Hodge Hill (Liam Byrne)—this is a new one—that the pension age should not have been changed. The hon. Member for Harrow West (Mr Thomas) has told us that the schools funding formula is wrong. I was waiting for an intervention, but it did not come. The hon. Member for Copeland (Mr Reed) talked about the need for credibility. Labour Members would be credible if they occasionally said, “That cut is reasonable,” instead of just saying, “It is all wrong.”

Robert Neill: Does my hon. Friend agree that the real lack of credibility is in the failure to recognise that some public services can be based only on sound economics, and that unfunded costings and more and more debt constitute cruelty, not compassion?

David Mowat: It comes back to credibility. The hon. Member for Copeland made a plea for credibility from his Front-Bench team—a plea that, I fear, has fallen on deaf ears. It is true that we have had to make cuts, and I do not think that anybody likes to do that. I do not think that the cuts are ideological, but they are necessary to get from that 4:1 ratio to something close to balanced. It looks as though we made a mistake in this Budget; that has been acknowledged, and it will be fixed. The Labour party’s contribution has not been to say, “That was a mistake,” but to say, “Everything is a mistake.” That is an extraordinary position.

We had a lecture this evening from the Scottish National party, which was particularly interesting, because it is the progressive party in this place. We heard about what the Scottish Government are doing on homelessness, and how much better that is than what we are managing in England. If the SNP was progressive, and if it really cared about homelessness in England, its members would look at the Barnett formula and say, “We will go for a formula based on need. We will not just take everything that we can get, as our major policy initiative, and still call ourselves the progressive party.”

Before I move on to talk about the northern powerhouse, I have a point to make about tax cuts. “Tax cuts for millionaires”—we have heard that, have we not? Capital gains tax has been cut from 28% to 20%. I do not particularly approve of that, but at 20% that rate is still 2% higher than it was for the entire period of the last Labour Government. One could not make it up.

I said that I was going to talk about the northern powerhouse. I will not talk about it for very long, other than to say this. The problem that the northern powerhouse is trying to fix is the difference in gross value added
between the north of our country, the English regions, and London, in particular. We are very London-centric. That difference reached a peak in 2009, in the last year of the previous Labour Government, when the City was allowed to run berserk. It is right that that has been fixed. I see that the Secretary of State is in his place, and I have got time to make one final point. I would like clear metrics to be assigned to the northern powerhouse initiative for GVA and transport infrastructure. It is rather hard to equate the money being spent on Crossrail 2—£28 billion—with any sort of real intent around the northern powerhouse.

9.29 pm

Helen Hayes (Dulwich and West Norwood) (Lab): In the short time available, I would like to make just a couple of points about what I believe to be a cynical and desperate Budget. It is cynical because it is designed to deliver appealing messages to some parts of the electorate, while hoping that no one will notice how these benefits are being delivered. It is desperate because the context is the Chancellor's failure to meet any of the targets he has set himself and he is scrabbling around throwing all common decency out of the window to save face.

The proposal to deliver cuts in corporation tax and capital gains tax, overwhelmingly benefiting large firms and well-off individuals, by cutting personal independence payments to disabled people was a despicable plan. Further cuts to support for disabled people are straightforwardly unacceptable. Making such cuts to precisely the type of support that enables many disabled people to have greater control and lead more independent lives is as incompetent as it is cruel. People across the country have made their outrage at this proposal clear. I am relieved that the Government have U-turned on this plan, but quite frankly it beggars belief that the Chancellor ever thought it was acceptable.

I am compelled to draw attention to the announcement in the Budget relating to homelessness. The Chancellor was so pleased with this announcement—£115 million to tackle rough sleeping—that he leaked it to the Evening Standard the day before the Budget. The Communities and Local Government Committee, of which I am a member, is currently undertaking an inquiry into homelessness. Last week we visited The Connection at St Martin's, which supports rough sleepers just a few hundred metres from this place. Its dedicated staff told us how the number of rough sleepers is increasing, how they struggle to keep up with the demand for their services and how Government policies, across a range of different areas, are contributing directly to making the problems worse.

Homelessness has increased by 36% since 2010 and rough sleeping in London has doubled. In Lambeth alone, there are over 1,800 households in temporary accommodation, including almost 5,000 children in one single borough living without the security of a permanent home. Additional funding to help rough sleepers is of course welcome, but while £115 million sounds like a big number it is a sticking plaster on a severed artery.

Melanie Onn: There are an additional five housing measures in the Budget, all of which raise more money for the Treasury. Does my hon. Friend think that they will have an impact on homelessness, because they relate to some of the core fundamentals of providing housing in this country?

Helen Hayes: The Government's approach to housing is broken from top to bottom. The Government must recognise, as the previous Labour Government who reduced homelessness by 62% recognised, that tackling the causes of homelessness is within their gift. The single biggest cause of homelessness in London is now the ending of a private sector tenancy, yet the Housing and Planning Bill will do nothing at all to reform the private rented sector. Even to the Chancellor, it should be crystal clear that rough sleepers cannot afford starter homes and will not benefit from lifetime ISAs or the cut in capital gains tax. The growth in homelessness in London in the 21st century is this Government's shame. In that context, it is imperative that the Government rethink the Housing and Planning Bill and ensure that sufficient public sector resources are being directed into the building of the genuinely affordable homes that are so badly needed.

This is a cynical, desperate Budget and I think the Chancellor has been found out. I hope the Government will take the opportunity that has been presented to them this weekend to rethink the Budget comprehensively, and that the Chancellor himself will come back to the House with a fair deal for disabled people, a fair deal for our councils, and a plan for addressing the causes of homelessness, not just the symptoms.

9.33 pm

Kirsty Blackman (Aberdeen North) (SNP): We were told earlier by the hon. Member for Telford (Lucy Allan) that this was a Budget for Telford. Well, it is certainly not a Budget for disabled people, young people, or low-income families. It is not a Budget for businesses either. A Budget that projects a systematic reduction in tax relief and the halving of the supplementary charge, made, such as the effective abolition of the petroleum revenue tax and the halving of the supplementary charge, but there are still major issues for the oil and gas sector in relation to banking. It is difficult for companies to find finance at the moment. I am talking not about large infrastructure projects, for which there is the opportunity for loan guarantees, but about day-to-day business. Given the oil price just now, it is really tough for companies, and they are struggling to find finance. Some of the banks, although they are saying nice words to parliamentarians, are not actually lending to oil...
companies. They are pretty much saying, “Nah,” to supply chain companies, for example, which are the companies we need to be supporting just now.

I welcome the measures on decommissioning, but the UK Government will have to shell out about 62% of the cost of decommissioning oil rigs, so the longer it can be pushed out, the better for the UK Treasury, and this would be a benefit. It is very important that the UK, as one of the first fields to reach maturity, learns fast and becomes good at exporting that expertise. We need to support that.

Patrick Grady (Glasgow North) (SNP): My hon. Friend commented on the lack of time available. Does that not speak to the wider concerns expressed several times, not just about the budgetary process but about the estimates process in the House? Does she agree that this is an urgent matter for the Procedure Committee to consider?

Kirsty Blackman: I thank my hon. Friend, who is a member of the Procedure Committee, for bringing that up, because it plays nicely into my next point, which is about how the Budget process works. We have had very little time for speeches today.

The Budget and the documentation we are provided with contain a total lack of clarity about Barnett consequentials in relation to the budget lines. For example, there are budget lines around cathedrals and cultural investment but no clarity, even in the statement of funding policy, about whether those things will generate Barnett consequentials and, if so, what the percentage of comparability is. It is very difficult for MPs to scrutinise these matters. The Tax Law Review Committee said: “the House of Commons has neither the time nor the expertise nor, apparently, the inclination to undertake any systematic or effective examination of whatever tax rules the government of the day places before it for its approval”.

That is partly because of the complexity of the tax rules. Obviously, tax is levied on individuals personally, and then tax reliefs and benefits are provided to families, so it is quite a complex thing to work out. MPs lack the time—we have hardly any time to discuss it today—and the information to scrutinise the Budget effectively. This process needs to be improved as a matter of urgency.

9.37 pm

John Healey (Wentworth and Dearne) (Lab): Indefensible, deeply unfair, distinctly political—my words for the Budget but also the words of the recently departed Secretary of State for Work and Pensions. It is Labour’s judgment of the Budget, but it is also the judgment of many fair-minded Government MPs and, most importantly, of the British people, the large majority of whom, when polled over the weekend, said the Government had got their priorities wrong.

If this is a political crisis, it is one of the Chancellor’s own making. It was the same failure of political judgment that led him to slash working tax credits, before being forced to backtrack, and the same failure of political judgment that led the ex-Secretary of State to say: “It... looks like... it doesn’t matter because they don’t vote for us”.

The IFS and the Resolution Foundation both say that this is a starkly regressive Budget, with the rich getting the most and the poor getting the least. We saw a tycoon tax cut of over £3 billion benefiting the very richest; an income tax cut of £2 billion benefiting the better-off; and alongside that, a cut in disability benefits worth over £4 billion. Well, that was Wednesday; and today, five days later, we have heard from the Secretary of State for Work and Pensions that there will be no more welfare cuts. The Chancellor’s long-term economic plan—his long-term fiscal plan—therefore lasted just five days, and if we take the new Secretary of State for Work and Pensions at face value, the Chancellor of the Exchequer still has a £4.4 billion shortfall to meet his deficit plans.

While we are on policy confusion and fiscal chaos, the Secretary of State for Communities and Local Government, who opened this debate, told the House that none of the costs of the business rates cuts would come out of local government funding. All will be compensated for in full by section 31 grants. He tried to tell the House that line 15 on page 84 of the Red Book explained that, but it details the cuts to business rates, not the source of the compensation, and there is no other reference in the Red Book. That leaves the Chancellor of the Exchequer with a further, fresh fiscal shortfall of £6.7 billion over five years, or it means that the Secretary of State will have to find that money from savings in his own budget.

The Chancellor may have caused a political crisis for the Conservative party, but much more serious are the fiscal and economic problems he is causing for the country. These were laid bare in the Budget—downgraded growth, downgraded pay, downgraded productivity, and the Chancellor’s new fiscal mandate broken already, as the OBR confirmed that the debt-to-GDP ratio is rising, saying that there is only a 50:50 chance that he will hit his deficit target. Never mind omnishambles: this is the ultra-shambles Budget. It really comes to something when No. 10 Downing Street briefs over the weekend to play up the Conservative party’s splits on Europe because its splits on fiscal and social policy are even more damaging.

I do feel for the 27 hon. Members on both sides of the Chamber who have spoken, being limited first to five minutes, then to four and finally three minutes. To be quite honest, the loyalists were out in force on the Government Benches, although I would like to have heard more from the hon. Member for North West Norfolk (Sir Henry Bellingham) about his deep opposition to mayors, imposed by the Chancellor as a condition of all devolution deals.

I would like to have heard more from the hon. Member for Blackpool North and Cleveleys (Paul Maynard), who said, quite rightly, that we have to be ultra-careful not to write off those who cannot work. As he said, there is no hierarchy of human value. I would also like to have heard more from the hon. Member for North West Norfolk (Sir Henry Bellingham) about his deep opposition to mayors, imposed by the Chancellor as a condition of all devolution deals.
On our side of the Chamber, the House should have heard more from my hon. Friend the Member for Jarrow (Mr Hepburn). The Budget has fallen apart like the Chancellor’s reputation, he told us—quite right. I would like to have heard more from my hon. Friend the Member for Bury South (Mr Lewis), who warned the Chancellor about the flawed devolution deal for Greater Manchester, especially when it comes to skills, school improvement, social care and council funding; or from my hon. Friend the Member for Batley and Spen (Jo Cox). As she said, without the funding commitment to make them work, infrastructure announcements were actually re-announcements—quite right.

My hon. Friend the Member for Copeland (Mr Reed), who is no longer in his place, made an important point about how the Chancellor is unable to make his sums add up in this Budget. He is failing my hon. Friend’s constituents; he is failing the country. My right hon. Friend the Member for Birmingham, Hodge Hill (Liam Byrne) reinforced that, saying that this is a Budget that is failing the young generation and this is a Chancellor who is failing his own city, Birmingham.

My hon. Friend the Member for Halton (Derek Twigg) was quite right when he talked about the Chancellor’s creative accounting. My hon. Friend the Member for Harrow West (Mr Thomas) said that the Chancellor is making the challenges facing the public services in this country much more difficult to meet, and he was right.

My hon. Friend the Member for Southampton, Test (Dr Whitehead) described this Budget as continuing the punishment of local government that we have seen over the last five years. My hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) rightly said that when all schools are being forced to become academies, the House should be deeply concerned about pupils with special educational needs.

My hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) was dead right about the Chancellor’s failure to meet his own targets, and also about his failure on housing. The Secretary of State for Communities and Local Government, who opened the debate, clearly lacks the clout to be able to argue his Department’s case with the Chancellor, for the Budget had nothing to say about housing and did nothing to reverse six years of failure, from rising homelessness to falling home ownership. What a contrast with the Labour Government’s record! We more than halved homelessness. There were 1 million more home owners during our time in office, and 2 million were homes built.

When it came to housing, there was a huge hole in this Budget. There was nothing about new affordable homes to rent and buy, nothing about investment, and nothing about tackling the causes of rising homelessness. In particular, there was nothing to ease the housing pressures in London, where housing is the No. 1 issue. The Budget has completely exploded the claim of the wannabe Mayor, the hon. Member for Richmond Park (Zac Goldsmith), who has said “I can get a good deal from this Conservative Chancellor.” It makes more urgent, and more clear, the case for electing a Labour Mayor, my right hon. Friend the Member for Tooting (Sadiq Khan), who will be a Mayor for all Londoners.

This was billed as a Budget for the future. There was big talk of big infrastructure schemes, but the small print showed small sums, mostly for design and feasibility studies throughout the rest of the Parliament. I say to Members on both sides of the House, “Do not listen to what the Chancellor says; look at what he does.” In 2009-10, the last year of the last Labour Government, infrastructure investment was 3.2% of our wealth—3.2% of our GDP. In 2010-11, the Chancellor cut that to 2.5%. By the end of that first Parliament, the figure was 1.9%, and now the Chancellor is doing it again: at the end of this Parliament, it will be just 1.5%.

In truth, the Chancellor is too tightly bound by his own misjudged fiscal rules for the good of the country. His plan to achieve a £10 billion total budget surplus by 2019-20 will prevent him from doing what is needed most, and investing for the future: investing in good homes, good jobs, and good infrastructure projects. In the debate that followed the Chancellor’s statement, the right hon. Member for Chichester (Mr Tyrie), the Chairman of the Treasury Committee, said:

“He has altered his plans of only four months ago, and so long as the rule remains in place, we will have to do so again after the next fiscal event. That is … why the Treasury Committee concluded … that it was ‘not convinced that the surplus rule is credible in its current form.’”—[Official Report, 16 March 2016; Vol. 607, c. 976-77]

We have fiscal policy without credibility, and a Chancellor without credibility. What we were given in this Budget was a downgraded economy from a diminished Chancellor who was speaking to a divided party and for a damaged Government. This is a black hole Budget: a Budget which, like the Chancellor, does not deserve support from any party in the House.

9.48 pm

The Economic Secretary to the Treasury (Harriett Baldwin): The right hon. Member for Wentworth and Dearne (John Healey) had certainly prepared his soundbites earlier.

In every region of the United Kingdom, the policies announced in the Budget will bring the economic security that Britain needs. They are the commitments that we set out in our manifesto last year, and the Budget will help to deliver them. Over the past six years, we have worked hard and made the tough decisions. That has brought our country’s economy back from the brink, and my right hon. Friend is now delivering greater economic security for everyone. Today, I am proud that, here in the United Kingdom, a record number of people are in work, the deficit is down by two thirds and we are well on the path to surplus. Our whole economy is set to grow faster next year than any other major advanced economy in the world. However, with the pace of growth in the global economy showing signs of weakening, now is the time to redouble our efforts, and that is precisely what the Budget does.

Today’s debate is about devolution and local government. The foundations of our long-term success are laid in every region of the United Kingdom. The Economic Secretary to the Treasury (Harriett Baldwin): The right hon. Member for Wentworth and Dearne (John Healey) had certainly prepared his soundbites earlier.
unemployment benefits is falling fastest in Yorkshire and the Humber. Through a combination of greater devolution, greater investment and targeted support, the Budget will allow our regions to continue growing from strength to strength.

The Budget also delivers for the devolved Administrations. To help Scotland, there are tax breaks worth more than £1 billion to support the North sea oil and gas industry through challenging times and a freeze in duty on Scotch whisky. The Scottish National party had three demands for the Budget—action on oil and gas, action on fuel duty and action on Scotch whisky—and we have delivered on all three fronts. To help Wales, there is a £1.2 billion deal for the Cardiff capital region and a 50% reduction in tolls on the River Severn crossings in 2018. To help Northern Ireland, there will be enhanced capital allowances for investors in the Northern Ireland Executive’s pilot enterprise zone near Coleraine. For all three of our devolved Administrations, the Budget delivers the benefits of being part of a strong, successful United Kingdom, with the opportunities that come with devolution.

For the cities and regions of England, this is a Budget that creates fresh opportunities and opens new doors. For the north, there is greater devolution to Liverpool and Manchester, a schools strategy for the northern powerhouse, more than £700 million extra for flood repairs and resilience, and the go-ahead for HS3, bringing Leeds and Manchester closer together. For the midlands, the midlands engine investment fund will get £250 million, and there is a new devolution deal for Greater Lincolnshire and a strong statutory body to help provide the transport that the midlands needs.

For East Anglia, we have another new devolution deal, and I can confirm to my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham) that the £30 million is indeed new money and that an elected mayor will be the single point of accountability. I can also confirm to my hon. Friend the Member for Milton Keynes South (Iain Stewart) that we plan to make the most of the Oxford-Cambridge-Milton Keynes corridor. For the south-west, almost £20 million will help young families on to the housing ladder. For London, the green light has been given for Crossrail 2. In addition, policies such as the cut to businesses rates and our reform of commercial stamp duty will revitalise high streets up and down the country, including those in Bury South.

This is a Budget for a nation of shopkeepers whether they are in Cardiff or Cornwall, or Chester or Chelmsford. We have heard from 27 Back Benchers from all over the country in tonight’s debate: North West Norfolk, Glasgow Central, Rugby, Jarrow, Telford, Sheffield South East, Blackpool North and Cleveleys, Bury South, Poole, Batley and Spen, Milton Keynes South, Copeland, Bolton West, and Birmingham, Hodge Hill.

Mr Betts: Will the Minister give way?

Harriett Baldwin: I will not as I have very little time, but I will get to the hon. Gentleman’s point. The list continues: Chesham and Amersham, Henley, Harrow West, Wealden, as well as Southampton, Test, and Bromley and Chislehurst, Washington and Sunderland West, Hazel Grove, North Norfolk, Warrington South, Dulwich and West Norwood, and Aberdeen North. A number of common themes came up in those speeches. Almost everybody welcomes the business rates cut and the help for the self-employed. This is a Budget that puts our small business job creators front and centre. Many points were made about northern infrastructure, so I draw everyone’s attention to page 77 of the Red Book. I am not referring to Mao’s little red book on this occasion. Page 77 gives a list of projects, including £130 million of road repair funds to deal with the damage caused by Storm Eva and Storm Desmond, in Cumbria and elsewhere.

A number of colleagues mentioned devolution and the impact on business rates. I can confirm that local government will be compensated for the loss of income as a result of the business rates measures announced in the Budget with a section 31 grant. The impact will be considered as part of the Government’s consultations on the implementation of 100% business rate retention in summer 2016.

Mrs Gillan: Will the Minister give way?

Harriett Baldwin: I would love to give way, but I have not got time to do so. The NHS was discussed by a number of colleagues, and I am sure that they welcome the record amount of cash going into our NHS, thanks to our strong economy. A number of colleagues welcomed the fairer funding for schools and the ultimate devolution of power to academies. I can confirm that an extra £1.6 billion is going into schools, with no change at all to the special educational needs obligations on schools.

[Interjection.] We have heard a fair number of rants, whinges and lectures from the Opposition tonight, but we will take no lectures from the party that crashed the economy in the first place. We will take no lectures from the Labour party, whose plans, had we followed them, would have led to—

Mrs Gillan: On a point of order, Mr Speaker. I wonder whether you could advise me on something. I have asked the Minister, who is speaking so ably and fluently at the Dispatch Box about a Budget, certain elements of which have been well welcomed on both sides of the House. I have asked her to give way on two specific points that I raised in my contribution to this debate. Could you advise me whether it is in order for the Minister to decline, on account of the amount of time left for speaking, when a considerable number of minutes are left until 10 o’clock?

Mr Speaker: It is a matter for the judgment of the Minister, but the discontent of a former Cabinet Minister has been registered.

Harriett Baldwin: In that case, I will simply commend this Budget to the House.

Ordered, That the debate be now adjourned.—[Julian Smith, in the Chair.]

Debate to be resumed tomorrow.

Mrs Gillan: On a point of order, Mr Speaker. I wish to seek your guidance on the next item on tonight’s Order Paper. I gather that Standing Order No. 9(6), which deals with sittings of the House, states:

“After the business under consideration at the moment of interruption has been disposed of, no opposed business shall be taken, save as provided in Standing Order No. 15 (Exempted business).”
As I read it, the Order Paper contains a sittings motion on the business of the House on the High Speed Rail (London - West Midlands) Bill and if it comes to the Floor of the House after 10 pm, it does not have to be debated. It is possible to object to that business of the House. Of course, Mr Speaker, you will appreciate that I raised a point of order earlier—[Interruption.]

Mr Speaker: Order. It is fairly uncharacteristic of one of the Whips on duty, the hon. Member for Croydon Central (Gavin Barwell), who normally behaves in a most seemly manner, but the amount of noise he is making prevents me from attending to the right hon. Lady’s point of order, which I am keen to hear, so she will doubtless now continue.

Mrs Gillan: If this motion is heard after 10 o’clock in this House, I want to confirm that there is no debate, that a Member can object to it and that the Government can bring it back and put it on the Order Paper on the following day. It is important that we understand that anybody who chooses to object to this piece of business on the Order Paper is not impeding the Government at all, as it is perfectly in order for them to bring it back on to the Order Paper tomorrow, and indeed, if it is objected to tomorrow, it can be put on the Order Paper the following day, but without the penalty of taking time out of the very valuable debate that I have been trying to get extended and would want to protect in terms of the measly three hours the Government have given us.

Mr Speaker: The interpretation by the right hon. Lady is entirely correct. I trust that she is satisfied with that matter.

Business without Debate

BUSINESS OF THE HOUSE: HIGH SPEED RAIL (LONDON – WEST MIDLANDS) BILL

Motion made,

That, at the sitting on Wednesday 23rd March, the following provisions shall apply to proceedings

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

2. (1) This paragraph applies for the purpose of bringing proceedings to a conclusion in accordance with paragraph 1.

(2) In relation to proceedings on Consideration and Third Reading, the Speaker shall put the following Questions in the same order as they would fall to be put if this Order did not apply—

(a) any Question already proposed from the Chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) any Question on any amendment, new clause or new schedule selected by the Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a Minister of the Crown;

(e) any other Question necessary for the disposal of the business to be concluded.

(3) On a motion made for a new clause or a new schedule, the Speaker shall put only the Question that the clause or schedule be added to the Bill.

(4) In relation to proceedings on the Motion mentioned in paragraph 1(3), the Speaker shall put forthwith the Questions necessary to dispose of the proceedings.

3. Standing Order No. 15(1) (Exempted business) shall apply so far as necessary to proceedings to which this Order applies.

4. Standing Order No. 41A (Deferred divisions) shall not apply in relation to proceedings on the Motion mentioned in paragraph 1(3).—[Julian Smith.]

Mrs Gillan: I object.

Mr Speaker: Objection taken.
Mid Yorkshire Hospitals NHS Trust

Motion made, and Question proposed. That this House do now adjourn.—(Julian Smith.)

10.1 pm

Paula Sherriff (Dewsbury) (Lab): Let me start by paying tribute to the doctors, nurses and all the staff working in the Mid Yorkshire Hospitals Trust. As a Member whose constituency is covered by the trust, a local resident and indeed a patient, I have nothing but praise for their hard work, dedication and professionalism. Lord knows, the NHS may be up against it—and this trust perhaps more than most—but I am continually humbled by the quiet and determined way that all the staff at Dewsbury and District hospital, Pontefract hospital and Pinderfields hospital go about providing care and support in the face of what must seem at times like overwhelming odds.

Jo Cox (Batley and Spen) (Lab): I congratulate my hon. Friend for her intervention. I absolutely agree with her. We must also pay tribute to our incredible junior doctors.

Whatever difficulties the trust is facing, there can be no doubt that those working there on the frontline are blameless, and deserve our full backing. As Members of Parliament, we owe it to them to make sure that they are given all the support they need.

The trust and its staff have to work in a challenging environment. In the area covered by the trust, the overall health of the population is below the average for England. Deprivation is higher than average, and nearly 20% of children are living in poverty. Life expectancy is lower than the national average for both men and women.

The Care Quality Commission inspected the trust in July 2014, with a follow-up inspection in June 2015. An unannounced inspection of Pontefract hospital emergency department took place in July 2015. A second unannounced inspection took place in August 2015 at Pinderfields hospital, focusing on staffing levels, with a follow-up visit to Pinderfields in September.

Although there were some improvements between the two main inspections of 2014 and June 2015, there were also areas in which the trust’s performance had worryingly deteriorated, and there were still serious concerns about staffing levels. The CQC noted that there was still a significant shortage of nurses, which was having a knock-on effect on patient care, particularly on the medical care wards, in community inpatient services, in the specialist palliative care team and in end of life services.

Two weeks ago, my hon. Friend and I met the trust’s new interim chief executive. We were both very grateful to him for his candour. He told us that the leadership team has effectively been in crisis mode for the past 14 months. He said that the trust had recently put in an additional 120 beds across the trust to cope with increasing demand, but the 100 extra staff who should have accompanied that expansion are nowhere to be seen. The posts simply have not been filled.

Sue Hayman (Workington) (Lab): Does my hon. Friend agree that the NHS’s problems in recruiting and retaining staff is one of the most critical issues facing our national health industry and our ability to manage our hospitals properly?

Paula Sherriff: I thank my hon. Friend for that intervention. I will come to that point later.

To make things more complex on the administrative side, the monthly staffing reports are found to be overly detailed, generally running to over 100 pages, making it difficult to identify the most urgent risks. Likewise, there are concerns that policies and procedures for the escalation of staffing risks were not always followed when they were identified. The trust aims for a ratio of one nurse to every eight patients on adult in-patient wards. The Royal College of Nursing recommends 6.7 patients per nurse on adult wards as a maximum, so one to eight is not too far wide of the mark, though not ideal. However, the CQC found that even the 1:8 ratio was very inconsistently met. During its unannounced visit to Pinderfields hospital in August, of the 17 wards only one was staffed to safe staffing levels. Ten were at minimum level and six were actually below the minimum. Indeed, records show that in August 2015 only 71% of nursing hours were achieved. Staff on the trust’s spinal injuries unit at Pinderfields are constantly reallocated to other wards, in essence robbing Peter to pay Paul. A nurse even told a patient that because they were so short-staffed, if two patients got into respiratory difficulties, which is not uncommon on a spinal injuries ward, the nurses would have to choose which patient they were to save.

The problem is particularly acute at the community in-patient sites at Monument house and Queen Elizabeth house, where between May and June last year 96% of shifts used at least one non-permanent member of staff, either agency staff or staff redeployed from other areas of the trust. Indeed, two shifts had only a single registered nurse on duty. The trust as a whole breached the Department’s cap on charges for agency staff, on average, 132 times a week during December. While it is absolutely right to prioritise patient safety over the Government’s financial targets, that is a clear indication that there has been a failure in long-term workforce planning and that it is struggling to attract and retain appropriately qualified staff.

To give credit where it is due, the trust has been making efforts to address the staffing issue. After the unannounced inspection, a risk summit was held under the leadership of NHS England to look at the actions the trust needs to undertake and the support needed from the wider healthcare community. The high number of registered nurse and care staff vacancies is now noted on the corporate risk register. The trust is looking at a range of different structures for nursing teams to get the best out of the available staff. It has invested in safety guardians to provide support and safeguarding for patients with mental health issues, freeing up time for registered nurses. It is putting extra effort and resources
into filling gaps by looking to recruit nurses both locally and from Europe, proactively recruiting rather than waiting for staff to leave.

The CQC rated the safety of services provided by the trust as “inadequate”, largely due to the shortage of staff. For instance, between May 2014 and April 2015, 258 serious incidents were reported, of which 206 were cavity-like grade 3 pressure ulcers. That sort of thing is indicative of nursing staff being rushed off their feet, unable to provide the level of patient care that they would like. Concerns were also raised about patients who required one-to-one care not receiving it, and fluid balance monitoring and nutritional assessments not being properly completed, with charts often not kept fully up to date. In January, 81.4% of accident and emergency admissions were seen within four hours; the target is 95%. More than 2,000 patients waited on A&E trolleys for more than four hours, including six who waited more than 12 hours at Pinderfields.

When looking at such statistics on patient care, we have to be very careful to remember that each number—each percentage point—represents real people. They are people who may be in pain, or vulnerable, worried or nervous. They may be upset or distressed. By any reckoning, the NHS is our nation’s most prized institution, and when people have to make use of it, they rightly expect a certain level of service. NHS staff want to give that level of service, and when they cannot, the result is more than just a delay in treatment—the dignity of patients is also compromised.

A few weeks ago I received an email from one of my constituents. Her 84-year-old father had been admitted to Dewsbury hospital with stroke-like symptoms. He was on a trolley in A&E for 14 hours. After he had been admitted to a ward, his daughter came back to visit him. She found that his bed was a complete mess and covered in food, and her father was naked from the waist down. When she asked why he had on only a pyjama top and was sitting on an incontinence pad, she was told that it made it easier when he needed to urinate. When she came back later that afternoon, his bedding had still not been changed, which in the end she did herself. That is a basic outline of one case, but it is by no means the only such correspondence that I have received from concerned constituents. At the moment I receive similar emails more than once a week, which is alarming.

All that, of course, has an inevitable knock-on effect on staff motivation. The results of the 2015 NHS staff survey show just how low morale has sunk. For every key indicator the results are depressing and fall well short of national averages. Only 54% of staff felt that the care of patients was the trust’s top priority, compared with a national average score of 73%, and 55% felt that the trust acts on concerns raised by patients, whereas the national average is 72%. Just 41% of people would recommend the trust as a place to work. Perhaps most damningly of all, only 46% of people would be happy for a friend or relative to receive care at the trust.

The amount of disciplinary action being taken against staff has risen in recent months, which is generally due to staff not being able to follow procedures through fully for want of time. That is a symptom of the shorthandedness that has been experienced on the wards, and it contributes to the general air of despondency as staff are effectively penalised for not being able to be in two places at once. I have spoken to a number of past and present members of staff in the trust, who informed me that they have failed to whistleblow for fear of retribution.

The feeling of being worn down is affecting staff at all levels. I was told by the interim chief executive last week that the board has effectively been operating in crisis mode for the past 14 months, which, of course, is now taking its toll. There is a general feeling of chaos, tempers are fraying, and there is severe instability in the personnel in management teams—a sure sign that the trust is struggling to get its problems under control, which is a challenge in itself.

To be fair, there have been some slight improvements recently. The CQC’s follow-up visits noted that staff were more confident than they had been previously, and that senior management were taking some concerns on board and trying to get to grips with the issues. However, that feeling was by no means universal, and that slight improvement from such a low base is hardly a cause for celebration.

On the underlying causes of these problems, the Government must take the lion’s share of the blame. Going right back to slashing nursing training places in 2010, they have failed to ensure that the NHS has the levels of staff it needs to provide a safe and caring service. Thousands of nurses who should have begun training between 2010 and 2012 and would now be qualified—thereby helping to alleviate the difficulties in Mid Yorkshire—are just not there. Applicants for nursing courses outnumber the available places by more than two to one.

The whole ethos of the NHS has been warped from one of service and care to one of financial management. Of course the health service must keep on an even keel, but when a cash-strapped trust feels that it is appropriate to hire city consultants such as Ernst & Young, alarm bells should start ringing. Thankfully, that contract finally came to an end last September, but not before the trust had stumped up more than £15 million. Given that staff are still struggling to keep their heads above water, they could be forgiven for questioning whether that was money well spent.

Jo Cox: My hon. Friend makes a powerful and personal case. Does she agree that the Government have responsibility for this issue? They have cut public health funding, and there is a social care crisis locally and problems with the junior doctors contract. The Government must take responsibility for this crisis and not pass the buck to an embattled NHS trust.

Paula Sherriff: I absolutely agree that the buck must stop with the Government, and we must see action, not platitudes.

I have now been told several times that the solution to the problems lies in the plans to downgrade Dewsbury’s A&E and maternity services, which will be centralised at Pinderfields. I say that that is putting the cart before the horse. Nearly 70% of in-patient beds will be lost in Dewsbury, and the simple fact is that this will put lives at risk. Leaving aside the arguments about whether the proposed reforms are necessary, it is just not safe to attempt this sort of major restructuring right in the middle of a major staffing crisis.
Once again, financial considerations are overriding clinical concerns. The trust is currently consulting on proposals to bring forward the reconfiguration. I say absolutely unequivocally that, while the trust is in a state of flux, discussions must focus solely on improving safety and quality. I urge the board to abandon these plans.

I have written to the Secretary of State about the serious worries in relation to what is going on at Mid Yorkshire Hospitals NHS Trust. The Minister has kindly agreed to meet me and other concerned MPs next month to discuss this in more detail. However, I want to reinforce the point that we are in danger of forgetting the lessons learned from the Mid Staffordshire situation about the absolute priority that must be given to safe staffing levels. Unless we can crack this by getting the qualified staff we need, no amount of reorganisation will make up for poor care. We must break the spiral of demoralisation and overwork so that we can help both the patients and the staff who are currently getting the short end of the stick.

On this day exactly 70 years ago, Nye Bevan announced his plans for a national health service. His vision of universal healthcare free at the point of delivery and funded collectively is just as valid today as it was then. Bevan said:

“The NHS will last as long as there are folk left with the faith to fight for it.”

We must stand together now for the NHS, and we must support the staff who go above and beyond for the NHS every day. It is our duty as parliamentarians to continue the fight for those who, yet still, have faith in those founding principles—an NHS for all, based on clinical need and free at the point of delivery.

10.16 pm

The Parliamentary Under-Secretary of State for Health (Ben Gummer): I thank the hon. Member for Dewsbury (Paula Sherriff) for bringing this matter to the House and for her powerful introduction to her constituents’ concerns. I also thank the hon. Member for Batley and Spen (Jo Cox), who intervened. They make a powerful double act for Mid Yorkshire. I have felt the pressure of the concerns they have quite rightly raised with me privately, and I hope that they will be able to do so again in the next couple of weeks.

I very much like the fact that the hon. Member for Dewsbury (Paula Sherriff) about the planned reorganisation and downgrade of the Dewsbury hospital. It is a serious matter for local residents and some of my constituents. It would be wonderful to have a commitment further to discuss whether now is the time to move forward with that plan.

Ben Gummer: Of course I understand why it is a matter of concern. I must say what I have also said privately, which is that I must respect the opinion of clinicians and commissioners. That is why I want to hear what they say. Ultimately, that is the approval process that will take place. I take into account the completely legitimate points that the hon. Lady made about the readiness of the reconfiguration. I understand that the assurance exercise into the reconfiguration is nearing its end, and we will publish that at some point in the near future. I hope that that will provide assurance that the accelerated reconfiguration can take place. I take into account the concerns they have quite rightly raised with me privately, and I hope that they will be able to do so again in the next couple of weeks.

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However, Nye Bevan made another point, which for him was as important in the establishment of a national health service—it has been forgotten by politicians on both sides during the past 70 years—which is the principle of universalising the best. He made a very powerful argument at the time, which was that the reason for a universal NHS was to ensure not just that people could approach the service without having to worry about money, but that someone from a part of the country that traditionally did not have good hospital care could rely on the same quality of service that they would expect in a wealthier or better served part of the country.

In establishing the first part of Nye Bevan’s dream, we have done well, but in establishing the second part, we have not yet succeeded. The hon. Lady’s constituents have, in part, been at the rough end of that. For years, under Governments of all kinds, we have not done well enough in universalising the best across the service. As we discussed when we had our meeting, there are hospitals not far from hers that are delivering exceptionally good and consistent levels of nursing care. They have been able to do so while under similar pressures to those in her own hospital—as she has correctly identified, similar pressures apply across the service.

Clearly, there are historical problems in Mid Yorkshire, and they will be difficult to grapple with. I completely understand why the hon. Lady feels that commissioners might not yet have a full enough grasp of the problems in her area. That is why she questions the basis of the reconfiguration. I understand that the assurance exercise into the reconfiguration is nearing its end, and we will publish that at some point in the near future. I hope that that will provide assurance that the accelerated reconfiguration can take place. I take into account the concerns they have quite rightly raised with me privately, and I hope that they will be able to do so again in the next couple of weeks.

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Paula Sherriff: Given that Ernst & Young’s services were used, at some considerable cost, and that some of the matters it considered were staffing issues and staff forecasts, it is relevant to point out the contract has now ended after about four or five years. Does the Minister agree that it is quite worrying to find ourselves in this position after spending somewhere in the region of £15 million?

Ben Gummer: As a constituency MP, I, too, have been frustrated by consultancy contracts, both before and after the 2010 election. Across the service, we have managed to bear down on consultancy spend considerably. It is for the hon. Lady and her consultants to determine whether the trust has got good value for money. It is not for me to pass comment on that, except for the fact that all hospitals should account to their local people and to the trust and local authority responsible for making sure that money is being spent wisely.

I completely agree with the hon. Lady in that behind the statistics of poor performance that she identified, there are people who are not receiving the care they require. That was picked up by Professor Sir Mike Richards in his report into the quality of care provided at the hospital. He was very clear about it, saying “we found medical care, end of life services and community in-patient services and in the specialist palliative care team. He said that there was a shortage of medical staff for end of life services. He came to the same conclusion as the hon. Lady did.

The difference here is that I hope we have made progress since the Mid Staffs tragedy that the hon. Lady identified, and are now able to be more open about this. There will not be a culture of denial from the Government Benches about problems where they exist. Clearly, there is a problem here; it has been identified by the Care Quality Commission. The distressing story of the hon. Lady’s constituent that she raised with the Secretary of State for Health, that patient care, especially on the medical care wards, community in-patient services and the specialist palliative care team. He said that there was a shortage of medical staff for end of life services. He came to the same conclusion as the hon. Lady did.

What, then, is the solution to the problems that the hon. Lady has identified? The first is a local one, and all these problems have to be addressed locally, but I of course take the hon. Lady’s point that the Department has to take a degree of responsibility. Of course the Secretary of State and I take responsibility for everything that happens in the health service—that is ultimately our duty—but we cannot micromanage every hospital. It is for the local team to ensure that they are universalising the best and implementing the kinds of changes in their trust that have made such a success of hospitals not very far from the hon. Lady’s own. If they are able to do that, they will already be able to bring considerable improvements to the quality of the care that they can provide.

I can obviously do additional things as a Minister to give the local team the tools to do the job, as I can for other hospitals across the country. That includes ensuring that they have the best guidance to enable them to roster their staff properly. Lord Carter’s review is being conducted with the Care Quality Commission and with NHS Improvement. It is a tripartite review of safe staffing ratios that will give hospitals cutting-edge support to roster their staff according to the acuity of their patients to ensure maximum safety and efficiency, learning from best practice across the globe. Salford Royal Infirmary has already been looking at this particular model in one guise.

Paula Sherriff: My hon. Friend the Member for Batley and Spen (Jo Cox) and I share considerable concerns about the senior leadership at the trust. We have regular monthly meetings, but we were made aware only at the last meeting—we now have an interim chief executive—of some of the chaotic things that were going on at the trust, although we had been aware of anecdotal stories. We would therefore appreciate some support from the Department of Health team to ensure that communication channels between us as elected Members are as effective as possible.

Ben Gummer: I shall certainly impress that upon NHS Improvement, which will be taking over the functions of the NHS Trust Development Authority in the next few days. I expect that it will keep an even keener eye on the quality of management than has been the case so far. It will do so under the watchful eye of Jim Mackey, its chief executive, who ran one of the best hospitals not only in England but in the world. He is now running Salford Royal Infirmary to ensure maximum safety and efficiency, learning from best practice across the globe. Salford Royal Infirmary to conduct a tripartite review of safe staffing ratios that will give hospitals cutting-edge support to roster their staff according to the acuity of their patients to ensure maximum safety and efficiency, learning from best practice across the globe. Salford Royal Infirmary has already been looking at this particular model in one guise.
One final aspect that I wish to bring to the hon. Lady’s attention, which I hope she will be pleased with, is that of the new role of nursing associate. It is supported by the Royal College of Nursing and to some extent by Unison, although it has reservations—a consultation is starting soon on this. It will provide a ladder of opportunity to healthcare assistants to move through an apprenticeship level up to the midway point of a nursing associate, and then on to being a full registered nurse. At present that is a course that healthcare assistants cannot take; it is not open to them.

I know that other parts of Yorkshire have no problem at all hiring healthcare assistants, but find it very difficult to hire registered nurses. That is a particular local difficulty. What I have proposed is a mechanism to give an opportunity to healthcare assistants to progress themselves, which they have many times missed out on because they did not have access to the decent formal education that we aim to provide now under the reformed education system. We are now offering, through an apprenticeship route that would not be open to them otherwise, a ladder of opportunity to a much wider group of people in the NHS, and at the same time helping to solve staffing issues where there are traditional, historical difficulties in hiring nurses.

I hope that with those general measures we will be able to do far more in the long term to solve the issue that the hon. Lady has identified. On the specific issues, I will ensure that she gets the reassurance she requires, not just on the reconfiguration, but on the leadership of her trust. I thank her and her colleague for bringing this important matter to the attention of the House.

Question put and agreed to.

10.30 pm

House adjourned.
House of Commons

Tuesday 22 March 2016

The House met at half-past Eleven o’clock

PRAYERS

[MR SPEAKER in the Chair]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Cancer Survival Rates

1. Andrew Stephenson (Pendle) (Con): What progress has been made on improving cancer survival rates. [904250]

The Parliamentary Under-Secretary of State for Health (Jane Ellison): Before I answer the questions, may I start by saying that I am sure the thoughts of the whole House are with the people of Brussels today after the shocking events that they have witnessed? As the Prime Minister made clear this morning, we will do all we can to support them.

Cancer survival rates are at a record high. We are on track to save an estimated 12,000 more lives a year for people diagnosed between 2011 and 2015, but we know that we need to strive to be better. The independent cancer taskforce report, “Achieving World-Class Cancer Outcomes”, which was published last summer, recommends improvements across the cancer pathway and sets a clear ambition for further improvement of survival rates.

Andrew Stephenson: I thank my hon. Friend for that answer, and I associate myself with her comments about the terrorist outrage in Brussels.

As my hon. Friend may be aware, the Rosemere cancer foundation has been fundraising for a new chemotherapy unit at Burnley general hospital, which will be a huge boost for cancer patients in my area. Because of the huge generosity of Pendle residents, Rosemere has already raised £90,000 towards its target of £100,000. Will she join me in congratulating Rosemere on its efforts and encouraging residents to help it to meet its full target?

Jane Ellison: Absolutely. It is a delight to associate myself with my hon. Friend’s support for that excellent local group. The Rosemere cancer foundation supports world-class cancer treatment throughout Lancashire and south Cumbria. Around 4,000 chemotherapy treatments are delivered each year at Burnley general hospital, and the new unit will be of real benefit to local cancer patients from my hon. Friend’s constituency—for which, as he knows, I have great affection—and from the surrounding area.

Chris Davies: Is there anything further that my hon. Friend can do to incentivise NHS trusts to replace linear accelerators that are more than 10 years old, and thereby allow more patients to access cutting-edge radiotherapy techniques?

Jane Ellison: This, of course, is one of the areas covered by the cancer taskforce, and it is a very important matter. Cally Palmer, the NHS national cancer director and chief executive of the Royal Marsden, is leading on taskforce implementation. The replacement of LINACs is being taken into consideration in planning improvements across the pathway. That can only be done because we are putting into the NHS and into cancer treatment the money that we need to achieve those world-class outcomes.

Colleen Fletcher (Coventry North East) (Lab): Each year, 38,000 people in the UK are diagnosed with a blood cancer, but very few people are familiar with the term blood cancer. Patients have expressed concern about the fact that a lack of awareness has a significant impact on them throughout their patient journey, from causing confusion and uncertainty at diagnosis to making them unaware of the organisations that provide the support and care that they need. Will the Minister tell us what more the Government can do to tackle that lack of awareness in order to improve outcomes and survival rates for all patients affected by the 137 types of blood cancer?

Jane Ellison: The hon. Lady is absolutely right to draw the attention of the House to the challenge of joining up thinking across the cancer pathway. That is exactly the approach that Cally Palmer and the taskforce implementation team are looking at. I recently had a conversation with her and with NHS England representatives in which we talked about how we get that joined-up approach. That is at the heart of the taskforce’s recommendations, and we will be taking it forward for all the reasons that the hon. Lady has eloquently expressed.

Julie Cooper (Burnley) (Lab): Cancer Research UK has said that cancer waiting targets have been missed so many times that failure has become the norm. Does the Minister agree that failure to tackle that is undoing the good work of the last 15 years on survival rates?

Jane Ellison: These days, we are dealing with the fact that a hugely greater number of people are being diagnosed. The increase in the number of people being referred by GPs is extraordinary. For example, last year GPs referred nearly half a million more patients to see a cancer specialist. That is an increase of 51%. When it comes to waiting lists, of course we want to make sure that everyone is seen. The Government have committed more money to diagnostics, for example, but we expect the NHS to look urgently at any local dips in performance and to take action to make sure that all patients get access to treatment as quickly as possible.
Maria Caulfield: Will the Minister join me in welcoming the Government announcement of funding for a new radiotherapy machine in Eastbourne district general hospital, which will improve cancer survival rates for patients from Seaford, Alfriston, Polegate and East Dean in my constituency?

Jane Ellison: Absolutely. My hon. Friend again highlights where we are investing, upgrading machines and putting in money, effort, people and resources to make sure that we can achieve world-class cancer outcomes. As I say, we are on course for record outcomes in terms of patients surviving 10 years beyond a diagnosis. However, we always want to do better, so I applaud the local efforts that she has highlighted.

Margaret Ferrier: Absolutely. My hon. Friend again highlights the necessity to reassess every time an elderly person leaves a care home to go into hospital? and the House that there is ongoing work to address those challenges.

Alistair Burt: I will happily look at anything that might assist us. As the hon. Lady knows, we are caught in the process of trying to deal with a court judgment and the issues surrounding mental capacity in relation to deprivation of liberty safeguards, which are genuinely serious and cannot be easily changed at the stroke of a pen, as well as the extra costs that the problem has raised. We are now close to hearing the Law Commission’s post-consultation proposals. I understand that it will publish its latest analysis in mid-May and will have drafted detailed legislation by the end of December. I will look at any suggestion of hers that might ease the situation practically.

Mr David Nuttall: Will the Minister confirm that when the new legislation is finally introduced, it will be simpler to understand and result in fewer bereaved relatives facing distressing delays when a loved one dies in care?

Alistair Burt: My hon. Friend is absolutely right. What has caused the confusion has been a definition of loss of liberty and dying in state detention that bears no relation to anyone’s common-sense understanding of the situation. Whatever new legislation is proposed by the Law Commission, it must meet the test of being much simpler, but it must also meet the legislative test of meaning what it says so that it does not get disrupted in the courts again.

Deprivation of Liberty Safeguards

2. Ann Coffey (Stockport) (Lab): What recent representations he has received on the effect on health budgets of the administration of deprivation of liberty safeguards?

Alistair Burt: I thank the Minister for his reply. Deprivation of liberty assessments are costing Stockport Council £1.2 million this year, as a result of the Cheshire West judgment. Not one single penny of that is providing social care. This is clearly unsustainable at a time when social care budgets are under intense pressure. Something needs to be done now; we cannot wait for the Law Commission. Will the Minister consider, as a small step forward, scrapping costly automatic annual reassessments and the necessity to reassess every time an elderly person leaves a care home to go into hospital?

3. Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): If he will make it his policy to eliminate hepatitis C.

Alistair Burt: My hon. Friend is absolutely right. What has caused the confusion has been a definition of loss of liberty and dying in state detention that bears no relation to anyone’s common-sense understanding of the situation. Whatever new legislation is proposed by the Law Commission, it must meet the test of being much simpler, but it must also meet the legislative test of meaning what it says so that it does not get disrupted in the courts again.

Hepatitis C

The Parliamentary Under-Secretary of State for Health (Jane Ellison): The UK Government take the issue of prevention, diagnosis and treatment of hepatitis very seriously. I can confirm that Public Health England and NHS England, together with key stakeholders, are continuing to develop a strategic approach to tackling hepatitis C, including plans which have now been published for treatment through operational delivery networks.

Roger Mullin: So far as I am aware, the Scottish Government provide treatment for all those with sensitive hepatitis C, including those infected with contaminated blood, and that transforms the lives of patients and reduces the risk of further infection in the population. Will the Minister commit to providing similar access to treatment in England?

Jane Ellison: The National Institute for Health and Care Excellence has provided guidance on the new drug, so the hon. Gentleman is right to highlight how effective the new treatments are compared with what was previously available. The NHS is in the process of rolling out its response. It has already treated a number of people, and there is a commitment to treat 10,000 people with those treatments in 2016-17. We are of course looking more widely at how we can tackle these issues, not least in the context of the tragedy of those infected with contaminated blood, which he has highlighted.
Jim Shannon (Strangford) (DUP): What discussions has the Minister had with her counterpart in Northern Ireland regarding the reduction and eventual eradication of hepatitis C? Does she agree that it is important to have a strategy that encompasses the whole United Kingdom of Great Britain and Northern Ireland?

Jane Ellison: Absolutely. The consideration of all aspects of how we eliminate hepatitis C over time is important, but we should not underestimate what a difficult job that is, largely because an awful lot of people are not aware that they have it—they are asymptomatic and therefore much of the burden of the disease is not visible to us. However, there is always more we can do, and we continue to make this issue a priority.

Junior Doctors Contract

4. Kirsten Oswald (East Renfrewshire) (SNP): Whether the terms and conditions of the junior doctors contract were finalised before he took the decision to introduce that contract. [904253]

The Secretary of State for Health (Mr Jeremy Hunt): May I start by echoing the thoughts of my the Under-Secretary of State for Health, my hon. Friend the Member for Battersea (Jane Ellison), for the people of Brussels, with whom we stand shoulder to shoulder?

In my statement to the House on 11 February, I gave a broad outline of the new terms for doctors and dentists in training, which were recommended as fair and reasonable by Sir David Dalton. I am still reviewing the exact terms, alongside the equality impact assessment, and finalised terms will be published shortly.

Kirsten Oswald: When the Secretary of State declared that he was imposing the contract on junior doctors last month, he claimed the support of senior NHS leaders, many of whom subsequently denied supporting his position. Given that foundation trusts are free to offer their own terms, how does he envisage enforcing that contract?

Mr Hunt: We consulted widely with NHS leaders about the terms of the new contract, and they confirmed that it was fair and reasonable. Any decision to proceed with a new contract when it is not possible to have a negotiated settlement is inevitably controversial, but we wanted to ensure that independent people thought that the terms of the contract were fair. I think we have done that, and when junior doctors see their new contracts—as they will do shortly—they will realise that we were right to say that.

Helen Whately (Faversham and Mid Kent) (Con): Underlying the dispute over the junior doctors contract is a long-standing problem of morale among junior doctors, and a failure to pay enough attention to their experiences in training. I welcome the Government’s decision to launch an independent review led by Professor Dame Sue Bailey, and I ask my right hon. Friend to update the House on the progress and timing of that review.

Mr Hunt: As ever, my hon. Friend speaks with great knowledge about NHS matters, and she is right to say that some of the underlying issues have nothing to do with contractual terms but are about very big changes in the way that training has happened over recent years, in particular the loss of the firm system and the sense of camaraderie that was part of the deal for junior doctors in training. We would like to see whether we can rectify some things that have gone in the wrong direction, but we have not yet had the co-operation of the British Medical Association for that independent review, which is led by the highly respected Professor Dame Sue Bailey. I hope that the BMA will co-operate with that, because it is a big opportunity to sort out some long-standing problems.

Dr Philippa Whitford (Central Ayrshire) (SNP): There are currently 4,500 gaps for trainees in the NHS. Junior doctors often have to cover those gaps, which can mean having to do extensive extra shifts, or even covering two roles at the same time. It looks as if that situation will get worse, because fewer than half of the most junior trainees have applied for ongoing training this year. Does the Secretary of State accept that that represents a serious threat to patient safety?

Mr Hunt: The purpose of the changes is to improve patient safety, and particularly to deal with the issue that we have higher mortality rates for people who are admitted to hospital at weekends than for those admitted during the week. Because of the confrontational approach taken by the BMA, it has been difficult to negotiate an agreement, but we are committed to doing the right thing. What is right for patients is also right for doctors. We have been talking about morale, and the biggest way to dent doctors’ morale is to prevent them from giving the care that they want to give patients, so we must sort that issue out.

Dr Whitford: I suggest that what is good for doctors is also good for patients, and if people are being texted four or five times a day and asked to do a second shift to cover for a junior and a senior post at the same time, that is not good for either. On 11 February the Secretary of State said that he was imposing the contract to bring stability to the NHS, but that has not exactly gone well. What is his plan to re-establish his relationship with junior doctors and get us back out of where we are now?

Mr Hunt: With the greatest respect, we are trying to solve a problem that in Scotland is being ducked. We want a seven-day NHS with mortality rates that are no higher at weekends. There is no plan in Scotland to deliver that across the whole NHS. Rather than sniping, the hon. Lady should recognise that, in the interests of patient safety, we need to take difficult decisions. In the end, doctors will see that it is the right thing for them, too.

Justin Madders (Ellesmere Port and Neston) (Lab): First, on behalf of the Opposition, I associate ourselves with the comments made by Ministers about the tragic events in Brussels, and offer our condolences and solidarity to the people there.
Yesterday in Westminster Hall, there was a debate calling on the Health Secretary to resume meaningful contract negotiations with the BMA. The Health Secretary was not there—I do not know, but perhaps he was out buying a leaving present for the Chancellor—but if he had been, he would have heard his junior Minister confirm that, since the announced imposition, the Government have made no attempt to prevent further industrial action. They know more industrial action is coming. Do they not owe it to patients who would be inconvenienced by further strikes to get off their backsides and do something to prevent it?

Mr Hunt: The reason we made the decision to proceed with the new contracts is that we had independent advice that a negotiated settlement was not possible. On that basis, we decided that it was important to have certainty for the service by making clear what the new contract is. The contract that we decided on is one that strikes a mid-point between what the Government wanted and what the BMA asked for. It is a fair contract and a better contract for patients. The Labour party would support it if it was really on the side of patients.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Will the Minister give guidance to the NHS Procurement Authority that walk-in centres should be led by local GPs with experience of that area?

Alistair Burt: I will look at what the hon. Gentleman says. As he will appreciate, I am not responsible for individual commissioning decisions. The commissioners will have full regard to the needs of the local population when they are putting those services out. It is important that access is increasingly available at GP and primary level, as well as in other areas where the Government are investing further money. I will have a look at what he says.

Children and Young People's Mental Health Services

5. David Rutley (Macclesfield) (Con): What steps the Government is taking to improve support for children and young people with mental health problems. [904254]

The Minister for Community and Social Care (Alistair Burt): The Government are committed to delivering the vision set out in “Future in mind” and are driving forward a major system-wide transformation programme, working alongside our partners in Government and arm’s length bodies to improve access to high-quality support across the country.

David Rutley: I thank my right hon. Friend for the steps he has set out. Will he join me in congratulating the charity YoungMinds on the important work it does in highlighting the mental health challenges young people face, not least from the so-called dark net and social media. Does he agree that we must ensure that the internet is a positive and not a negative force in tackling young people’s mental health challenges?

Alistair Burt: Yes, the work that YoungMinds and a range of other partners have done and continue to do to ensure that children and young people can access information safely is commendable. Children, young people and their parents have expressed the need to access both high-quality and reliable information and support online. That was reflected in the “Future in mind” report on children’s and young people’s mental health. We are investing with MindEd and a number of groups and organisations to work on apps for young people. It is important that they have access to safe material to exclude that which is rather darker.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): The Minister will recognise that walk-in centres run by experienced GPs can offer important support to children with mental health problems, yet popular walk-in centres that were established by local GPs in my constituency are being put out to tender, putting at risk the leadership and involvement of those experienced GPs in the centres.

Alistair Burt: There is a growing relationship with the Department for Education—it is better than it has ever been. For the first time, there is a Minister responsible for mental health in the Department, and there is a schools champion for mental health, whom I met the other day at a conference in Cambridge. The Departments work closely together to deliver the vision set out in “Future in mind”. For example, there is a £1 million pilot project, working across 22 schools, to find the right people in schools to deal with mental health issues. There is much greater recognition that, the earlier we pick up these things, the better it is for youngsters and their future mental health.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): Eating disorders among children and teenagers cause life-threatening health problems and even death. What steps is the Minister taking to enable early detection and intervention, which result in better prognoses and support closer to home?

Alistair Burt: There are two things that can help the hon. Lady. The first is the commitment to build £30 million a year into budgets over the next five years to support those with eating disorders, about which I spoke at a conference last week. The second is the earlier detection of eating disorders. We reckon that, by 2020, 95% of urgent eating disorder cases will be seen within a week, with routine cases seen within four weeks. There is recognition of the real danger now posed by eating disorders.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Earlier this month, school and college leaders reported a large rise in the number of students suffering from anxiety. Two thirds said that they struggle to get mental health services for their pupils, and of those who had referred a student to child and adolescent mental health services—CAMHS—most rated them as “poor” or “very poor”. Despite the Minister’s warm words, things are getting worse, not better. Will he confirm that every single penny promised to children’s mental health will reach those services and that none of this money will be used to plug the gap in hospital budgets?
Alistair Burt: Following long and frank conversations between me, the NHS and the Treasury, I can give the hon. Lady that assurance—every penny of the £1.4 billion pledged in the 2015 Budget for CAMHS and for eating disorders will be spent on children's mental health by the end of this Parliament. It is not fair continually to say that nothing is going on. The first tranche of money—£173 million—is being spent: £75 million to the clinical commissioning groups; £30 million to tackle eating disorders; £28 million for the expansion of children's IAPT—improving access to psychological therapies—services; £15 million for perinatal services; and £25 million to address other issues involving training. That is money already committed and it is being spent now. The problems that she mentions are a high priority and are being dealt with.

Luciana Berger: I listened carefully to the Minister, but by his own admission—in response to parliamentary questions—he is going to underspend this year by £77 million on his pledge to spend £250 million on CAMHS, and by £11 million on his £15 million pledge regarding perinatal mental health. He talks about the importance of intervening earlier. Does he agree with Labour that every child should receive personal, social, health and economic education so that young people are equipped with the resilience better to support their mental health?

Alistair Burt: We cannot have it both ways, it would seem. I have given a pledge, which the hon. Lady asked for in her first question, that the £1.4 billion committed to CAMHS will be spent by the end of this Parliament—and it will be. It is known that the first tranche has not been fully committed, but this is the first year and some money has to roll over. However, I have made absolutely sure that that money will be spent, including on perinatal services, which will reach a much better place than when we came into office, and that is very important. The work will be done. PSHE is not a matter for this Department, but I fully agree that it is important that children have such information. The pressure caused through social media, sexting and the like means that children these days need to have a very up-to-date, modern understanding of issues associated with personal health and social education, which I fully support.

Mr Speaker: May I gently point out to colleagues that, very useful and comprehensive though these exchanges have been, as usual at this stage we have got a lot to get through and we need to speed up a bit? There is a long waiting list of colleagues and we must get through that list.

100,000 Genomes Project

6. Maggie Throup (Erewash) (Con): What progress the 100,000 Genomes Project has made on providing UK leadership for international developments in precision medicine. [904255]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): Our groundbreaking 100,000 Genomes Project, which was announced by my right hon. Friend the Prime Minister as part of our 10-year life sciences strategy, represents the moonshot of medicine in making the UK the first nation on earth to sequence the entire genetic sequence of 100,000 genomes from NHS patients. Through our precision medicine strategy, the launch of 13 genomics medicine centres in the NHS, funding from Government and the precision medicine catapult, we are winning international plaudits and attracting inward investment, as a sign of our commitment to a 21st century NHS.

Maggie Throup: I recently visited the medical school in Nottingham where I saw the great work being carried out, including groundbreaking genomics work on identifying Alzheimer's risk genes. What support is the Department providing to ensure that work is fully funded and expanded, so that the east midlands and the UK continue to be world leaders in the search for treatments and ultimately a cure for Alzheimer's, based on our research?

George Freeman: I pay tribute to my hon. Friend, who had a distinguished career in the life science sector, including through setting up her own business. She is right to highlight the work at Nottingham University which, along with Leicester and Birmingham, represents something of an east midlands powerhouse. The Nottingham University Hospitals NHS Trust is part of the East of England NHS Genomic Medicine Centre, recruiting patients and becoming one of our hubs for NHS genomics medicine. In addition, we are actively supporting research into Alzheimer's through our £1 billion a year National Institute for Health Research budget, the £150 million Dementia Research Institute and our dementia plan. I continue to lead conversations with dementia charities.

Mental Health Services

7. Alex Chalk (Cheltenham) (Con): What progress the Government have made on achieving parity of esteem for physical and mental health services. [904256]

The Minister for Community and Social Care (Alistair Burt): We remain committed to achieving parity of esteem between mental and physical health, and we are investing more than ever in mental health. We welcomed the publication of the Mental Health Taskforce report last month and will work to embed its recommendations in our policies.

Alex Chalk: Steph Cater, a 17-year-old at Pate's Grammar School in my constituency, is concerned that mental health in-patient services are distributed unevenly, meaning that those needing treatment can end up being cared for hundreds of miles away from their families. What more can be done to ensure that those in crisis are treated closer to home?

Alistair Burt: A review of beds in 2014 partly redressed that uneven distribution. In my hon. Friend's area, an analysis of the impact of the new beds shows that the average distance travelled to child and adolescent mental health services units in the south-west has improved from 114 miles in 2014 to 39.9 miles in 2016. It is not enough simply to provide more beds, however. We have to provide more community-based support and treatment—that is at the heart of “Future in mind”. The number of out-of-area treatments also has to be reduced.
Norman Lamb (North Norfolk) (LD): I was delighted that Paul Farmer’s taskforce report endorsed the plan first proposed by the Secretary of State and myself in 2014 to have comprehensive maximum waiting times in mental health by 2020 so that people with mental ill health have exactly the same right to treatment on time as others. I was delighted that the Government endorsed the whole plan, but dismayed that Simon Stevens then confirmed that there was no money to implement it. How will the Minister ensure that the comprehensive waiting time standards are implemented by 2020?

Mr Speaker: If anything, questions are getting longer, not shorter. I say with great courtesy to the right hon. Gentleman, whom I hold in the highest esteem and whose track record is greatly respected across the House, that his question was far too long.

Alistair Burt: Two things: the first set of waiting time standards—the first ever by a Government—are already in place from April 2015, with 50% of people experiencing an episode of psychosis treated within two weeks and improved waiting times for talking therapies; and, secondly, we have to get the database right. The right hon. Gentleman will know that we are doing an extensive and much greater data trawl to find a base on which those waiting times can be set, but it remains our determination to get them introduced by 2020.

Future in Mind Strategy

8. Mr Gavin Shuker (Luton South) (Lab/Co-op): What improvements have been made to child and adolescent mental health services since the publication of the Government’s strategy, “Future in mind”, in March 2015.

Mr Shuker: This month, the Mental Health Network, representing NHS providers, said that very little, if any, of the money promised for child and adolescent mental health has yet materialised and that some services are experiencing cuts in-year. The Minister must accept, despite his assurances to my hon. Friend the Member for Liverpool, Wavertree, that very little, if any, of the money promised for child and adolescent mental health has yet materialised. What will he change?

Alistair Burt: I do not necessarily, despite the energy of the hon. Member for Liverpool, Wavertree, accept everything that he says. I gave a list of where the money is being spent. However, I think I can help both the hon. Gentleman and the hon. Lady. Much more is being done to ensure that CCGs deliver what they need to deliver in relation to mental health. This year’s figures will show that, whereas there has been a 3.7% uplift for CCGs, there has been an uplift of 5.4% in mental health spending. With more transparency and more determination by the NHS on CCG spending, hopefully what people are saying and feeling will become less justified in the future.

Healthcare Spending

9. Kelvin Hopkins (Luton North) (Lab): How much was spent on healthcare as a proportion of GDP in (a) 2009-10 and (b) 2014-15; and what estimate he has made of the amount that will be spent on healthcare as a proportion of GDP in 2020-21.

Kelvin Hopkins: Former coalition Minister David Laws has recently written that under the previous Government the NHS chief executive told Ministers that the health service required an additional £30 billion, and that he was forced to cut that figure and squeeze it down to £15 billion, but was allocated only £8 billion by the Treasury. That was a savage cut of £22 billion to what the NHS really needed. Is that not the root cause of all the NHS’s problems, and does it not make utter nonsense of the Government’s claim to be protecting NHS funding?

Mr Hunt: What the hon. Gentleman describes as a “savage cut” was a real-terms increase of £10 billion a year, which was £5.5 billion more than his party proposed as part of the platform he stood on at the last election.

16. [904266] Nigel Huddleston (Mid Worcestershire) (Con): Does my right hon. Friend agree that as well as focusing on health inputs and how much we spend on the NHS, it is also important that we focus on health outcomes?

Mr Hunt: My hon. Friend is absolutely right, which is why I am so proud that under this Conservative Government we have put 27 hospitals into special measures, 11 of which have now come out of special measures. We are improving the standard and quality of care, and increasing the number of people being treated across the board. Outputs matters, and that is what this Conservative Government will deliver.

Heidi Alexander (Lewisham East) (Lab): The Health Secretary may talk a good game on funding, but the reality in A&E departments and GP surgeries tells a very different story. The whole system is on its knees, and the revelations of the former Chief Secretary to the Treasury this weekend confirmed what everyone in the NHS already knew—making £22 billion of efficiency savings over the next four years is pure fantasy. In the interests of transparency, therefore, will he now publish the full analysis explaining how NHS England arrived at the figure of £22 billion?
Mr Hunt: Let us look at what the chief executive of NHS England, Simon Stevens, actually said, and not what he is alleged to have done, which he denies. He said that, when it came to the spending review, the Government had listened to and actively supported the NHS’s case for spending and that he could kick-start his plan for the NHS. But it is rather academic—is it not?—because Labour refused to fund his plan at all, which all goes to show, when it comes to the NHS, that Labour writes the speeches but Conservatives write the cheques.

Heidi Alexander: I did not ask the Health Secretary what the chief executive of the NHS said. I asked the right hon. Gentleman to publish the analysis behind the £22 billion figure, but he will not do so because he knows that the only way to achieve these politically motivated efficiencies is by making cuts to staff and pay. The truth is that the NHS survives on the good will of its staff, yet he has pushed that good will to breaking point. How does he expect to improve current services, let alone deliver a seven-day NHS, with fewer staff and a demoralised workforce?

Mr Hunt: Under this Government, staff levels have actually risen: we have 11,000 more doctors and 12,000 more nurses. If the hon. Lady is worried about NHS funding, perhaps she might look in the mirror, because in 2010 her party wanted to cut funding to the NHS—in Wales, it actually did cut it—and in 2015 it wanted £5.5 billion less than the Conservatives. The NHS does not need Labour rhetoric; it needs more doctors and more nurses, which we can have only on the back of the strong economy that only the Conservatives can deliver.

NHS Staff Morale

10. Dr Rupa Huq (Ealing Central and Acton) (Lab): What recent assessment he has made of staff morale in the NHS.

The Parliamentary Under-Secretary of State for Health (Ben Gummer): The Department assesses staff morale in the NHS using engagement scores from the annual NHS staff survey. I am delighted to say that the engagement score currently runs at 3.78 out of 5, which is a rise from the position in 2012, when the survey began, when it was at 3.68.

Dr Huq: On top of the junior doctors debacle, the staff survey shows that midwives are stressed, with 90% of them working extra shifts unnecessarily. I have raised before the case of the radiographer Sharmila Chowdhury, who was sacked for exposing bribes at Ealing hospital, but has yet to get a practical response, other than the words, “Francis review”, which has yet to be implemented. When will the Government get a grip on plummeting morale in the NHS?

Ben Gummer: The hon. Lady asked a number of questions. On the specific issue about this particular member of staff, I know that my right hon. Friend the Secretary of State has met her, and I would be happy to discuss this further. The hon. Lady is wrong about the Francis recommendations, which are being implemented in full. She should look at the balanced results from the staff survey, with more staff saying that their motivation at work is going up, with the number recommending their trust as a place of work and as a place to receive treatment going up, and with the number able to contribute to improvements at work also going up. There are issues in the staff survey that we would like to address—it is unfortunate to see reports of bullying and harassment going up—but we are addressing the problem through the staff partnership forum, which I chair. Overall, however, this is a balanced and positive return from the staff survey.

Andrew Bridgen (North West Leicestershire) (Con): Will my hon. Friend confirm that, as well as the importance of staff morale, we should note that in hospitals where seven-day working has been implemented, patient morale is also improving considerably?

Ben Gummer: My hon. Friend is right, and the returns from the friends and family tests across the country show increasing patient satisfaction with the NHS.

22. [904274] Liz McInnes (Heywood and Middleton) (Lab): How does the Minister think that staff morale is affected when people hear the Government’s constant refrain of “implementing seven-day working”, particularly among pathology staff and others who have for decades provided a 24/7 service?

Ben Gummer: Despite the best efforts of Labour Members, staff morale has gone up over the past few years. The situation is not helped when the nature of the junior doctors contract is misrepresented, as it continually is by Labour Members. If they were to give a fair account of the contract to their constituents, I am sure we would see further improvements in staff morale in years to come.

Nusrat Ghani (Wealden) (Con): Staff morale at Uckfield community hospital is exceptionally high, partly owing to its receiving 100% in a recent friends and family survey. Will the Minister join me in congratulating all the nurses, volunteers and front-office staff in Uckfield community hospital?

Ben Gummer: I happily congratulate the staff at my hon. Friend’s local hospital. This shows where good constituency representation, reinforcing the efforts of local people working in local hospitals, can produce improvements in staff morale and therefore in the experience of patients, which is something from which Labour Members would do well to learn.

Barbara Keeley (Worsley and Eccles South) (Lab): In a recent survey, 70% of GPs warned that their workloads were becoming unmanageable, and 55% said that the quality of the service they provided had deteriorated, with too few patients getting appointments, treatment and the range of services needed. We now hear reports of a large decrease in applications for GP training places, and this is one of the last cohorts to be fully trained by 2020. Unless the Minister takes urgent action to address these issues affecting GP morale, workload and recruitment, patient care will just get worse. What is he going to do about it?

Ben Gummer: The hon. Lady raises the issue of GPs. We are ensuring that there will be 5,000 additional GPs by the end of this Parliament, which addresses precisely the issues that she raises.
Barbara Keeley indicated dissent.

Ben Gummer: I do not know why the hon. Lady is shaking her head. She asked what I am doing, and 5,000 additional GPs will help to solve her problem. Secondly, we are putting a greater proportion of funding into general practice, by comparison with the proportion of the NHS budget as a whole, than any previous Government. Thirdly, we are increasing the number of GP training places. I am pleased to report that we are doing well in ensuring that more people in training positions are choosing to become general practitioners.

Hospitals in Special Measures

12. John Stevenson (Carlisle) (Con): What progress his Department has made on improving the performance of hospitals in special measures. [904261]

The Secretary of State for Health (Mr Jeremy Hunt): Trusts put into special measures have recruited 1,363 more doctors and 4,190 more nurses, with one estimate saying that this has reduced mortality rates by up to 450 a year.

John Stevenson: In the past six years, the North Cumbria University Hospitals NHS Trust has had four chief executives, an acquisition that is going nowhere and a so-called success regime that is reporting later than intended. There are clearly tough decisions to be made in the north Cumbria health economy, and the sooner they are made, the better. Will the Secretary of State undertake to ensure that the recommendations of the success regime are implemented in full and in a timely manner?

Mr Hunt: I thank my hon. Friend for his persistent campaigning on behalf of his local trust. He is right that there are big issues there. He is also right generally that the NHS has too rapid a turnover of chief executives. There is a new one, Stephen Eames, who is one of the top-rate NHS chief executives. The Care Quality Commission says that things are improving and mortality rates are going down. I will support my hon. Friend in every way I can to resolve the situation as quickly as possible.

Valerie Vaz (Walsall South) (Lab): As the Manor hospital is in special measures, Walsall mothers-to-be are being denied the right to choose to have their babies at that hospital. Will the Secretary of State confirm that there are safe staffing levels at the Manor and at other hospitals?

Mr Hunt: What I can tell the hon. Lady is that we have 83 more doctors and 426 more nurses at Walsall Healthcare NHS Trust than we did in May 2010. The trust has a quality improvement plan, and it has had an improvement director since February.

Mesothelioma Research

13. Alex Cunningham (Stockton North) (Lab): What recent representations he has received on the future funding of mesothelioma research. [904262]

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): I thank the hon. Gentleman for raising this issue. Mesothelioma is a terrible disease from which more than 3,000 people die in this country every year. The Government are completely committed to supporting treatment, prevention and compensation. In the last three months my noble Friend Lord Prior has had a number of discussions with interested parties, and, as the hon. Gentleman will have noted, my right hon. Friend the Chancellor was able to announce £5 million of funding for a new mesothelioma research centre in last week’s Budget.

Alex Cunningham: The British Lung Foundation has welcomed the £5 million that the Government have announced for a national mesothelioma centre, but when will those funds be released, and how will the Government ensure that funding for research is sustained in the years that follow?

George Freeman: We are engaged in active discussions with the various parties, including charities such as Cancer Research UK, and we have received some interesting submissions from some of the research institutes. Over the coming weeks, we will consider how best to put that £5 million from the Government to work in order to maximise inward investment and build UK leadership in this important centre.

Cough Assist Machines

14. Mary Glindon (North Tyneside) (Lab): What steps he is taking to ensure that people with muscle-wasting conditions who require a cough assist machine have access to such a machine, commissioned in the community by their clinical commissioning group. [904263]

The Parliamentary Under-Secretary of State for Health (Ben Gummer): NHS England is working with Muscular Dystrophy UK through the Bridging the Gap project, and looking at issues such as the provision of cough assist machines, which are a local matter for clinical commissioning groups. A number of CCGs now have commissioning policies for these devices, based on a policy developed by Walsall CCG and shared nationally as an example of good practice by Muscular Dystrophy UK.

Mary Glindon: Twenty-one-year-old Freddie Kemp, who had muscular dystrophy, sadly died of cardiac and respiratory complications. He had been refused a machine by his CCG. The Minister said that he was working with Muscular Dystrophy UK. Will he meet representatives of that organisation to discuss what can be done to persuade CCGs to prioritise the provision of these important machines?

Ben Gummer: I thank the hon. Lady for bringing the matter to the House’s attention. Of course I will meet any groups who are concerned with it. I understand that the clinical evidence is divided in respect of the efficacy of cough assist machines as opposed to manual massage, but Walsall CCG has sought to resolve that—successfully, I understand—and other CCGs might wish to adopt its template. However, I will of course discuss with the hon. Lady personally the issues that she has raised.
HIV Pre-exposure Prophylaxis

15. Catherine West (Hornsey and Wood Green) (Lab): What is the timetable for the launch of the public consultation on HIV pre-exposure prophylaxis for adults at high risk of contracting HIV?

The Parliamentary Under-Secretary of State for Health (Jane Ellison): NHS England will invest £2 million over the next two years in order to run, together with Public Health England, early implementer test sites which will seek to answer the remaining questions about how PrEP could be commissioned in the most cost-effective and integrated way to reduce the incidence of HIV and sexually transmitted infections for those at the highest risk.

Catherine West: Yesterday NHS England scrapped plans to fund PrEP. Is there anything that the Minister can do to end this erratic and inconsistent decision making? Does she agree that yesterday’s decision to abandon the roll-out of a game-changing drug totally failed those who are at risk of contracting HIV?

Jane Ellison: NHS England’s senior specialised commissioning management team made that decision, and I think NHS England recognises that it could have been made earlier. However, it is also recognised that NHS England has already done valuable work. Some important lessons have been learned, and we do not want to lose that. We must now work with both NHS England and Public Health England to understand how we can continue to learn from, for example, the test sites.

Mike Freer (Finchley and Golders Green) (Con): I share some of the concerns expressed by the hon. Member for Hornsey and Wood Green (Catherine West) about the roll-out of PrEP, but it is only one tool in HIV prevention. Will my hon. Friend update the House on the progress of the HIV prevention innovation fund?

Jane Ellison: My hon. Friend is right to draw the House’s attention to the fact that PrEP is only one part of prevention, although obviously we understand its importance. He is also right to mention the innovation fund, which, of course, he championed. We have invested up to £500,000 in new and innovative ways to tackle HIV. Some excellent organisations have come forward with some very innovative approaches, and we have also established the first national HIV home sampling service.

Topical Questions

T1. [904240] Dr Andrew Murrison (South West Wiltshire) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Mr Jeremy Hunt): The “Five Year Forward View” said that the NHS would need between £8 billion and £21 billion extra from the Treasury by 2021. It got a commitment of £8 billion, which was opposed by the party opposite. Can the Secretary of State say when the Stevens plan will be formally reviewed, and where in the range between £8 billion and £21 billion he expects the real requirement will be found to lie?

Mr Hunt: We are actually putting in £10 billion of additional public money to support the NHS over the next few years. That means that we need to find between £20 billion and £22 billion of efficiency savings. We will be reviewing the progress of the plan as we go through it, but I want to reassure my hon. Friend that I meet the chief executive of NHS England to view the progress of the plan every week and that we are absolutely determined to ensure that we roll it out as quickly as possible.

T4. [904243] Margaret Greenwood (Wirral West) (Lab): I would like to express my sadness at the news that two people in my constituency lost their lives in a house fire yesterday. My thoughts are with their family and friends at this extremely sad time.

The Parliamentary Under-Secretary of State for Health (Ben Gummer): The state of the country’s performance dropping in every single other nation in the UK on A&E over the past year. Can the Secretary of State say when the Stevens plan will be formally reviewed, and where in the range between £8 billion and £21 billion he expects the real requirement will be found to lie?

Mr Gummer: We are actually putting in £10 billion of additional public money to support the NHS over the next few years. That means that we need to find between £20 billion and £22 billion of efficiency savings. We will be reviewing the progress of the plan as we go through it, but I want to reassure my hon. Friend that I meet the chief executive of NHS England to view the progress of the plan every week and that we are absolutely determined to ensure that we roll it out as quickly as possible.

T3. [904242] Henry Smith (Crawley) (Con): In the last decade, under the then Labour Government, Crawley hospital saw its accident and emergency and maternity units close. However, I am pleased to say that in recent years we have seen casualty services returning, as well as the introduction of a GP out-of-hours service and a greater number of beds. Will my right hon. Friend join me in congratulating the NHS staff in my constituency who are working so hard to deliver these new services?

Mr Jeremy Hunt: I am absolutely delighted to join my hon. Friend in congratulating the NHS staff in his constituency. A&E targets there have been met in the year to date: at the moment they are seeing 36,509 more people in under four hours every year compared with six years ago. The trust is meeting its 18-week target and its diagnostic waiting time target, so that is a very good performance.

T8. [904247] Ian Blackford (Ross, Skye and Lochaber) (SNP): Scotland has consistently outperformed all other nations in the UK on A&E over the past year. With England’s performance dropping in every single month since weekly publication was abandoned last
Mr Hunt: I am somewhat surprised at the complacency of the hon. Gentleman’s question after Audit Scotland identified in the autumn that performance against seven of the nine key targets for the Scottish NHS had deteriorated in the past three years, that spending since 2009 had fallen in Scotland while increasing in England, and that spending on private sector providers was increasing. The hon. Gentleman should think about that before he criticises what is happening in England.

T5. [904244] Dr Tania Mathias (Twickenham) (Con): Successful cardiopulmonary resuscitation often involves people knowing where the nearest public access defibrillator is located. In my constituency, however, it is difficult to find out exactly where such defibrillators are located. Will the Minister ask the Department of Health to carry out a live mapping of public access defibrillators as well as ensuring that every workplace with a first aid point has a clear sign showing where the nearest defibrillator is located?

The Minister for Community and Social Care (Alistair Burt): This work is already in hand through the British Heart Foundation. I should like to add that last week the Chancellor announced another £1 million to make public access defibrillators and CPR training more widely available in communities across England. Coupled with last year’s funding of £1 million, that means that there are now over 690 more publicly accessible defibrillators in communities across England. That mapping work is important, however, and my hon. Friend is right to raise it.

Rosie Cooper (West Lancashire) (Lab): I believe that the Capsticks governance review, published today, will show that serious harm was caused to patients and staff, that there was a culture of bullying and harassment even after the Francis inquiry, and that Liverpool Community Health NHS Trust is the community equivalent of Mid Staffs. In the spirit of openness and transparency, will the Secretary of State instigate a public inquiry to establish the full extent of the harm caused to patients and staff?

Ben Gummer: May I commend the hon. Lady for the brave stance that she has taken on this difficult issue? I will certainly take her concerns seriously. I want to read the report now that it has been delivered, and will speak to her at the earliest possible opportunity to establish how the Government and local commissioners can take things forward. It is imperative that the NHS has the best possible culture for how staff are treated and heard. I hope she will look at the announcement made by my right hon. Friend the Secretary of State about ensuring that people have the freedom to speak up and safe spaces in which to blow the whistle.

T6. [904245] Will Quince (Colchester) (Con): At Colchester general hospital, insurance premiums under the clinical negligence scheme for trusts have more than doubled to £11.2 million in four years. What steps is the Department taking to reduce that figure?

Ben Gummer: My hon. Friend points to variations across the service. Premiums sometimes go up and down in different trusts. We are examining the whole scheme at the moment, and I am happy to speak to him further about what we are doing.

Gavin Robinson (Belfast East) (DUP): Does the Secretary of State agree that this week’s public debate about breastfeeding has been destructive and condemnatory of women who suffer from post-natal depression and struggle to bond emotionally, never mind physically, with their children? Do we need to reframe the debate and reduce, rather than reinforce, the stigma for mothers who want to do the best by their children?

Ben Gummer: As my right hon. Friend the Minister for Community and Social Care, who is responsible for mental health, takes forward the increase in funding for perinatal mental health, he will want to work with me on breastfeeding rates and the relationship between breastfeeding and mental health that the hon. Gentleman correctly raises.

The Parliamentary Under-Secretary of State for Health (Jane Ellison): It is worth saying that the National Institute for Health and Care Excellence does not recommend homeopathy to treat any health condition. My hon. Friend mentioned antimicrobial resistance, and an increasing number of studies from around the world show that resistance to common treatments is growing, which serves to underline the importance of the responsible stewardship of all drugs and medicines and why the international efforts on AMR, in which the UK is at the forefront, are so important.

Mr Ben Bradshaw (Exeter) (Lab): Given the latest, very worrying reports about goings on at the office of the Parliamentary and Health Service Ombudsman, does the Secretary of State still have confidence in the leadership of this vital regulator?

Mr Jeremy Hunt: I have expressed my concerns on the behalf of patients about some of the things that have been happening, but I respect the fact that it is a matter for this House and its relevant Committee, not for the Government, to deal with. I do have concerns, and it is important that patients have confidence in the ombudsman, because it is a vital, independent avenue to challenge NHS trusts when things go wrong.

T9. [904248] Chris White (Warwick and Leamington) (Con): Will my right hon. Friend join me in congratulating chief executive Glen Burley and the whole team at Warwick hospital on delivering the excellent new orthopaedic ward, which I was honoured to be invited to open? Will he tell the House what support the NHS is being given for similar state-of-the-art facilities across the country?
Mr Speaker: I call Dr Sarah Wollaston, the Chair of the Health Committee.

Dr Sarah Wollaston (Totnes) (Con): Following the very welcome announcement of a graduated levy on sugar, sweet and drinks manufacturers, will the Minister please tell the House what discussions she is having with manufacturers to speed up the reformulation process and also to introduce a differential in price at the point of sale? Given the importance of childhood obesity, will the Department welcome the opportunity to take over the lead on this strategy so that we can make progress on this vital issue?

Jane Ellison: There are a number of invitations there, some of which I will resist. My hon. Friend is absolutely right to highlight the importance of this announcement. Obviously, it is the first step towards the Government’s comprehensive childhood obesity strategy, which we will be launching in the summer. The Chancellor of the Exchequer was absolutely right to go ahead with this and to move forward. The burden of childhood obesity, as she knows all too well, falls very, very heavily on poorer communities, and my right hon. Friend was absolutely right to champion that measure, because it will make the most difference in the poorest areas.

Greg Mulholland (Leeds North West) (LD): Families with boys with Duchenne muscular dystrophy are anxiously awaiting the NICE guidance to be published next week. Can I get an assurance from the Minister that, with this drug already being licensed and available in 18 countries, if NICE approves it, NHS England will bring the funding forward very quickly?

George Freeman: The hon. Gentleman is a doughty campaigner. Although he tempts me to pre-empt the decisions of NICE, I cannot, and it would not be appropriate for me to do so. I am afraid that we will just have to wait for its decisions, which are rightly taken on the best clinical evidence.

Amanda Milling (Cannock Chase) (Con): Hednesford is a dementia-friendly town, and I am pleased that my office team, who are based on Market Street in Hednesford, will be receiving dementia-friendly training next month. Does the Minister agree that we should be encouraging more towns to become dementia-friendly?

Mr Jeremy Hunt: I absolutely recognise the excellent work that is happening in Hednesford, and in South Staffordshire, as a dementia-friendly community. I know that there are more than 2,000 dementia friends in Cannock Chase. Fantastic work is going on, and I thank my hon. Friend for her support.

Mark Durkan (Foyle) (SDLP): When will we have a decision on the future of the human papilloma virus vaccination programme? Will it be clear, and is there due engagement with the devolved counterparts?

Jane Ellison: As the hon. Gentleman knows, two programmes are going on. There is a very large-scale piece of modelling work going on with regard to the HPV vaccination for boys, and that work, as I have previously told the House, will look to report in 2017. We already have guidance on HPV for men who have

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): I am delighted to join my hon. Friend in that congratulation and to confirm the announcement in the autumn statement that the Government are committed to putting £4.8 billion of capital into the NHS every year through to 2021. That will include funding for proton beam therapy and for major new hospitals at Brighton and at Sandwell, in addition to our billion pounds a year for NHS research and our £700 million a year for medical research through the Medical Research Council.

Alison McGovern (Wirral South) (Lab): The financial year ends next week. What does the Secretary of State expect the NHS provider budget deficit to be by then?

Mr Jeremy Hunt: We know that the deficit will be bigger this year, and that there is extreme pressure. Part of the reason for that is that NHS trusts have rightly said that, in the wake of what happened at Mid Staffs, they want to ensure that their wards are properly staffed, but they have done that by using unsustainable agency staff. The most important thing that we need to do is to move to permanent full-time staff rather than agency staff who are too expensive and not good for care.

T10. [904249] Philip Davies (Shipley) (Con): A number of my constituents are unable to access an NHS dentist. May I ask the Minister to look at the availability of NHS dentists in my constituency and use his good offices to ensure that there is enough capacity for all of my constituents who want to use a good NHS dentist to be able to access one locally?

Alistair Burt: Overall access to NHS dentistry is good, but it does vary from area to area, and West Yorkshire, as the hon. Member for Dewsbury (Paula Sherriff) well knows, is one of the areas that worries us and that we are trying to do something about. Work is being undertaken in the West Yorkshire area to look at issues around NHS dentistry. I have met a number of my hon. Members to discuss this matter. It has my attention, so I will be monitoring it closely, and my hon. Friend was right to raise it.

Debbie Abrahams (Oldham East and Saddleworth) (Lab): The King’s Fund analysis revealed that there will be a not £70 billion, but a £4.5 billion real-terms increase to the NHS. Will the Health Secretary apologise for misleading not just this House but the public as a whole?

Mr Speaker: Order. The hon. Lady must not accuse a Member of misleading the House. If she wishes to insert the word “inadvertently” she would spring back into order, which is where I am sure that she wishes to be. Do I take it that the word “inadvertently” has been inserted?

Debbie Abrahams: I am happy to insert “inadvertently”.

Mr Jeremy Hunt: The hon. Lady may inadvertently have not been listening to my previous answers. Let us look at what Simon Stevens, the chief executive of the NHS, actually said about that spending settlement. He said that the Government had listened to and “actively supported” the NHS case for public spending.

Mr Speaker: I call Dr Sarah Wollaston, the Chair of the Health Committee.

Dr Sarah Wollaston (Totnes) (Con): Following the very welcome announcement of a graduated levy on sugar, sweet and drinks manufacturers, will the Minister please tell the House what discussions she is having with manufacturers to speed up the reformulation process and also to introduce a differential in price at the point of sale? Given the importance of childhood obesity, will the Department welcome the opportunity to take over the lead on this strategy so that we can make progress on this vital issue?

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sex with men from the Joint Committee on Vaccination and Immunisation, and we are working through it in some detail to see how we can take it forward in practical terms.

Several hon. Members rose—

Mr Speaker: Order. I am afraid that demand exceeds supply. We must now move on.
Points of Order

12.34 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): On a point of order, Mr Speaker. Have there been any discussions between you and the Government about a possible statement on the terrible events unfolding in Brussels? Of course, we do not yet know the final facts, but a number of innocent people have been killed. We do not yet know whether there are any British victims, but there will be many families anxious to find news of relatives. I am sure that those on both sides of the House would welcome the opportunity to question the Prime Minister and the Home Secretary about the ongoing efforts of the police and security services here to protect the public in the UK from similar attacks.

Mr Speaker: I thank the right hon. Gentleman for his point of order and for the terms in which he put it to me. As Members present throughout Question Time will know, condolences have been expressed by Members on both sides of the House as regards the victims of this terrible outrage and their loved ones who will live with the consequences. The short answer to the right hon. Gentleman is that I have had no such discussions with any Minister to date. I think that it is a matter of public record that the Prime Minister has been chairing an important meeting of Cobra this morning and I think it will be accepted in all parts of the House, not least by the right hon. Gentleman, that the Prime Minister is punctilious in coming to the House to address these matters at such a point as he feels that he has the requisite level of information to impart to colleagues and is best placed to be informative and helpful. We should await the development of events, but the serious concern registered by the right hon. Gentleman will be keenly felt across the House. I thank him again for the terms in which he raised his point.

Bill Esterson (Sefton Central) (Lab): On a point of order, Mr Speaker. My thoughts are with the people of Brussels, as will be those of all Members of the House. I understand that Ministers will as a priority work with our colleagues in Brussels, putting security in this country first. I have been contacted by a number of my constituents who travelled to Brussels earlier today and who are trying to get home, as I am sure are many others. They have been told by the airline, Ryanair, that it will cost them £6,000 to be brought back to this country. Through you, Mr Speaker, may I ask Ministers to intervene and suggest to Ryanair and other carriers that all efforts are made to help those who want to come back to this country in a reasonable way?

Mr Speaker: I thank the hon. Gentleman for his attempted point of order. That is not a matter for the Chair, but, again, he has raised a question of real and immediate concern. That real and immediate concern will have been heard by those on the Treasury Bench and, knowing the hon. Gentleman’s ingenuity, I feel sure that if he does not receive some sort of contact or reassurance from an appropriate quarter, he will not rest in continuing to highlight his concern, and I thank him for doing so.

Geraint Davies (Swansea West) (Lab/Co-op): On a point of order, Mr Speaker. On Friday, the Government were taken to the Supreme Court by ClientEarth for failing to meet EU air quality standards which have resulted in 40,000 deaths a year at a cost of £20 billion a year. Are you aware of any statement that will be made by the Government on this important issue, particularly in the light of what is happening in the Budget? They have an opportunity to stop people dying and becoming disabled, rather than charging people for being disabled.

Mr Speaker: I confess that I have received no such indication. Once again, the hon. Gentleman has put his concerns on the record. They will have been heard and doubtless he will return to the matter if he does not receive the satisfaction he seeks.

Mr Iain Wright (Hartlepool) (Lab): On a point of order, Mr Speaker. May I seek your advice and guidance on a matter of principle for this House? Select Committees have the power through this House to send for persons, papers and records, to enable them to obtain oral and written evidence to allow them to undertake their work. In keeping with this long-established power, the Business, Innovation and Skills Committee, which I chair, has sought to take evidence from the owner of Sports Direct, Mr Mike Ashley, on the treatment of workers at his company. That was in response to reports that workers at Mr Ashley’s warehouse in Shirebrook were not being paid the minimum wage. I have received correspondence from workers at Sports Direct, who have told me of practices such as employees being made to clock out but having to continue to work so that wages were not over budget; of staff kept for an hour after their scheduled finish time without pay to tidy shops; and of workers finishing work at 5 am and being required back at work two hours later.

We on the Select Committee naturally and not unreasonably wish to question Mr Ashley on the review of working conditions at his company that he announced he would undertake personally. After his refusal to accept our initial invitation to attend on a mutually convenient date, last week the Committee formally ordered Mr Ashley to attend on 7 June. Yesterday he indicated to the press, although not to the Committee, that he has no current intention of attending the Committee. He referred to the order to attend as “an abuse of the parliamentary process” and described the Committee as “a joke”. I do not think that scrutinising reports of Victorian-type employment conditions in modern-day Britain is a joke.

Can you confirm, Mr Speaker, that the Committee has acted in accordance with the procedures of this House? Can you advise me what steps can now be taken to ensure that Mr Ashley complies with the very reasonable request, and then the formal order, of the BIS Committee?

Mr Speaker: I am grateful to the Chair of the Business, Innovation and Skills Committee for notice of his point of order. The House delegates to nearly all its Select Committees the power to send for persons, papers and records. Each Committee is free to decide whom to invite to give oral evidence, and if the invitation is refused, the Committee may decide to make an order for the attendance of a witness.

In response to the hon. Gentleman’s direct question, therefore, it appears to me that so far the proper procedures have been followed. As long as the Committee is acting within its terms of reference, the House expects witnesses
to obey the Committee’s order to attend. If, after due consideration, the hon. Gentleman’s Committee wishes to take the matter further, the next step would be to make a special report to the House, setting out the facts. The hon. Gentleman may then wish to apply to me to consider the issue as a matter of privilege, and to ask me to give it priority in the House. Under procedures agreed to by the House in 1978 and set out on page 273 of “Erskine May”, this application should be made to me in writing, rather than as a point of order. I would then be happy to advise him on the options open to him.

Mr Dennis Skinner (Bolsover) (Lab): Further to that point of order, Mr Speaker. This could be a long, drawn-out process, based on what Mike Ashley has been doing and saying over the years. He operates zero-hours contracts for many thousands of people. There are very few full-time people. He believes that as a billionaire he can do as he likes. I put it on the record for you, Mr Speaker: you had better act very firmly with the person concerned. There used to be a woman in the House working for the Serjeant at Arms called Mary Frampton. We will need one to deal with him.

Mr Speaker: We have such a person. I can say only that I shall always profit by the counsels of the hon. Gentleman.

Mr David Winnick (Walsall North) (Lab): Further to that point of order, Mr Speaker.

Mr Speaker: Is it on an unrelated matter?

Mr Winnick: The same matter.

Mr Speaker: I do not know that there is more to add, but I will give the hon. Gentleman the benefit of the doubt—he is a very experienced Member. I have tried to treat of this matter fairly and factually; but of course I will take a point of order from the hon. Gentleman if he persists.

Mr Winnick: The point of order I wish to raise with you, Mr Speaker, is simply this: in view of the obvious contempt that this person has shown for the House of Commons, would it not be appropriate for him to appear at the Bar of the House? [HON. MEMBERS: “Hear, hear.”] There have been occasions in the past when that has occurred, and the House of Commons has shown that it will not tolerate such contempt. I put it to you that that could perhaps be considered as well.

Mr Speaker: I am very grateful to the hon. Gentleman for his point of order. I recognise that there are historical precedents, but it is only right for me to say that it is not for me to make any such decision. If we were to get to that point, and I am not suggesting that we shall do so—I am not seeking to anticipate events—that would be a matter for the House to decide, but I hope that I have dealt fairly, squarely and intelligibly with the important matter that the Chair of the Select Committee and others have raised.

12.45 pm

Wes Streeting (Ilford North) (Lab): I beg to move,

That leave be given to bring in a Bill to make provision about the skills and knowledge required of a person driving a taxi or private hire vehicle (TPHV) and related responsibilities of TPHV company operators and service providers; to require operators of TPHV companies and service providers to hold specified types and levels of insurance; to make provision about the tax liability of TPHV companies and service providers; and for connected purposes.

I am grateful for the opportunity to present the Bill, and I am delighted by the strength of support from right hon. and hon. Members on both sides of the House, which is reflected, I think, in the attendance today.

The Bill seeks to put fair competition and passenger safety at the heart of the taxi and private hire vehicle industry in London and across the country. The advent of new technology in the industry is revolutionising the way people navigate our great capital city; indeed, it is revolutionising transport in cities across the United Kingdom and the world. At its best, disruptive technology drives innovation and increases competition, with enormous benefits for businesses and consumers alike. However, as we have seen on the streets of London, it also brings significant challenges. The Bill seeks to address some of those challenges, which have been neglected for far too long.

The debate about the future of London’s taxi industry has been unfairly characterised as a debate between those who support competition and innovation on the one hand and those who want to cling to the past on the other. That is lazy analysis. It is true that London’s iconic black taxi trade is at risk; indeed, I would go as far as to say that the threat to it is existential—but the cabbies I represent are not afraid of change and innovation, they are not afraid of new technology and they are not afraid of competition. However, they are finding it increasingly hard to compete in a changing marketplace with both hands tied behind their backs. [INTERUPTION.] It is great to see even the Chancellor taking an interest in their plight. [HON. MEMBERS: “Taxi?”] The Chancellor may need a taxi.

I represent many black taxi drivers; indeed, Ilford North was once known as “Green Badge valley”, and it is still not unusual to see taxis parked on the driveways of Gants Hill, Clayhall, Barkingside and Woodford. I also represent hundreds of minicab drivers and drivers who work for new market entrants such as Uber. Like many Londoners, I use black taxis, particularly in central London. I also use minicabs and apps such as Uber locally. I welcome the choice and enjoy the benefits of competition, but I also recognise that the explosion in the number of private hire vehicles in London presents regulatory challenges and risks for passengers.

An investigation for LBC by Theo Usherwood exposed the ease with which individuals can access a private hire licence without adequate insurance. We know that a number of vehicles are already on the road without appropriate insurance. Last year, The Guardian was able
to demonstrate how easy it was for an Uber driver to pick up a customer, having provided fake insurance paperwork via the company’s operating system. Some private vehicle operators are illegally plying for hire and touting, increasing the risk of passengers getting into cars driven by unlicensed and unknown drivers, with considerable risk to their safety. This is an illegal practice that the regulators ought to be acting a lot harder on. Guide Dogs UK found in a survey of assistance dog owners that 43.5% of respondents had been refused access to private hire vehicles, and it is all too common for lesbian, gay, bisexual and transgender passengers to experience discrimination.

Though I enjoy price competition as much as anyone else, it really is fair to expect cabbies to compete on fares while Transport for London continues to put up regulated fares for black taxis and apps such as Uber are able to drive their prices down, as profit-shifting allows them to avoid paying their fair share of taxes here in the UK! If we fail to act, London’s iconic black taxis will be driven off our streets. This is bad for competition, bad for passengers, and bad for London.

The Bill proposes action in three areas to improve passenger safety and make competition fairer so that our black taxi industry can continue to survive and thrive alongside minicabs and other private hire operators. First, on the issue of training, private hire vehicle drivers undertake only a rudimentary topographical test and in many cases do not undergo formal training. This sees many relying on sat-nav, which means that the risk of collision is increased owing to sharp braking or not focusing on the road ahead. The Bill proposes that in order to obtain a PHV—private hire vehicle—licence all drivers should complete an enhanced Driver and Vehicle Licensing Agency assessment, requiring additional skills such as how to drop off and pick up passengers and wheelchair exercises to learn how to support the disabled. PHV drivers should also undertake an assessment on the principle of plying for hire and touting regulations, so that there can be no excuses for breaching regulations. PHV drivers should be properly and fully trained and assessed in their obligations under the Equality Act 2010, so that protected groups such as LGBT people and disabled people can travel with confidence.

The second issue that the Bill seeks to address is insurance. The current system requires “hire and reward” insurance for all drivers where the responsibility for insurance rests with individual drivers. There is a higher cost for this insurance, which means that many private hire vehicle drivers can be tempted to opt for a cheaper form of insurance when accepted by a licensed operator. In order to resolve this issue, I propose moving to a system of operators’ insurance that places the responsibility on operators as a prerequisite for obtaining their licence. This will deliver three key benefits for passengers and the industry; guaranteeing that cars managed by the operator are insured so that customers have confidence that they are safe; reducing the cost of insurance through bulk purchasing, thereby delivering better value for money; and making the regulators’ task easier because checking a few thousand operators is easier than checking over 100,000 individual policies. Some companies, such as Addison Lee, already do this voluntarily, meaning that customers and businesses can book with the confidence that is sometimes lacking around private hire operators.

Finally, my Bill makes provision for the tax liabilities of taxi and private hire vehicle companies. It cannot be right that some companies in this industry are making huge profits but not paying their fair share of taxes. Lower fares are great, but some operators are frankly trying to drive their competition off the road through new apps by offering lower fares made possible by offshore tax arrangements, in effect robbing Peter to pay Paul. I pay particular tribute to my right hon. Friend the Member for Don Valley (Caroline Flint), who a week ago today brought forward her own ten-minute rule Bill on transparency for multinationals. Her proposals would be a refreshing step in the right direction.

This Bill would introduce a requirement for the Chancellor or the Financial Secretary to the Treasury to make an annual statement to this House on the progress of the OECD’s base erosion and profit-shifting project and the action that Her Majesty’s Government are taking to ensure that there is proper scrutiny in this area—though I hope that the Chancellor might be better at making progress there than on his own targets. It is a small measure, but it would indicate the view of this House that the Government need to do much more to tackle tax avoidance. These changes collectively would go some way towards levelling the playing field. TfL needs to go further than it currently proposes, and, in any event, these challenges also exist in towns and cities across our country.

Gwyneth Paltrow once said: “Brits are far more intelligent and civilised than Americans. I love the fact that you can hail a taxi and just pick up your pram and put it in the back of the cab without having to collapse it.”

Perhaps more profoundly, Professor John O’Keefe, a Nobel prize-winning neuroscientist, said: “Some of the best navigators in the world are London taxi cab drivers. They have to learn 25,000 streets and how to get from one to the other.”

I am sure that the whole House will agree that Brits are more intelligent and taxi cab drivers are the best navigators in the world. They are also small businessmen and women providing a world-famous service and struggling to make their families a good living. We owe them a chance to compete fairly, and we owe it to our great capital city to ensure that the iconic black taxi industry and the great iconic black taxi itself are not consigned to London’s history books. For these reasons, and so many more, I commend this Bill to the House.

Question put and agreed to.

Ordered.

That Wes Streeting, Lyn Brown, Neil Coyle, John Cryer, Clive Efford, Mr David Lammy, Kate Osamor, Joan Ryan, Mr Virendra Sharma, Mr Gareth Thomas and Mr Charles Walker present the Bill.

Wes Streeting accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 22 April and to be printed (Bill 154).
be clear: terrorists seek to threaten our values and our way of life, and they will never succeed. It is a reminder of what a precious thing our democracy is, and this Budget debate is part of that democratic process.

This is the first time in 20 years that a Chancellor has spoken on the last day of the Budget debate, and I think it is fair to say that we have had a livelier debate about this Budget than about many. Let us be clear: the key principles behind this Budget are that if we are going to deliver a strong and compassionate society for the next generation, we have to live within our means, we have to back business to create jobs and we have to make sure work pays by putting more money into the pockets of working people. That is what we committed to in our manifesto. That is what the British people elected us to deliver. That is what this Budget does, and that is what we are going to vote on tonight.

Several hon. Members rose——

Mr Osborne: I will give way in a moment, but let me straightaway address the resignation of my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith). I am sorry that my right hon. Friend chose to leave the Government. Let me here, in this House, recognise his achievements in helping to make work pay, protecting the vulnerable and breaking the decades-old cycle of welfare dependency. Together, we had to confront a huge deficit and uncontrolled welfare spending. Of course, there is always robust discussion between the Treasury and the spending Departments when money needs to be saved. The decisions we make to keep our economy secure are always difficult, and where we do not get them right, I have always been prepared to listen and learn.

I am very proud that my right hon. Friend and I worked together longer than any two people who have done our jobs before us in any Government, and we have been part of the team that has reduced the number of people on out-of-work benefits to levels not seen for 40 years, reduced inequality, seen poverty fall, seen child poverty fall and seen pensioner poverty fall, and got a record number of people into work—a long-term economic plan and welfare reform delivering a fairer society for all.

Chris Leslie (Nottingham East) (Lab/Co-op): I am grateful to the Chancellor for giving way. It is less than a week since he stood up to deliver the Budget and made that decision affecting disability independence payments—something that upset many hundreds of thousands of people across this country. He has made a welcome U-turn, but should not he now acknowledge that that decision was a mistake that he should say sorry for?

Mr Osborne: I am going to come on to speak about the disability benefits and our way forward, but I have made it very clear—I have just said it—that where we have made a mistake, where we have got things wrong, we listen and we learn. That is precisely what we have done. Where is the apology from the Labour party for the things that they got wrong? Why don’t they take a leaf out of that book? Why don’t they get up and apologise for the countless decisions that added to the deficit—that bankrupted our country?
The progress we have made on social justice did not happen by accident. It happened because we in this Government set out to turn our economy around, to control spending, to buck business and, yes, to reform welfare.

Tim Farron (Westmorland and Lonsdale) (LD): Will the Chancellor give way?

Mr Osborne: I will give way in a moment to my former partner in the coalition Government that undertook many of these welfare reforms. The reform has meant difficult decisions to strengthen the incentives to find work and the sanctions for not doing so; to make sure that every hour extra that people work is rewarded, instead of seeing them trapped in dependency; and to cap benefit payments so that our welfare system is fair both to those who need it and to those who pay for it. It has not been easy, and it has often been opposed, but the truth is that many of the acts of progressive social change that we seek to achieve in government are difficult and they are opposed. In any democracy, you have to fight to make lasting improvements in society, and that is what we have done.

Tim Farron: I thank the Chancellor for giving way, and I want to associate myself with the remarks that he made earlier about the appalling situation in Brussels.

Does the Chancellor agree with me that the one thing that is more dangerous for our economy than his remaining Chancellor is that we might leave the European Union; and does he agree that his being called out by his former colleague as acting not in the economic interests of the country, but in a short-term political way, introduces a risk that the referendum will be a referendum on him, not on the future of our role in Europe? Will he act in the national interest and resign?

Mr Speaker: May I remind Members that interventions should be brief? We want to hear from both Front Benchers, and I want to hear from dozens of Back Benchers. I repeat that interventions should be brief.

Mr Osborne: That was like one of those interminable interventions at ECOFIN. I happen to think that it is better to be in that council than not, but that is a debate for another day. We are talking here about the reforms we are making to welfare and to our economy.

Gareth Johnson (Dartford) (Con): I am grateful to the Chancellor for giving way. Is he aware that had he stuck with Labour’s plans for fuel duty, a litre of petrol would cost 18p more than it does? Has he assessed what impact that would have on the lowest-earning people in our society?

Mr Osborne: My hon. Friend is absolutely right. If we had stuck with the fuel duty escalator that we inherited from the last Government, it would have cost much more to fill up a car, which would have cost small businesses much more. We took action in this Budget to freeze fuel duty for the sixth year in a row, because we are on the side of working people.

Sir Simon Burns (Chelmsford) (Con): To put this debate in context, would my right hon. Friend like to share with the House, in both financial and non-financial terms, how much help this Government have given to assist the sick and the disabled since May 2010?

Mr Osborne: I am coming on to talk about disability benefits, but my right hon. Friend is absolutely right to draw attention to the support we give—close to £50 billion—to disabled people. When we look just at the disability benefits, disability living allowance and personal independence payment, we see that that support has gone up from £13 billion when we came into office to £16 billion today, and it will go up to £18 billion in the future. As my excellent right hon. Friend for Preseli Pembrokeshire (Stephen Crabb), the new Welfare Secretary, made clear yesterday, we continue to give support to disabled people. I will come on to deal with that in detail.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Chancellor boasted when he opened the debate that this was the first time a Chancellor had opened the final day of a Budget debate. He will know that that is because it is also the first time a Chancellor has had to drop the biggest revenue raiser in his Budget within two days of announcing it. The former Work and Pensions Secretary, who has just resigned and to whom the Chancellor paid great tribute, described the Budget as “deeply unfair” and “drifting” in a wrong direction that will divide the country, not unite it. He said all those words after the Chancellor announced that he was ditching the PIP cuts. Is the former Work and Pensions Secretary deluded?

Mr Osborne: I am glad that the right hon. Lady intervened, because I have done a little research and, frankly, I wish that when she was the Chief Secretary to the Treasury we had seen a few more revenue raisers in Budgets, such as savings in welfare and savings in public expenditure. During the period in which she was the Chief Secretary, the deficit went from £76 billion a year to £154 billion a year. The measures that my right hon. Friend and I have been taking over the last six years are to clear up the mess that she and her colleagues in government left.

Several hon. Members rose—

Mr Osborne: Let me make a little more progress, and then I will come back. The proof that these difficult changes are worth while—

Yvette Cooper: Will the Chancellor give way?

Mr Osborne: I will give way to the right hon. Lady. I have said that when we have made a mistake, we have listened and learned. When is she going to apologise and say that she made mistakes and her colleagues made mistakes during that period in government, which is what we have been clearing up for the last six years?

Yvette Cooper: The Chancellor did not address the issue of the unfairness of his Budget, so will he address the issue of the revenue behind his Budget? He has abandoned £4.4 billion in revenue raisers from his Budget. Where is that money going to come from, or will he change the scoreboard that he set out?

Mr Osborne: I will tell you what is unfair: to saddle the next generation with debts you have no way of paying off. That is what the right hon. Lady did. [Interruption.] That is what she did. I will come on specifically to disability benefits, but let me tell her
about fairness and what we have done over the last six years. We have taken action that means 500,000 fewer children are growing up in workless households than when she was at the Treasury. 1 million fewer people are on out-of-work benefits and over 2 million more people are in work than when we came to office. That is the social justice record we on this side of the House are proud of.

I am also proud that the work continues, and in this Budget we are taking further steps to build a stronger society. There is money and reform to improve our nation’s schools. There is action to reduce sugar intake and give our children better healthcare. There is support for the savings of low-income families. There is more help and housing for homeless people. There are personal allowance increases that will lift another 1 million of the low-paid out of income tax altogether, and there is an increased minimum wage ahead of the introduction of the first ever national living wage in just two weeks’ time. Those are all in the Budget we will debate today—all the actions of a compassionate, one nation Conservative Government determined to deliver both social justice and economic security.

Rachel Reeves (Leeds West) (Lab): The new Secretary of State for Work and Pensions said yesterday, in his first statement, that the Government would not be making any further cuts to welfare during this Parliament, but later on he said that there were “no plans” to make further cuts to welfare during this Parliament. Will the Chancellor now confirm, for the sake of disabled people and others, that there will be no further cuts to the welfare budget in this Parliament?

Mr Osborne: Yesterday, my right hon. Friend the Secretary of State gave exactly the Government’s position, which is that, “we have no further plans to make welfare savings beyond the very substantial savings legislated for by Parliament two weeks ago, which we will...now focus on implementing.”—[Official Report, 21 March 2016; Vol. 607, c. 1268.]

I will now address the specific issue of welfare savings and disability, and I should have thought that the hon. Lady, when she got to her feet, might have thanked the Government for delivering the flood defence schemes that she asked for for her city, and which were in the Budget statement a week ago.

Let me turn to the disability benefits. We are proud that this Government are providing more support to the most disabled people. It was very clear that while the reforms proposed to personal independence payments two weeks ago drew on the work of an independent review, they did not command support. We have listened, and they will not go ahead. Even if they had, this Government are spending more on disabled people than the previous Labour Government ever did.

People have asked what this means for future support for disabled people, for our welfare cap and for the numbers in the Budget. Let me directly address all three points.

Several hon. Members rose—

Mr Osborne: Let me address these points, and then I am happy to take interventions.

First, over 3 million disabled people are now in work, which is 300,000 more than just a couple of years ago. We are also providing more support than ever before for the most disabled people. The budget has risen, will continue to rise and is much greater than the one we inherited. We are going to take our time, listen, consult widely and continue to build a system of disability support that works much better with our health and social services. As my right hon. Friend the Secretary of State said in his excellent statement yesterday, we will continue to support disabled people, and we will work with him to make sure that we do.

Paul Maynard (Blackpool North and Cleveleys) (Con): Does the Chancellor agree with me that we can be a compassionate Conservative Government only if we have a strong, stable economy, with a reduced deficit, to enable us to protect the most vulnerable in society?

Mr Osborne: My hon. Friend is absolutely right. I was coming on to make precisely that point.

Several hon. Members rose—

Mr Osborne: Let me deal with the measures we are taking to control spending, and then I will take some interventions.

The welfare cap is the instrument we have introduced to set out, in a transparent way to Parliament, what we aim to spend on welfare. It is independently judged by the Office for Budget Responsibility every autumn, which is when we either have to comply with the cap or explain to Parliament and the country why we have not done so. I find it incredible to hear Labour Members protesting about the welfare cap. It never existed at all under a Labour Government: there was no cap, no control on the largest area of Government spending, no transparency, no independent forecast, and as a result, welfare costs soared by 60% and the country was brought to the brink of bankruptcy.

Margaret Greenwood (Wirral West) (Lab): On Friday afternoon a couple, Mr and Mrs Ford, came to visit me at my surgery. Mr Ford, who is in a wheelchair, is unable to feed himself, dress himself or do anything for himself. They live on £559 a month in PIP, plus £63 per week in carer’s allowance. They still have a mortgage to pay. They have clocked up 80 years of national insurance contributions between them. They ask the simple question, “How are we meant to cope?” They were in a real state of distress. Will the Chancellor please now apologise to such people for the distress that he has caused?

Mr Osborne: I have already said that we are not going ahead with those changes. [Interruption.] I have addressed these issues. The truth is that that family and many more families are getting increased support under this Government. We would not be able to provide any of that support unless we had a strong economy and we controlled public spending, because the people who suffer most when the economy—[Interruption.]

Mr Speaker: Order. I apologise for having to interrupt the Chancellor. [Interruption.] Order. Members are yelling—in some cases, from sedentary positions—very noisily. If people put questions to the Chancellor, they must leave him to respond. The same will go for
Government Back Benchers when they no doubt challenge Members speaking from the Opposition Benches. Let us try to restore some sort of order to this debate.

Mr Osborne: Mr Speaker—

Andrew Griffiths (Burton) (Con): Will my right hon. Friend give way?

Mr Osborne: Of course.

Andrew Griffiths: Will the Chancellor confirm to the House that this Government are spending £2 billion more on support for the disabled, that inequality is at its lowest rate for 25 years according to the Institute for Fiscal Studies and that there are 2 million more people in work thanks to this Government? Is that not what we are doing for the vulnerable?

Mr Osborne: My hon. Friend is absolutely right: more people in work, reduced inequality, reduced poverty, more disabled people in work and, by the way, we got in a freeze on beer duty as well.

Several hon. Members rose—

Mr Osborne: Let me make a little progress, and then I will give way again.

Not proceeding with the PIP changes means that spending on disabled people will be just over £1 billion a year higher by the end of the decade than was set out in the Budget. This will be an important factor, but only one of many, that will affect the overall forecast for welfare that the OBR will make in the autumn—

Several hon. Members rose—

Mr Osborne: I am going to make some progress.

At that point, we will assess the level of the cap. What my right hon. Friend the new Work and Pensions Secretary said yesterday, with my full support, is that we do not have further plans to make welfare savings to replace the £1 billion more we will spend on PIP. We made very substantial savings in the Welfare Reform and Work Act 2016, which has just passed through Parliament. We have now legislated for the £12 billion a year of working-age welfare savings we committed to in our manifesto, and we are now going to focus on implementing that.

Several hon. Members rose—

Mr Osborne: Before I give way, let me say this about benefits to pensioners because it has been raised. People say to me that we are not saving enough from pensioners while, in the same breath, complaining about everything from long-term increases in the state pension age—to keep pace with rising life expectancy—to restrictions on the lifetime allowances for the largest pension pots. The truth is that we have made substantial savings from pensioner welfare—£500 billion of savings—which are vital to the long-term sustainability of our public finances, but we have made those savings in a way that enables us to go on giving people who have worked hard all their lives a decent, generous basic state pension. We committed to that in our manifesto, and I am not going to take it away from people.

Geraint Davies (Swansea West) (Lab/Co-op): Does the Chancellor accept that poorer people spend a much higher proportion, if not all, of their income, while richer people save? Does he not accept that his Budget, which has transferred money from poor people to rich people—it is a sheriff of Nottingham Budget, robbing the poor to pay the rich—will undermine growth and deficit reduction, which is wrong both morally and economically?

Mr Osborne: Under this Government, the richest 1% are paying a higher proportion of income tax receipts than in any single year of the last Labour Government whom the hon. Gentleman used to support when he was a Member of Parliament for Croydon—until he was replaced by a much better Member of Parliament for Croydon.

Several hon. Members rose—

Mr Osborne: Let me make progress, and then perhaps I will take more interventions. On the Budget numbers, I find it ironic to receive all these expressions of concern from Labour Members about making the sums add up when they presided over the biggest single fiscal fiasco in the country’s history and have a black hole in their current plans so large that it would break the Hadron collider.

Several hon. Members rose—

Mr Osborne: I will give way in a moment, but let me make this point. The central fiscal judgment of the Budget, and of this Government, is clear: borrowing has been cut from £155 billion when we came to office to £55 billion next year, and there have been falls every year; and higher spending on people with disabilities will be reflected in the autumn statement forecast, and we do not propose to make any further changes ahead of that. We can afford to absorb such changes when we are getting public spending under control, and we can make those changes and still achieve a sensible surplus of 0.5% of GDP by 2019-20. In short, we will go on delivering the economic security that this country elected us to provide.

Graham Evans (Weaver Vale) (Con): Talking of Labour fiascos, may I remind the House of Gordon Brown’s 10p tax fiasco? We have taken 3 million of the lowest paid workers out of tax altogether.

Mr Osborne: My hon. Friend is absolutely right—what a contrast! This Government turned the 10p tax into 0p as we raised the personal allowance and took the poorest out of tax altogether.

Mr David Anderson (Blaydon) (Lab): If it has been relatively simple to absorb this change, why on earth did the Chancellor introduce it in the first place and frighten the life out of seriously disabled people in this country? People were terrified about what was being proposed, yet the Chancellor has just said that we can absorb this change easily. Why did he do it in the first place?

Mr Osborne: If we take no decisions to control welfare spending and public expenditure, we destroy the nation’s finances, and the people who suffer are precisely
the most vulnerable in society. Yes, we have taken difficult decisions, but where we have not got them right, we have listened and we have learned. If we had not taken those decisions, the country would be in an even bigger mess than the one we inherited.

George Kerevan (East Lothian) (SNP): The Chancellor mentions security, including for the poor. Does he realise that until Monday, 340,000 people on PIP were worried that their benefits were going to be cut? If he just apologised and changed that, we could move on and discuss the economics.

Mr Osborne: I could not have been clearer. I said that we listened, we learned, we made a mistake, and we withdrew the proposals. The hon. Gentleman talks about days of the week, and Thursday would have been the day when Scotland separated from the United Kingdom if the nationalists had had their way. They would have plunged that new country into a fiscal crisis the likes of which few western countries have ever seen. They would have impoverished the Scottish people and driven businesses away. They based all their numbers on oil revenue forecasts that were totally fanciful, and it is time that they got up and apologised for leading the Scottish people into that potential trap. Thankfully, the Scottish people thought better.

Several hon. Members rose—

Mr Osborne: Let me make some progress. We have taken difficult decisions to control public expenditure and reduce a crippling budget deficit.

Yvette Cooper rose—

Mr Osborne: I have given way twice to the right hon. Lady so I will now make progress and explain what we have done to clear up the mess she left. We took more decisions last week in the Budget, but we will also implement these decisions today to ensure that the work of reducing our deficit is done fairly, and that we ask more from the well-off. Look through the measures. They include provisions on dividends, lifetime pension allowances, stamp duty on second properties, banks and hedge funds, and a host of measures to tackle evasion and avoidance. The Institute for Fiscal Studies has been quoted a lot over the past four days in the Budget debates, and its head stated that “the very highest earners have seen significant tax increases”.

I think that has been a reasonable thing to ask of the most well-off when faced with such a budget deficit, because we are all in this together.

Christopher Pincher (Tamworth) (Con): On personal economic security, during the Chancellor’s Budget statement, my constituent Dan Ball, who is aged 19 and from Amington, tweeted to say, “This lifetime ISA—where can I get one?” Does that not demonstrate that young people up and down the country see in this Budget an opportunity for their generation to save?

Mr Osborne: My hon. Friend is right to raise his constituent’s concerns about where he can get hold of the new lifetime ISA. It will be coming in from April next year, but his constituent can open a Help to Buy ISA now, roll it into the new lifetime ISA when it becomes available, keep the Government bonus, choose to save for a home or a pension, and not have to face the agonising choice that so many people have faced in the past. It is part of a Budget that backs savers.

Several hon. Members rose—

Mr Osborne: Let me make a little progress and then I will take more interventions. It is a classic socialist illusion to think that we can solve all society’s problems with taxes on the very richest, and it is the age-old excuse for not managing public spending or welfare costs. That brings me to a central point that I want to make to the House today: there is not some inherent conflict between delivering social justice and the savings required to deliver sound public finances—they are one and the same thing. Without sound public finances, there is no social justice.

Wes Streeting (Ilford North) (Lab) rose—

Mr Osborne: I will give way in a moment to the Member for the taxi business.

It is the easiest thing in the world to do this job and say yes to every new demand for Government spending and to please all the people all of the time, but we know where that leads. We know that because before me we had a Chancellor who spent a whole decade going around the country saying yes to even more spending and ever higher welfare bills, and we know what happened then: it brought our country to the brink of collapse. That was not compassion; it was economic cruelty, and the people who paid the price are those who always pay the price when Government spending gets out of control and welfare bills spiral. It was not the politicians at the time who paid the price—no, they are happily sitting on the Opposition Benches; it was the poorest who paid the price and the most vulnerable who suffered. Those people lost their jobs and had their livelihoods snatched from them, and those are the people I am fighting for—real, decent, hard-working people, not numbers on a Treasury spreadsheet: people whose lives would be impoverished, and whose hopes and aspirations would be crushed, if we had gone on spending more and more than the country earns. Getting things right for those people is what I am all about, and that weighs on every decision that I have taken as Chancellor over the past six years. Those are the people whom we in the Conservative party have been elected to serve.

Wes Streeting: The Chancellor rightly talks about learning lessons, but it is also important to have clarity about the future. The Government line seems to be that there are no plans to further reduce the welfare budget, but yesterday the Secretary of State for Work and Pensions said in the House “we will not be seeking alternative offsetting savings”, and that “the Government will not be coming forward with further proposals for welfare savings.”—[Official Report, 21 March 2016; Vol. 607, c. 1279-86.]

Will there be further welfare cuts or not? What is the answer? The Chancellor has not offered any clarity this afternoon.
Mr Osborne: That is exactly the position set out by my right hon. Friend the Secretary of State, and agreed by me and the Prime Minister. We understand that if we do not control spending, we will have a fiscal crisis. Because we are controlling spending and have passed difficult welfare legislation in recent months, the deficit is coming down and we are delivering economic security.

Chris Philp (Croydon South) (Con): Given what the Chancellor just said about the importance of fiscal responsibility, will he confirm that, had he listened to the advice of the Labour party over the past five years, our national debt would be £900 billion higher?

Mr Osborne: My hon. Friend is absolutely right. The analysis shows that, had we not taken the decisions to reduce the structural deficit, we would have added £1 trillion further to our national debt. That is proof that we can never trust Labour with the nation’s public finances.

Maria Caulfield (Lewes) (Con): Does the Chancellor agree that Conservative Members will not take lectures on fiscal management from the Labour party? Its legacy from 13 years in government was a Post-it note saying that there was no money left.

Mr Osborne: My hon. Friend is absolutely right. That is all we found in the Treasury—a letter saying, “I’m sorry. There’s no money left.” After 13 years of a Labour Government, that summed up their economic achievement.

Several hon. Members rose—

Mr Osborne: Let me make a little progress before I give way again.

We will go on driving down the budget deficit. We are down from borrowing £1 in every £4 when I became Chancellor to borrowing just £1 in every £14 next year. We will then be on to the security and good times of a budget surplus—a country earning more than it spends, and a generation that does not pass its debts on to its children and grandchildren. That is what we committed to in the manifesto and what we were elected to do, and it is what this Budget delivers.

Finally, let me turn to the measures in the Budget that back enterprise and business. Again, I completely refute Opposition Members who say there is a choice between backing business and promoting social justice. We cannot have social justice without successful, vibrant businesses.

James Cartlidge (South Suffolk) (Con): We inherited an unprecedented budget deficit. It is not just about controlling spending—the country has to earn more. Is it not the case that the only way to do that is to cut corporation tax and capital gains tax so that our entrepreneurs can go out into the world, compete and earn this country the living it needs?

Mr Osborne: My hon. Friend is absolutely right. Without a strong economy, we cannot have social justice, and we cannot have a strong economy without successful, vibrant businesses.

Steve Brine (Winchester) (Con): My right hon. Friend spoke a lot last week about the next generation and Chancellors who always said yes. One thing he said yes to last week that was very much welcomed by many young people in Southampton and across the south was the backing of the new children’s hospital in Southampton with £2 million of match funding. That is what looking after the next generation looks like. May I say thank you on behalf of many people across the south?

Mr Osborne: My hon. Friend campaigned tirelessly for that extra money for the hospital in Southampton—he raised the matter countless times in the Chamber. That shows that, if Members persevere on getting the vital services for their local constituency, the Government listen and deliver for them in this Chamber.

Several hon. Members rose—

Mr Osborne: Let me make a couple more points and then I will take another intervention.

Yesterday, the Leader of the Opposition stood at the Dispatch Box to reply to my right hon. Friend the Prime Minister. People have focused on what the Leader of the Opposition failed to say, but I am focused on what he did say. He said we should not be reducing taxes on business. In other words, he thinks the answer to the challenge of low productivity and of growth in an uncertain world is that taxes on business should be higher. I totally disagree with that approach. That is Labour’s answer these days: pile the taxes on business and increase the basic rate of income tax on working people, as they propose in Scotland. Again, the price would not be paid by Labour Members. It would be paid by the young people who cannot get jobs—they cannot get jobs in countries where business taxes are too high and where enterprise is stifled. It would be paid by people who work in our public services, whose resources would be drained as the economy became more and more uncompetitive. It would be paid by the whole country, as living standards declined and the nation got poorer.

If that is the Budget hon. Members want, they should vote in the No Lobby tonight. If they want a small business Budget that cuts taxes for small firms, takes 600,000 businesses out of paying business rates, and reforms commercial property tax so that small premises pay less, that is the Budget we are voting on tonight. If they want an enterprise Budget that boosts investment in our small and medium-sized firms, with lower CGT, dramatically reduces burdens on our vital oil and gas industry, and gives us the lowest headline business tax rates of any of our competitors, that is the Budget we are voting on tonight. If they want a one nation Budget that increases the resources for education, supports children’s healthcare, devolves power across our nation and builds infrastructure for our future, that is the Budget we are voting on tonight. If they want a Budget for working people that helps them to save for their future, freezes their fuel duty and cuts income tax so they keep more of the money they earn, that is the Budget we are voting on tonight.

It is a Budget that delivers security, that helps the next generation and that backs working people. It is a one nation, compassionate Conservative Budget, and I ask the House to support it tonight.
1.36 pm

John McDonnell (Hayes and Harlington) (Lab): I beg to move amendment (b), in paragraph (2), after “tax”, insert—
“(except in relation to value added tax on insulation, solar panels and any other category of energy-saving material or their installation)”.

I and my party share the sentiments expressed by the Chancellor and those across the House in condemnation of what happened in Brussels today. Our thoughts and prayers are with the victims and their families. We support the security measures, of course, taken by the Government and say to the people of Belgium that we stand with them.

I am glad to see the Chancellor has at least turned up today. Let me make it clear from the outset that, in my view, and I believe the view of many others, the behaviour of the Chancellor over the last 11 days calls into question his fitness for the office he now holds. I also believe that it certainly calls into question his fitness for any leading office in government. What we have seen is not the actions of a Chancellor, a senior Government Minister, but the grubby, incompetent manipulations of a political chancer.

For the record, let us go back to last Friday week. The Chancellor personally forced through cuts in personal independence payments. The statement issued by the Government that Friday on PIPs was not a consultation and not a suggestion; it was a statement of policy. Personal independence payments are the benefits that, for many disabled people, make life worth living. They help them get to work. They help them have some normality in their lives. Often, they keep people out of residential care. The Chancellor was willing to cut away his fitness for office as Chancellor of the Exchequer?

Kevin Brennan (Cardiff West) (Lab): Would it not at the very least help to dispel the impression that the Chancellor is acting in his own political interests, rather than in the national economic interest, if he made it clear today that he was not going to stand for the leadership of the Tory party so that he could concentrate on social justice nor on compassion. Does that not require any comeback or any comment, agreement or disagreement. Let us proceed in a seemly manner with the debate. That is in the House’s interest, and that is what the country has a right to expect.

John McDonnell: The reason I refer back to fitness for office is because many of us know the distress that has been caused to so many people over the past week.

James Cartlidge: The hon. Gentleman makes a very personal point about fitness for office on the day of a major terrorist attack. Will he withdraw his previous support for terrorist organisations that have attacked this country?

John McDonnell: Mr Speaker, you heard me share the sentiments of the whole House on the issue of Belgium. To bring that into the debate as a political point at this stage is unacceptable.

Mr Speaker: Order. Before we proceed further, perhaps I can just say to the House, on my own account and on the basis of sound procedural advice, that we must stick to the matter of the Budget. [Interruption.] Order. I do not require any comeback or any comment, agreement or disagreement. Let us proceed in a seemly manner with the debate. That is in the House’s interest, and that is what the country has a right to expect.

John McDonnell: This is a challenge to the judgment of the Chancellor.

Clive Efford (Eltham) (Lab): During the Chancellor’s opening speech, we heard him say that the Government have legislated to make £12 billion-worth of savings within the welfare budget. That means that this £4.4 billion attack on PIP was in addition, and it was based neither on social justice nor on compassion. Does that not show that this Government are mean-minded and prepared to attack people who have disabilities? Is it not necessary to make these cuts in welfare and they should guarantee that they are not going to return with this cut.

John McDonnell: The proposals that came forward did not just shock those on our side of the House; they shocked many Members from across the whole of the House with their brutality.

Christopher Pincher: Will the shadow Chancellor give way?

John McDonnell: No, I have given way enough—I will come back to the hon. Gentleman.

There is scheduled to be a 6% real-terms decline in spending on disability benefits between 2015 and 2020. After that Friday, when we reached the Wednesday of the Budget, we discovered that these cuts to disabled people were being made to pay for capital gains tax cuts benefiting the richest 5% in our society and for corporation tax cuts. Of course, a deep feeling of unfairness was felt in this House, among Members in all parts of it. I welcome the expression of concern by the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith)
during that period and his conversion to our cause of opposing these benefit cuts. But the first person to call attention to the scandalous targeting of people with disabilities was my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams). She rightly said, in response to the announcement:

“In coming to this decision, the Tories are yet again ignoring the views of disabled people, carers and experts in the field, trying to press ahead with changes, just two years since the introduction of the system.”

After it became clear that the cuts to PIP were planned as a way to fund tax cuts for the wealthy, my right hon. Friend the leader of the Labour party made this issue a key part of his excellent response to the Budget last week, and he was not alone in doing so. My hon. Friends the Members for Ilford North (Wes Streeting) and for Nottingham East (Chris Leslie) were among several Opposition Members who pressed the Chancellor on the issue, as I did when opening the Budget debate last Thursday. I want to give thanks to everyone on our Benches and across the House who has helped to force this rethink and helped end the worry that thousands of disabled people have been experiencing in the past week.

Andrew Bridgen (North West Leicestershire) (Con): The shadow Chancellor is right about U-turns being embarrassing, but I remember his embarrassing U-turn on the fiscal responsibility charter. Does he regard himself at the moment as a socialist or a Marxist, and does he agree that all that the politics of the far left offers people is an equal share of misery?

John McDonnell: This is a debate about the threat of cuts facing some of the most vulnerable people in our society. This is not a time for engaging in student union politics in this Chamber.

By Friday of last week, the Chancellor was facing so much criticism that he needed to find someone to blame. So, in one of the most despicable acts we have witnessed in recent political history, the Chancellor sent out his large team of spin doctors to try to lay the blame on the former Secretary of State for Work and Pensions, the right hon. Member for Chingford and Woodford Green. That was a disgraceful act of betrayal of one of the Chancellor’s own Cabinet colleagues to save his own skin and his leadership hopes.

Pete Wishart (Perth and North Perthshire) (SNP): Will the shadow Chancellor give way?

John McDonnell: Let me move on. I appreciate the point made. The betrayal was why the right hon. Member for Chingford and Woodford Green resigned. I have not agreed with a single policy that he has brought forward, but I do not doubt his sincerity in the policies that he has pursued.

Dr Rupa Huq (Ealing Central and Acton) (Lab): Does my hon. Friend not agree with the words of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) that this Chancellor’s policies are “in danger of drifting in a direction that divides society rather than unites it”?

Was the right hon. Gentleman not right when he said that?

John McDonnell: I believe that the right hon. Gentleman’s interview on the Marr programme on Sunday expressed a profound concern that he had about the unfairness of the Budget, and we agreed with this. As I said, I have not agreed with a single policy he has pursued, but I do not doubt his sincerity. The right hon. Gentleman saw—

James Cleverley: Will the hon. Gentleman give way?

John McDonnell: I will in a minute. There is no need to shout out so loud again.

The right hon. Gentleman saw the unfairness of the PIP cuts to disabled people in the Budget. As he said, it is a Budget that benefits high earners. He also saw himself being set up by his own Cabinet colleague.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): The shadow Chancellor is right to say he does not agree with the former Secretary of State’s policies. Indeed, even with the U-turn on PIP disabled people are still left distressed by the reforms that will still be going through. Will he join me in urging the Chancellor and the new Secretary of State for Work and Pensions to look again at this very flawed process?

John McDonnell: I fully concur. The same week that this was being discussed, ESA was being cut by £30 a week.

James Cleverley: I thank the hon. Gentleman. He has been speaking now for 14 minutes. He has criticised Conservative Members for making this about politics and people, but I was just wondering when he will actually get around to talking about any of the Budget proposals.

John McDonnell: The role of the Opposition is to hold the Government to account. We are holding this Chancellor to account for a potential attack on disabled people that I believe would have devastated their lives.

What I find most disgraceful through all of this is that there has been no word of apology from the Chancellor or any Conservative Member. Apologise, I say. I say apologise for the pain and anguish he has caused disabled people and their families in the past
two weeks. We all make mistakes. I understand that. But when you make a mistake and correct it, you should at least apologise.

Anna Turley (Redcar) (Lab/Co-op): Does my hon. Friend share my view that the most distressing thing the former Secretary of State said this weekend was the point he made about “it doesn’t matter because they don’t vote for us”? Is there not a constant thread running through everything—from the bedroom tax to local government cuts to this Budget—that this is a deeply political Government who do not care unless people vote Tory?

John McDonnell: I find a form of electoral politics, where you target a vulnerable group in society just because they do not vote for you, unacceptable. Not a word of apology! One nation Conservativism? It is a contradiction in terms.

Chris Philp: May I remind the shadow Chancellor that the richest 20% are now paying 52% of all income tax, which is up from 49%, and that the national living wage is putting money into the pockets of our country’s poorest citizens?

John McDonnell: The hon. Gentleman refers only to income tax. If he had looked at last weekend’s analysis of the overall cuts and what has happened with regard to tax and benefits, he would have seen that it is actually the poorest decile who are paying the most. The two groups hit hardest are young women with children and older women with caring responsibilities. Some 81% of the cuts are falling on women. This is a discriminatory Budget.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): We are pleased that the Chancellor has found that the PIP cuts are a cut too far, even for this ideological Government. Does the shadow Chancellor agree that characterising all benefits claimants as workshy, stay-in-bed, lazy scroungers, which the Chancellor of the Exchequer has done on many occasions, contributes to an atmosphere in which it is acceptable to enrich the better off at the cost of the poorest among us?

John McDonnell: That language has been used by the Conservative party. Let me return to the Budget. The hon. Member for Braintree (James Cleverly), who has now left us, asked me to return to the Budget, so let me press on.

Even worse, there is still no certainty about further welfare cuts. We were told yesterday by the new Secretary of State for Work and Pensions—that this was repeated today—that there were to be no further cuts to welfare in this Parliament. Within minutes, the Treasury were briefing to correct the Secretary of State, as that then became “no planned cuts”. There is complete confusion—chaos on chaos. Nobody believes or has any confidence in the mealy-mouthed assurances that are being given today.

Steve Brine: Will the hon. Gentleman give way?

John McDonnell: In a second.

The PIP withdrawal now leaves a £4.4 billion hole in the Chancellor’s Budget, as has been consistently pointed out by my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper).

Steve Brine: Will the hon. Gentleman give way?

John McDonnell: Let me finish this point.

The simple fact is that the sums in the Budget, as my right hon. Friend pointed out, simply do not add up anymore. They simply do not compute.

Yvette Cooper: The shadow Chancellor will be aware that page 26 of the Red Book states that the Chancellor will set out plans to meet the welfare cap by this autumn, and that page 198 of the OBR report says that that will require further welfare savings of £3 billion a year. Did he hear the Chancellor say clearly this afternoon that he was going to ditch the plans for £3 billion a year of additional welfare cuts by the end of this Parliament?

John McDonnell: Cuts upon cuts, and who to? The most vulnerable in our society.

Steve Brine: I believe that the shadow Chancellor and the Leader of the Opposition, with whom I have served on Select Committees, are decent men. The shadow Chancellor said five minutes ago that he did not agree with a single policy introduced by the former Secretary of State for Work and Pensions during his time in office. Given the shadow Chancellor’s new fiscal responsibility, with the new rules he announced just a week or so ago, will he tell the House—people will be looking to him, because he is the shadow Chancellor—whether he would keep the welfare cap? If he cannot tell me that, will he tell me just one single saving that he could make from the welfare budget?

John McDonnell: We supported the welfare cap. I find it ironic that that point is being made on behalf of a Government who are not meeting their own welfare cap. They are breaching it and then moving it up. They are moving the goalposts again.

Let us be clear that the £4.4 billion black hole in the Chancellor’s Budget means either further cuts in departmental budgets and to benefits, or stealth taxes. No solution has been announced today. We are told that all this will be resolved by the autumn. Between now and then, no public sector job, benefit or service will be safe.

Tim Farron: The hon. Gentleman is right that the Chancellor has a £4.4 billion black hole that needs to be filled by cuts to public services or by stealth taxes, but that is in existence only because the Chancellor has set himself a false target. Does the hon. Gentleman agree that the real problem at the heart of the Chancellor’s credibility is the fiscal charter?

John McDonnell: I am grateful for the hon. Gentleman’s intervention and I will come back to that point in due course. I realise we are under pressure of time, Mr Speaker, so I will try to be as brief as I can.

The Chancellor’s political manoeuvring has real consequences. The drama over Budget week has clouded a further astounding revelation about his behaviour.
His former Government colleague David Laws revealed at the weekend that the Chancellor pressurised senior officials to reduce their estimates of the funding needed to maintain the NHS. We discovered that the Chancellor had forced through a cut of almost half the funding—this was independently assessed—needed by the NHS. The result is that the NHS and hospital trusts around the country cannot. They are facing a crisis: waiting times are rising, staff are under intense pressure and morale is at rock bottom. At the start of the year, the NHS recorded its worst ever performance as services struggled to cope with demand. It is now facing its biggest funding crisis for a generation and that is putting patient care at risk.

Sammy Wilson (East Antrim) (DUP): Does not the welfare cap, and support for it, suggest that if welfare spending goes up, we will have to revisit that spending? At that stage, would the shadow Chancellor cease to support the cap, or would he support measures to keep within it?

John McDonnell: We support a welfare cap, and we believe we have better policies—building homes, for example, rather than spending money on housing benefit—that would enable us to meet it.

Nothing in the Budget says that the NHS can find £22 billion in savings over the next few years. The idea is pure fantasy written into the Budget. It is typical of this Chancellor to opt for spin and presentation over addressing the real problems. He needs to stop living in fantasy land and to start being honest with the public over his own numbers.

Michael Ellis (Northampton North) (Con) rose—

John McDonnell: I have been extremely generous in giving way, but we are running out of time.

On schools, this was far from a Budget for the next generation, as the Chancellor claimed it was. Not only is the plan to turn every school in the country into an academy unpopular with parents and teachers, but we now know that schools face an 8% real-terms cut in their funding. This is the first time since the 1990s that schools’ funding has been cut.

As the hon. Member for Westmorland and Lonsdale (Tim Farron) said, at the heart of all this failure is the Chancellor’s economic incompetence. His huge mistake was to force through a fiscal rule that has proved to be unworkable. Against all sound economic advice, he put politics above economics and imposed a fiscal rule that now, like his Budget sums, simply does not add up.

Virtually every target he set himself has been missed. Now, like his Budget sums, simply does not add up. Against all sound economic advice, he put politics above economics and imposed a fiscal rule that was to force through a fiscal rule that has proved to be unworkable. Against all sound economic advice, he put politics above economics and imposed a fiscal rule that now, like his Budget sums, simply does not add up.

Antoinette Sandbach (Eddisbury) (Con): Does the hon. Gentleman celebrate the fact that 1,700 of the lowest paid in my constituency will be taken out of tax altogether as a result of the Budget, and that 1.3 million of the lowest paid have already been taken out of tax altogether in this Parliament?

John McDonnell: That is why we support the increase in the lower-rate threshold, but we have concerns that shifting the thresholds in that way actually benefits higher earners too much.

At the bottom of the Budget is a Chancellor who, as some have mentioned, is more interested in his political career than the welfare of disabled people, and more interested in becoming the leader of his party than in the health of our economy. He is not a Chancellor but a political chancer. I pay tribute to colleagues on both sides of the House who forced him to U-turn on his proposed cuts to disabled people.

This is not a one nation, compassionate Budget—nobody believes that—but a Budget shot through with unfairness and divisiveness, and unfair. It is not a competent Budget. It fell apart within a couple of days, and the Chancellor still cannot explain how he will fill the £4 billion hole. This is not a Budget for the long term either—a long-term economic plan that lasts three days? It is a Budget built around short-term political tactics and it has backfired spectacularly. They used to say that a week was a long time in politics but, under this Chancellor, a weekend is all it takes to bring a Budget together. The Chancellor is set to leave our children with £1.7 trillion of Government debt. Hundreds of billions have been borrowed on his watch. The welfare cap, which the hon. Member for East Antrim (Sammy Wilson) mentioned, is set to be breached each year until 2020. The OBR confirmed to the Treasury Committee that it would be breached by £20 billion over five years. The Chancellor has broken two of his own rules already. The third—the overall surplus—now hangs by a thread, and only with some seriously creative accounting will he be able to meet it.

Meanwhile, across the country, the Chancellor’s economic approach is failing, as was evidenced by last week’s OBR report: forecast for growth—down; forecast for wages—down; forecast for productivity—down; and forecast for business investment—down again. Why will he not take responsibility for the last six years?

Several hon. Members rose—

John McDonnell: I want to finish the next section of my speech. I am straining your patience, Mr Speaker, so I shall press on.

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This is not a one nation, compassionate Budget—nobody believes that—but a Budget shot through with unfairness at its heart. Even one of the Chancellor’s own Cabinet colleagues last week denounced it as fundamentally divisive and unfair. It is not a competent Budget. It fell apart within a couple of days, and the Chancellor still cannot explain how he will fill the £4 billion hole. This is not a Budget for the long term either—a long-term economic plan that lasts three days? It is a Budget built around short-term political tactics and it has backfired spectacularly. They used to say that a week was a long time in politics but, under this Chancellor, a weekend is the length of a long-term economic plan. What a failure!

This is not a Budget for the economy or the country, either, but one that is constructed around self-imposed austerity. It is about politics—incompetent politics at that—not economics, and it has blown up in the Chancellor’s face. For the sake of his party—he might think about that—and certainly for the sake of the country, it is time for him to go.

2.6 pm

Mr Kenneth Clarke (Rushcliffe) (Con): I congratulate my right hon. Friend the Chancellor on reviving the tradition of the Chancellor speaking on the last day of
the Budget debate. It is one of the many things that my successor, Gordon Brown, should not have abandoned. I think we will agree it has enlivened the debate very considerably, compared with what usually happens. I also congratulate him on his extremely effective and spirited performance in defence of his Budget. He rightly took pleasure in his achievements so far in his term as Chancellor.

It is remarkable that we are having such a lively debate on the Budget at a time when, as we have just discovered from listening to the shadow Chancellor, there is absolutely no alternative economic strategy or policy on offer—no doubt my party will make up for that lack of challenge in its own curious way, but meanwhile I congratulate the Chancellor on where he has got so far.

In case the Chancellor is worried about the controversy surrounding the Budget, let me tell him that it is not unusual. I have been here so long that I have seen much worse. Geoffrey Howe’s 1981 Budget was extremely controversial, and passions ran higher, and far more seriously, than they have on this occasion. Nigel Lawson had his Budget speech interrupted, and the House was suspended because of disorder, when he tried to cut the taxes on the higher paid.

I had merely one defeat on a Finance Bill. I lost to a rebellion on the Floor of the House. My mitigation was that it was not my proposal—it was Norman Lamont who proposed VAT on domestic fuel—although I still think it was perfectly sensible. I immediately came back with more tax proposals to get the revenue I had lost, but my right hon. Friend is quite right to wait for events between now and the autumn statement and then to continue the fiscal discipline he has rightly maintained so far.

Geraint Davies: The right hon. and learned Gentleman probably knows that the Royal College of Physicians has announced that 40,000 people are dying a year, at a cost of £20 billion, from diesel emissions and pollution. Does he think the Chancellor should reconsider promoting green transport, public health and savings and rebalancing the tariffs on electric, diesel, hydrogen and petrol in order to save lives and money?

Mr Clarke: We have been extremely active on that front, but scientific knowledge is moving on. I remember when diesel was positively subsidised by Governments because it was thought to be more environmentally friendly. In a more appropriate debate, those issues are well worth pursuing. I understand the problem. I turn to what the Chancellor has to devote himself to: the Budget judgment and its implications for the economy. The Chancellor accepted, as he has to, that that is his principal responsibility. The Chancellor has the most difficult job in government, because he has to spend all his time challenging all the lobbies that demand extra expenditure and challenging his colleagues to find savings or improvements in the budgets of their Departments in order to close the gap.

What this Chancellor has not done is take a short-term view at any stage. That is why he has achieved such remarkable economic success. What I liked about his Budget speech was when he stressed how it was for future generations. What he said a few moments ago—a soundbite, if I may say so, which I had not heard before: there is no social justice without sound finance—is one of the best summations of one nation Conservatism I have heard for a very long time.

Keith Vaz (Leicester East) (Lab) rose.

Mr Clarke: I shall be in trouble with the Speaker and everyone else who wants to speak if I give way. Otherwise I would love to give way to the right hon. Gentleman.

Mr Speaker: Let me say to the right hon. and learned Gentleman that he has never been in trouble with the Speaker.

Mr Clarke: I am trying to be reasonably concise rather than too expansive. I apologise to the right hon. Member for Leicester East (Keith Vaz).

I tried to think of what I would have done had I been Chancellor in the present situation. Before the Budget was delivered, I expected a much tougher Budget. Thank the Lord that I am not in my right hon. Friend’s position; I never had to face problems of the kind that he inherited from his predecessor. My instincts are classic, traditional stuff for anyone for whom the iron of the Treasury has entered the soul. This is the first Budget after an election, we have not made fast enough progress in eliminating the deficit and debt, and we will not have sound future progress with a modern rebalanced economy unless we have done that, so my first thoughts would have been to get on with it.

I would have introduced a Budget, as I frequently did in my time, raising taxes and cutting public expenditure. I am glad to hear, for reasons that I shall return to later, that my right hon. Friend has committed himself to his continuing long-term objective, and has decided to pause. I thought this was going to be a popular Budget. People speculate as to why we chose an easier path. [Interruption.] The Chancellor has in the short term relaxed fiscal policy. It is good that the Bank of England is retaining a very relaxed monetary policy, but it will tighten it if we were to abandon fiscal discipline. In the short term, my right hon. Friend has lowered taxation and lowered Department spending targets for cuts. He has eased off on public spending and lowered taxation. I was surprised by that.

I assume that this was partly caused by the considerable uncertainty that the economy faces. No one has addressed that issue in any of these debates, although the Chancellor did in his Budget speech. The global economy is slowing down, and mainly as a consequence of that, the British economy is slowing down. The uncertainties for our economic prospects over 2016 are very concerning. There are many uncertainties, all of which would threaten most of the developed economies if things go wrong. We still do not know whether China, for example, is going to achieve a soft landing; I think it will. In the emerging markets—there are associated problems with emerging market debt—there is volatility and some unsoundness in the financial world.

And there is the risk of Brexit. I am very glad that the Governor of the Bank of England decided to reassure people by setting out publicly that he was prepared to take action if we had a flight of capital from this country should people be alarmed about the referendum.
So far, such risk has led only to a big decline in the value of sterling and the freezing of most people's investment plans. One would be a bit of an idiot to invest in the British economy in anything that had the slightest risk when we do not know what the circumstances and trading patterns are going to be in six months' time.

I assume one reason why my right hon. Friend took a more relaxed view than a traditional Chancellor would have done and did not make those big spending cuts or increase taxation—in fact, he eased taxation for businesses and the low-paid—was to avoid the mistake of being too severe when circumstances might well worsen as the year goes on. That underlines the point that, in the long term, one cannot forecast and fix these kind of things further forward.

A great deal of the debate around the Budget centred on the forecasts and the Office for Budget Responsibility. The fact that the OBR's forecasts keep changing so rapidly just underlines what I am saying about the uncertainties for the immediate future. Fortunately, thanks to my right hon. Friend, the British economy has been the fastest growing developed economy in the last 12 months, and we are probably less at risk than most others. However, the fact remains that this was a time to be cautious. Personally, I would have maintained the squeeze—it has all been put off until the latter half of this Parliament, and into the next if we are not careful—because so long as the economy continues to grow, and there is a reasonable prospect that it will, we should not be running a deficit of this percentage of GDP, piling up more debt for our successors.

My doubt is whether this pause was totally justified. I accept that it probably was, but certainly we must resume things. I listened to a shadow Chancellor who plainly does not have an idea in his head about how he would save any money or do anything other than continue spending and borrowing. It is totally profligate stuff, as we have seen very much in the past.

I am very glad that my right hon. Friend made the changes to business taxation. When I was in office, I put up taxes, but I never put up business taxes because I was trying to encourage growth. We still need to make our economy stronger, so it is welcome that the Chancellor stepped in, keeping our corporation tax level at a competitive rate. I particularly welcome the help he has given to small and medium-sized businesses. Encouraging business is, of course, the best way of protecting ourselves against economic risks for the future in this uncertain world.

My right hon. Friend has not been wholly generous towards big business. He and the Government have been leading in the OECD on attempts to tackle the problem of tax evasion and tax avoidance on the part of big multinational companies. He has incorporated the first serious attempt for a long time to attack the problems of tax relief on interest when it is exploited and misused, on royalties and on past losses. I get told a lot about how the Chancellor should be collecting more from big international companies, but no Government have done a blind thing about tackling this tax avoidance for the past 20 years. This Government are leading international discussion towards agreement, which is what is needed, and in this Budget, the Chancellor has started to act.

We are told that we are relieving tax on the rich, but everybody knows—I certainly know, and not just from the newspapers—that the Treasury has been looking at the idea of doing more on tax relief for the wealthy when they contribute to their pension funds. If they have very high earnings, tax relief on pension funds is the way of avoiding tax and it is a great way of ensuring that 45% tax is not paid on a very considerable part of one's income. That was the case, but we have now put a cap on it. I feel that we are still rather too generous, but in today's politics that was another lobby, and when someone leaked it, it was seen off by the pensions industry in about 10 days flat. So my right hon. Friend was not allowed—on that occasion, I suspect, because of fear about what would happen on this side of the House—to proceed with fairly modest changes in tax relief for the rich.

As far as other tax moves that my right hon. Friend has made, on personal allowances and the thresholds for the higher rate, because the higher paid—the rich—now pay such a huge proportion of tax, it is almost impossible for Chancellors to ease the tax burden on the low-paid and the ordinary citizen without it being possible to demonstrate mathematically that they have done quite a lot for the rich as well. If Chancellors bought that argument every year, they would never move the threshold at which people start to pay tax, and they would never raise the 40% rate for those people who are currently in modest jobs and find that they are subject to a marginal rate of 40% because Gordon Brown started the habit of freezing the threshold in order to secure stealth taxation. Raising these thresholds is welcome, and I am glad that my right hon. Friend felt able to do it.

Other measures should be seriously canvassed. The pensioner benefits, to which I am entitled, are discussed every now and again. I am always told that we have put things in a manifesto, but I have yet to meet a candidate or an selector who read the last general election manifesto, which, although it seems to contain considerable detail, was certainly not crucial to my constituency victory, or, I suspect, to anyone else's. We have ruled out ever raising income tax, ever raising national insurance, ever raising VAT; we appear to have ruled out doing anything at all that would stop the very wealthiest people having free bus passes and receiving the winter fuel allowance. I am not going to advocate the breaking of manifesto pledges, but I know of no prosperous pensioners, and certainly none who are in full-time employment like me, who would object to, at the very least, those benefits being made taxable.

I think that there is a case for considering those measures and various alternatives, but I will not risk going into it any further, first for reasons of time, and secondly because, given today's populist politics, I fear that if I do, some lobby yet unknown to me will descend on me in the next two or three days in order to mount a campaign, through our ridiculous media, to blow that case out of the water.

Of course we must judge the Budget on its own merits, and I understand what my right hon. Friend has got to where he is. No two Chancellors have ever done it in the same in respect of every measure. Within our system, a Chancellor makes an overall judgment, and this Chancellor retains my full confidence: I am prepared to support his judgment.

I have another reason for supporting my right hon. Friend's judgment. As I have already said, the present Government are in a strange position. Absolutely no alternative proposition is being advanced by anyone
outside. Some pundits, and, as a result, some politicians, seem to believe that we are wrong to maintain our target of a balanced budget over the cycle, or however we choose to put it. They suggest that, actually, there are no problems, and the answer is simply always to run a deficit, on and on and on. After all, it is free money. It is a bit troublesome that interest rates might return to normality one day, but meanwhile, just let it pile up: it will sort itself out.

People on the far right say “Tax cuts, that is all you want. Tax cuts will inspire such tremendous entrepreneurship that jobs will be created, wealth will be created, and it will all be paid back. You will not be in debt for long.” On the left, the argument is “Boost every welfare payment, increase public spending on every public service, and that will generate such demand from the grateful taxpayer recipients that they will pump it into the economy, and it will pay for itself.” That is Mickey Mouse economics, as practised by the last Labour Government, and it got us into this trouble that we are still—thanks to my right hon. Friend—getting out of now.

As for my final reason for backing my right hon. Friend’s judgment, his record, after eight Budgets and six years, is absolutely amazing. I must concede, having been one of his competitors at one point, that he is far the most successful departmental Minister in this Government to date. If anyone had said, when he took over the state of affairs that he took over more than eight Budgets ago, that he would stand here, in charge of the fastest growing economy in the developed world, with near-full employment and with employment at record-breaking heights, able to demonstrate the steadily improving state of not only the public finances but the condition of the poor, as well as the alleviation of social problems across the country, that person would not have believed. It is a quite remarkable performance.

So I back my right hon. Friend’s judgment. I am also delighted that he is helping us all to avert the risk of Brexit in the forthcoming referendum, because, if the public were so ill advised to vote for it, that would be the only thing that could really send this economic recovery off the rails in a big way.

Several hon. Members rose—

Mr Speaker: Order. Before I call the spokesman for the Scottish National party, it may be convenient for the House to know that, owing to the level of demand among those wishing to contribute to the debate, a five-minute limit on Back-Bench speeches will have to take effect immediately after his own speech.

2.26 pm

George Kerevan (East Lothian) (SNP): Let me begin by associating the SNP with the words of the Chancellor and the shadow Chancellor in expressing sympathy for the people of Belgium—Flemish, Walloon, and recent immigrants—at this tragic hour.

I must give the Chancellor his due. He gave us a bravura performance: in my view, a more assured and more interesting performance than we were given last week. However, I am always worried when he goes into his expansive, emotional mode. What is he hiding? We know what he hid last week, which was the fact that he would have to come back and tear up his Budget and create a new one, but what did he hide this week? He hid what he always hides and never addresses: the crucial issue of productivity. Without productivity growth, there can be no tax growth, no jobs growth and no wage growth. The truth is that, under this Chancellor, productivity has risen at an annual average of 0.1%. Since the top of the boom in 2007, the cumulative increase in UK productivity has been less than 1%. That is the Chancellor’s failure.

I have great respect for the Chancellor, but he is not a Chancellor who ever had a real job. He is not a Chancellor who ever worked in the private sector. He is not a Chancellor who ever had to lie awake at night—as I have, and as, I am sure, have many other Members on both sides of the House—and worry about how to pay the next wage bill. This Chancellor is an intellectual Chancellor: that is his problem.

Chris Philp: I have spent the last 15 years setting up and running businesses. As someone who has done that, I am glad that it is this Chancellor who is sitting in that seat, because he is the man who has created jobs and helped businesses like mine! [Interruption.]

Mr Speaker: Order. May I just say, for the benefit of the House, that moderation and good humour are the precepts of “Erskine May”. Members on both sides of the House can learn from the right hon. and learned Member for Rushcliffe (Mr Clarke), who has just given a textbook example of a robust speech made with good humour. Many Opposition Members can do the same, and new Members could learn from them.

George Kerevan: Thank you, Mr Speaker. I serve on the Treasury Committee with the hon. Member for Croydon South (Chris Philp), and I did not take what he said personally.

If we do not get productivity, what happens? We do not get growth. The right hon. and learned Member for Rushcliffe (Mr Clarke) gave us a wise presentation, as he normally does, but he slipped up a little. He said that, under this Chancellor, the United Kingdom had experienced the fastest growth in the developed world. That is not true. As he phrased it, it is not true—unless, of course, Australia is not developed; unless, of course, the United States is not developed; unless, of course, Sweden is not developed; unless, of course, Korea is not developed; unless, of course, Spain is not developed. All those countries experienced faster GDP growth than the UK in 2015, largely because they experienced faster productivity growth. That is what this Chancellor has not delivered. That is not what this Budget contains. And that is this Budget’s weakness.

If we look at the failure of productivity growth in the UK under this Chancellor, we see that productivity is lagging in practically every commercial and industrial sector. Crucially, productivity has been falling by an average of 1½% a year in the financial services industry—our flagship industry, our key service industry, the industry that is leading our service exports. This Chancellor has devoted a lot of time and effort to reconstructing the financial services sector—I grant him that—but what have we got? Falling productivity. According to the
Office for National Statistics, productivity in the British financial sector, including insurance, is now behind the level of financial services productivity in France and Italy. That is not a great record, Chancellor. Here is the bottom line: if we do not have productivity growth, the cash economy will not grow, wages will not grow and income to the Treasury will therefore not grow.

Marcus Fysh (Yeovil) (Con): Does the hon. Gentleman not recognise that there is a lot in this Budget to improve the performance of the economy? Does he not agree that a massive cut in business rates will deliver exactly the productivity that he is talking about?

George Kerevan: I utterly accept that point. This is at the core of what I am saying. The kind of business rate cuts for small companies that the Chancellor has belatedly introduced in this Budget have long been available in Scotland. What has happened to productivity in Scotland? Despite the Scottish Government’s limited drivers for economic growth, productivity in Scotland has gone up 4.4% since the recession. That is more than four times what this Chancellor has managed to deliver. In Scotland, our limited tax powers have forced us to concentrate on the supply side, and my bill of fare against the Chancellor is that he does not do that. Yes, there are lots of ‘bits and pieces’ in the Budget that I welcome—particularly the move to clamp down on transfer pricing in multinational companies—but in the end, there is no strategy. The Chancellor has no strategy apart from his rendezvous with 2020 and trying to run a budget surplus.

Sammy Wilson: Does the hon. Gentleman accept that he is perhaps being a bit harsh? There are many supply-side measures in this Budget, including improved investment in infrastructure and the digital economy and cuts in corporation tax and business rates, all of which should help investment and therefore increase productivity.

George Kerevan: Indeed, and I welcome all the supply-side measures, but—[Interruption.] Wait for it! We have had five Budgets in the past 15 months. Why did those measures not appear in the last four of them? In fact, if we count today as well as last week, we have had six Budgets in that time. Why did those measures not appear before? This is not about the Treasury officials, who are bright men and women; this is about the fact that there is no strategy apart from trying to run a budget surplus in a particular year, because the Chancellor knows that if he does not deliver in 2020, what is left of his reputation after this week will be in shreds.

Mr Steve Baker (Wycombe) (Con): I should like to draw the hon. Gentleman’s attention to page 2 of the Red Book. It states:

“This is precisely why the UK has been working through its long-term economic plan. Since 2010 the plan has been focussed on reducing the deficit, while delivering the supply side reforms necessary to improve long-term productivity growth.”

Will he at least concede that the Chancellor has in his Red Book precisely the kind of strategy that he is criticising him for not possessing?

George Kerevan: I cannot accept that. There is a tension in the Chancellor’s mind. It is like good and evil sitting on either shoulder. One side is telling him to run a budget surplus, because that is an easy road to take. That is not badly thought out. Given the number of rules that Chancellors have thought up over the years and then failed to implement, running a budget surplus is an extremely simple rule. It is just too crude, however. That argument vies with the supply-side strategy.

Following on from the question from the hon. Member for Wycombe (Mr Baker), another friend from the Treasury Select Committee, let us look at what the Office for Budget Responsibility says in its report about how the Budget supply-side measures will work. It states:

“We also expect smaller positive contributions to potential output growth over the next five years from population growth, while average hours worked are expected to trend down over time.”

With a decrease in average hours, in input and in population growth, where is the productivity increase going to come from? I should like to hear the answer from the Chancellor.

Geraint Davies: Does the hon. Gentleman agree that we have such hopeless productivity growth because, first, our research and development is very low, by international standards, and secondly, so is infrastructure investment? Thirdly, the rights and security of people in work are now low, making it easier for them to be sacked. In Germany, where people can stay in work, employers have to invest in their productivity because they cannot get rid of them. Here, however, we are destroying rights and creating short-term, low-paid jobs, which is resulting in lower productivity.

George Kerevan: I could not agree more with all three points, so I will just accept them.

The Red Book also shows that public sector net investment—capital investment in the public sector—is set to fall for the next four years. I have to ask Conservative Members this question. With industry in trouble and manufacturing contracting, as it has done in the past quarter, how will it help productivity if we have to cut public sector net investment in the capital side of the economy in order for the Chancellor to meet his rendezvous with destiny in 2020 and have his budget surplus? We need investment in capital in order to have productivity—that is where it comes from.

It is interesting to see what the OBR thinks we will have to do in order to get the books to balance. It believes that UK private sector business investment will have to make up the difference. It believes that private business investment will come to the rescue and contribute a quarter of the expenditure contribution to GDP growth in the period to 2020 in order to achieve the Chancellor’s fabled budget surplus. So, to make all the sums work, there has to be growth. Where is the growth coming from? According to the OBR, a quarter of all the potential expenditure in the economy between now and 2020 has to come from business investment. [Interruption.] Bear with me as I go through the numbers, because they are important. According to the OBR, business will have to contribute 0.6 percentage points each year to GDP in order for the economy to grow sufficiently to deliver the taxes to enable the Chancellor’s budget to come into balance.

There is only one problem. Historically, from 1990 to 2008—that is, throughout the boom period—the level of investment that British business managed to achieve
as a percentage of GDP annually was 0.3, which is precisely half what the OBR thinks that business will have to invest between now and 2020 if the Chancellor’s numbers are to work. That is not going to happen.

David Rutley (Macclesfield) (Con): The hon. Gentleman says that the Chancellor lacks strategy, but that is clearly not the case. He was clearly not listening to the same Budget speech that I was listening to. That speech included supply-side measures, with business taxes going down and infrastructure being improved. We are seeing massive Government investment in the northern powerhouse to tackle the challenges, and private sector investment is coming in on the back of it, including £1 billion of investment in Manchester airport over the next 10 years. Is not that the sort of leverage that the Government should be seeking?

George Kerevan: If the hon. Gentleman had been listening carefully instead of following his script, he would understand that I am in favour of all the supply-side measures that we can get, because that is how we get growth. I am simply pointing out that the Budget figures that we have been presented with in the Red Book, alongside the OBR’s independent analysis, suggest that business investment will have to be double the level of its historical average, at a time when the global economy is slowing, in order for the Budget numbers to work. That is not going to happen.

The hon. Member for Macclesfield (David Rutley) made a reasonable point, however, and I shall follow on from it by asking: how do we boost business investment? The Budget includes a cut in corporation tax, yet our rate is already the lowest in the G20. How can a further cut produce any more inward investment? The incentive is already the biggest it is going to be, so cutting it even more at the margins will not increase incentive. That will just waste funds. Even with that—I have raised this in the House before—because there is so little outlet for investment at the moment, much of companies’ profits from reduced corporation tax is going into share buy-backs, which is a complete waste of time because it does not add to productivity.

The other tax issue in the Budget is the cut in capital gains tax. There is an argument for cutting capital gains tax, but here’s the point: which Chancellor raised capital gains tax in 2010? It was the Chancellor who is sitting there. Where is the long-term plan in raising it and then lowering it? The confusion of signals is exactly why businesses are not investing. They do not know what taxes will be from one Budget to another, which, at the moment, is every three months. [Interruption]

David Rutley: I thank the hon. Gentleman for giving way. I was not seeking to make a point, but I will now. The Chancellor has clearly demonstrated that he has his public finances under control—[Interruption] The deficit is massively down and he is now in a position to take forward the changes to which the hon. Member for East Lothian (George Kerevan) refers.

Madam Deputy Speaker (Natascha Engel): Order. The hon. Member for East Lothian (George Kerevan) has been on his feet for 15 minutes and is taking an awful lot of interventions—he is very generous like that—but over 40 Members want to speak and I do not think that I am going to get everybody in. If he limits the number of interventions he takes, I will be very grateful.

George Kerevan: As ever, Madam Deputy Speaker, I am at your service and the service of the House. I will come to my final point, because I am sure that we will be discussing this at the next Budget in another three months.

The Chancellor talks about living beyond our means. He prioritises the budget surplus. He talks about intergenerational fairness. He says that if we do not get overall national debt down, it will be a burden on future generations. Let us test that and go back to the late 1940s and 1950s, when the national debt as a share of GDP was more than twice what it is now and was coasting at over 200% at one point. For most of the ’50s it was 150%, which is twice what we have at the moment. Where did it come from? It came from Governments, particularly Conservative Governments, borrowing money. Most of the rise in national debt did not come during world war two, but during the late ’40s and early ’50s as we tried to rebuild Britain’s infrastructure following the depredation of the war. Harold Macmillan was building a million houses a year. We invested and the national debt was pushed up.

Here is the thing: if huge national debts weigh heavily on future generations, let us look forward. What happened to baby boomers such as the right hon. and learned Member for Rushcliffe and me? Our generation has houses and pensions. We have benefited from state-funded investment in national infrastructure. The whole notion that investing and running up a budget deficit places a burden on future generations is not historically true. Did the economy grow fast in the ’50s and early ’60s? Yes, it did.

Here is my final point and my message for the Chancellor to reflect on: when trying to control public spending, what matters is what it is spent on. Harold Macmillan and the Conservative Governments of the 1950s invested in infrastructure. This Chancellor is borrowing to invest in current spending, which gets blown away by the wind, and if we do that, we fail. It is no wonder that the Chancellor wants his rendezvous with destiny in 2020. He wants to pretend that he can run a budget surplus. It may never happen. Even if it does for one year, it is unsustainable. The Chancellor does not understand business or how the economy works. He pretends he does and talks a good game, but he has not delivered productivity, which is the core thing that we need in this country.

2.44 pm

Mrs Maria Miller (Basingstoke) (Con): It is a great pleasure to follow the hon. Member for East Lothian (George Kerevan), who always speaks so eloquently, but I must say that I disagree with absolutely every word he said. Boosting productivity is at the heart of this Government’s Budget, which is plain for everybody to see. My right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) said that the global economy is slowing down and that we need to be fighting fit for the future. This Budget will help put Britain in that place.
I pay tribute to the Chancellor for delivering such a strong Budget, but what we should all do first is pay tribute to our nation’s wealth creators. It is they, not us sitting here in Parliament, who have put Britain back on top with one of the world’s strongest economies. They are the farmers whom I met last week in Hampshire. They are the partners who run the new John Lewis store in my constituency. They are small and medium-sized businesses up and down the country. They are people like Beryl Huntingdon, who runs Absolutely Offices, or Graham Murphy, who runs RDT. They are the people, innovators and entrepreneurs putting Britain back on top. We must acknowledge their immense hard work in getting our country into the position it is now in.

Catherine McKinnell: Will the right hon. Lady give way?

Mrs Miller: If the hon. Lady will forgive me, I want to make progress because of the number of people who want to contribute.

The Government have recognised their role in creating the right conditions for business success. They have created an environment in which businesses feel confident about investing by putting in place the right reductions in business and job taxes to encourage growth and success. They have put in place the right infrastructure investment—the £100 billion going into infrastructure over this Parliament, including Crossrail 2, which will do so much to reduce pressure on other parts of the rail network, such as the Wessex route, which affects many hon. Members and is well over capacity. The Budget is also investing in people, underlined by the commitment to 3 million new apprenticeships by 2020, including 5,000, some of which will be degree level, in my constituency at the Basingstoke College of Technology.

People are the biggest asset of most organisations. According to the CBI, some of the biggest challenges facing business in the UK today are retaining top talent and getting appropriately skilled staff. We may have record employment levels, which is to be applauded, and the highest number of women in work, but if we are to be fighting fit for the future, we must get the best out of every single member of our community. While much has been done, there is still more to do, particularly on women’s role in the workforce.

Record numbers of women are in work and the Chancellor is to be congratulated on that, particularly because of the investment he secured for doubling the amount of free childcare. There are 2 million women who would like to be in work and 1 million working women who would like to work more, but they cannot find the right jobs. Some 41% of women in this country work part time, many because they cannot get hold of the right flexible work that fits around their family and caring responsibilities. I gently draw the Chancellor’s attention to the second report of the Women and Equalities Committee, which is all about one of the Government’s great aspirations: to eliminate the gender pay gap in a generation. We can do that if all jobs are more flexible, if men are better able to share care in their family life, and if there are national pathways for women to get back into work.

I also draw the Chancellor’s attention to an Equality and Human Rights Commission report, published today, on the level of maternity discrimination that 77% of pregnant mothers and people on maternity leave are enduring. We are not making the best use of women in this country, and I would like the Government to pledge to take active steps to change the situation, so that all women can do a job that they want to do in order to make the biggest contribution they can to boosting productivity in this country.

2.48 pm

Paula Sherriff (Dewsbury) (Lab): I rise to speak to amendment (a), tabled in my name and those of the hon. Members for Glasgow Central (Alison Thewliss), for Berwick-upon-Tweed (Mrs Trevelyan) and for Leeds North West (Greg Mulholland). I served on the Finance Bill Committee with the hon. Member for Glasgow Central last year, and it was during that Bill’s passage that she and I first tabled amendments on this issue. I hope that we will finally see them reflected in legislation this year.

I thank the hon. Member for Berwick-upon-Tweed, who, as a Government Back Bencher, co-sponsored the amendment, and my right hon. and hon. Friends who have given their support, but it is the campaigning work of so many others outside this Chamber that has driven us forward, including more than 300,000 people who signed Laura Coryton’s petition on the issue. The campaign against the tampon tax will serve as an inspiration. It is an example of how grassroots campaigns and Back-Bench Members can make a positive change at the highest level.

It is one of the absurdities of our tax regime that tampons and sanitary towels are treated as luxuries, when periods are simply a fact of life for women. Last week, we heard appalling reports from food banks about how women, who were unable to afford tampons, were resorting to using newspapers and socks.

Mrs Miller: Will the hon. Lady join me in thanking the Financial Secretary, who is in his place, for all his hard work in taking the fight directly to the European Union and in negotiating the change that the Government have put on the table today?

Paula Sherriff: I do thank the Financial Secretary in the same way that I thank everybody who has supported this long-standing campaign.

It cannot be acceptable that women are having to use socks and newspapers as a substitute for sanitary protection. I hope that, as well as cutting prices across the board, we can ensure that all women have access to the protection that they need.

This campaign is not just about money. It is about time that we removed the stigma attached to the basic facts of women’s lives. The Prime Minister said yesterday that he will always remember explaining this issue to the 27 Heads of Government at the European Council. The fact that they had to address this issue directly is itself a great step forward for women.

I am glad that the Government have now taken on board the campaign’s message. It makes me the first Opposition Back-Bench MP successfully to move an amendment to a Budget resolution. If nothing else, I will at least achieve lasting fame as a parliamentary pub quiz answer. That does not mean that our work is done here. There are a couple of outstanding issues that I hope the Minister can address.
Most pressing, there is the question over what will happen to those women's charities that have benefited from the tampon tax fund since the autumn statement back in November. I hope the Minister will confirm today that even after the tax is scrapped he will continue to provide the financial support that they so desperately need.

We will also need to take the final step by legislating for the measure the Finance Bill, and at European level. It would be fitting if this House could pass those amendments before the referendum in June, and I hope that the Minister can commit to that timetable today. On the latter point, I hope that he will be back at the Dispatch Box tomorrow with the expected announcement of the EU VAT action plan.

There is also a challenge to ensure that women get the full benefit of the tax cut, and that the cut does not simply result in increased profits for the manufacturers and retailers of sanitary products. I am writing to them on that matter myself, and I encourage the Government to join me. Those companies might be able to provide part of the answer to the issue of future funding for women's charities. I hope that it would not be too much of a test of our powers of persuasion to encourage them to advertise women's charities on their packaging, and make donations themselves. Women have no choice but to pay companies for their products, and I hope that those companies will make the choice to help pay for our services.

Alison Thewliss (Glasgow Central) (SNP): I thank my honourable sister for giving way on this point. I thank her for her support and for the work that we have done on this. I fully support what she is suggesting about the charitable giving from the sale of packets of tampons and sanitary towels. Does she accept that the definition of sanitary products needs to be widened slightly to cover items such as breast pads for mothers who breast feed, maternity pads for women who have just had children and incontinence pads, which are not always available to people free of VAT?

Paula Sherriff: I thank the hon. Lady for her intervention, and I very much look forward to campaigning with her on the issues that she has just mentioned.

This evening we have the opportunity to put right an historical injustice by making clear our intent to abolish VAT on female sanitary products. The amendment allows us to do just that, and I hope that the whole House will support it.

2.54 pm

Graham Evans (Weaver Vale) (Con): Thank you, Madam Deputy Speaker, for calling me to speak in this very important debate. It is a pleasure to follow the hon. Member for Dewsbury (Paula Sherriff), to whom I pay tribute. Given the mark that she has made on this matter myself, and I encourage the Government to achieve a surplus, and sets out the long-term solutions to long-term problems to ensure that Britain is in a strong economic position for the future.

Thanks to the work of my constituency neighbour, my right hon. Friend the Chancellor, Britain is set to be the fastest-growing economy in the G7, with the Office for Budget Responsibility predicting growth rates in excess of 2% for the remainder of this Parliament. We are still the envy of the European Union, and we are stronger together. The challenges that the country faces are growing: global stock markets have had the worst start to the year for 45 years, prospects for emerging markets have worsened, and the sharp fall in the price of oil and commodities has contributed to lower global growth.

Eight years ago, the UK was one of the worst prepared countries to face the financial crisis. Today, it is one of the best prepared. We have fixed the roof while the sun was shining. Against that backdrop of global uncertainty, this Budget delivers security for hard-working taxpayers. Small businesses are the engine room of our country. They account for 99% of all private sector businesses, employing 15 million people—60% of all private sector employment. The combined annual turnover of SMEs was £1.8 trillion last year, nearly half of all private sector turnover in the United Kingdom.

Along with many small businesses across Weaver Vale, I welcomed the announcement in last week's statement that business rate relief would be doubled permanently. Businesses with a rateable value of £12,000 and below will receive 100% relief. Some 600,000 small businesses across the country will now pay no business rates whatsoever.

Simon Danczuk (Rochdale) (Ind): On that point, I also welcome the fact that, from 2017, 600,000 small businesses will be taken out of business rates, but it does not happen for a year. Retail business rate relief, which is worth £1,500, has also been abolished, but small shop owners will still have to pay that £1,500 for the next 12 months. Is that not disappointing?

Graham Evans: I bow to the greater knowledge of the hon. Gentleman, who does a great job as a small business owner in Rochdale. We cannot do everything at the same time, but overall I welcome this Budget. I am sure that he, too, welcomes the overall message to small businesses as they receive help with those reliefs.

Businesses with a property rateable value between £12,000 and £15,000 will receive tapered relief. Two thousand properties in Halton Borough Council and 7,000 properties in Cheshire West and Chester have a rateable value of below £15,000 and will all benefit substantially from the changes.

Building a northern powerhouse and rebalancing the national economy is a core part of this Government’s economic strategy. In 2015, over half a million more businesses were established outside London and the south-east than in 2010. A third of new businesses are in the northern powerhouse, and the overwhelming evidence is that those new businesses are creating more and more jobs.
In my constituency of Weaver Vale, unemployment is down by 57% since 2010. Almost three quarters of the growth in employment has been in full-time jobs, and real wages are rising strongly. Since 2010, there have been around 4,000 new housing starts in Cheshire West and Chester, and just under 2,000 new starts in the Halton and Runcorn area.

Nationally, housing starts are at their highest levels since 2008, and are up by 91% when compared with the low point in 2009. Local authorities will be able to access the £1.2 billion starter home land fund to help prepare more brownfield sites for starter homes, such as the legacy brownfield sites from ICI in Northwich in my constituency. This Government are helping generations of younger people in their 20s and 30s to buy their first home. Crucially, they are protecting our green belt while at the same time helping more young people to get on the property ladder.

The UK was the fastest growing major advanced economy in 2014, the second fastest in 2015 and it is forecast by the OECD to be the fastest growing in 2016. Under Labour, £1 in every £4 spent by the Government was borrowed, which was absolutely outrageous. Now it is £1 in every £14. The deficit has been cut by two thirds, and we will run a surplus by the end of this Parliament.

This Budget moves Britain from a high-tax, high-welfare, low-wage economy to a high-wage, low-tax, low-welfare economy. Next year, the long-awaited Mersey gateway bridge will be opened by a Conservative Government—and a Conservative Chancellor. We have a plan to address the productivity gap between ourselves and our main economic rivals, and we will run a surplus by the end of this Parliament.

In our inquiry into the plan—our first in this Parliament—my Select Committee found it to be somewhat worthy but vague, and without the firm delivery and implementation measures needed truly to address the productivity challenge. Of course, it is difficult for any Government to turn around something as substantial and structural as the productivity gap, especially only nine months after the publication of their report, but the downgrade to productivity in last week’s Budget reinforces the Committee’s view that although many measures in the plan were welcome, collectively they did not constitute a radical departure or step change that will power better competitiveness, increase wealth creation and employment generation and, ultimately, bring about higher wages and rising living standards—has stalled. Real business investment fell in the final quarter of last year. The manufacturing sector in our country is in recession. The OBR forecasts that business investment will be 2.6% in 2016, a massive 4.9 percentage points weaker than only four months ago at the time of the autumn statement.

The Government are not helping through their policies. The Chancellor should be encouraging firms to invest in the latest technology, plant and machinery to ensure that they can compete with the most modern kit anywhere in the world, as well as investing in research and innovation to ensure that British-based firms are coming forward with the goods, services and products that the world wants to buy.

Robert Jenrick (Newark) (Con): Is that not exactly why the Chancellor has cut corporation tax and capital gains tax: to encourage companies of all sizes, particularly small and medium-sized businesses, to invest in research and development, new products and the jobs of the future?

Mr Wright: I would suggest that the approach on capital gains tax is contrary to having a long-term economic plan, as it encourages short termism—people do not scale up, but sell out quickly. That is a major structural concern.

To a large extent, the Chancellor has done positive things in this Parliament to encourage investment. In particular, the changes to the annual investment allowances are very welcome and will allow firms to invest with greater certainty. Other countries, however, are doing much more, and Britain risks missing out. Addressing the huge disincentive in business rates for firms wanting to invest in new plant and machinery should have been at the very top of the Chancellor’s list, and although the changes to business rates for small businesses were welcome and constituted the largest tax cut of this Budget, it seems ridiculous that the Chancellor did not resolve the ludicrous situation whereby a firm faces a larger tax bill in the form of higher business rates by choosing to invest in new plant and machinery. For a Government who pledged to do all they can to rebalance the economy towards manufacturing and specifically, in the past six or seven months or so, to help the hard-hit British steel industry, the omission of that single measure from the Budget was a significant blow for industry, particularly the steel industry, which wanted the Government to give a favourable signal to invest.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): It seems that there is only one club in the Conservative golf bag for tackling productivity, and that is tax alone. The Conservatives have to face up to infrastructure, to the low-wage economy and to the lack of housing. Owner occupancy is at a 20-year low and house building is low as well. Workers need houses, and if that growth does not happen, combined with infrastructure, productivity will remain low.

Mr Wright: The hon. Gentleman makes an important point about infrastructure, and there was very little in the Budget to address that. Earlier, I mentioned the
possibility of rebalancing. In 2012, we were promised an export-led recovery, and the Government announced proudly a target of £1 trillion of exports by 2020. I am all for ambition and for stretching targets, but given the Government’s limited ability to shift the needle on economic growth for every single year of this Parliament, but there was nothing in this Budget to boost exports. The word “exports” did not even pass the Chancellor’s lips in his statement on Wednesday and it was not mentioned again this morning. Does that mean that the Government have shelved that target? Will Ministers consider providing assistance and encouragement in the form of export vouchers so that firms from Britain can invest and export?

A further way to boost productivity is by investing in skills, and the flagship skills policy of this Government is the target of 3 million apprenticeships by 2020, funded through the apprenticeships levy. Now, only 2% of larger firms will pay that, so what will happen to the other 98% of firms, as well as the detail of the levy? We were promised by the Minister for Skills in the run-up to the Budget that all would be revealed, including this new shiny model, in the Chancellor’s Budget statement, but for a Budget billed as putting the next generation first, there was precious little detail about how the apprenticeships levy—only 12 months from its start—will operate in practice. As with exports, the word “apprenticeships” was not even mentioned by the Chancellor.

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Does the hon. Gentleman agree that one of the biggest drags skillfully on productivity in our economy is at the intermediate and higher intermediate skill levels? We have had this problem for more than 30 years.

Mr Wright: The hon. Gentleman makes an important point. My point is that by trying to ramp up the quantity of apprenticeships while making a major—possibly the major—change to the institutional architecture of apprenticeship delivery, the Government risk missing their target and that, as a result, the skills policy in this country will be affected adversely.

Budgets are rarely remembered past a couple of weeks or months. This one will be remembered, but for all the wrong reasons: incompetence, callousness, clumsiness and the resignation of a Cabinet Minister. It is also concerning that it will be remembered for downgraded productivity and a failure to address it, leading to lower economic growth, relatively falling living standards, lower tax receipts and deteriorating public finances. The Budget has helped to make this country somewhat poorer.

3.7 pm

Mr Steve Baker (Wycombe) (Con): I rise to support the Budget and, in particular, to welcome the Government’s supply-side reforms. This has been a dramatic Budget, and I would be failing the Government if I did not concentrate on the areas of drama. First, on the disability reforms, the challenge before the Government is clear: to deliver a policy that we can all be proud to defend in our constituencies and in front of any objective scrutiny. I do not think we would have been able to do that if the Government had not wisely made the decisions that they have over the past few days.

When I look at page 150 of the OBR’s report, on the successive forecasts for spending on disability benefits, I can see that the Government’s envelope within which to deliver this humane disability policy is very clear. When we came to power in 2010, the Government were spending £12 billion on disability benefits, which rose to £16 billion by now, which is an increase of a third. The figure is forecast, with the reversal of the PIP measures, to reach £18 billion by 2020-21. It is clear that the Government have an envelope within which to work to ensure that we have a world-class policy that any of us can defend, even in an environment of fierce and partisan political attack.

I signed the two amendments on VAT to highlight the extent to which VAT is controlled by our membership of the European Union. Neither amendment has legislative effect. I congratulate the hon. Member for Dewsbury (Paula Sherriff) on her amendment, which, as she said, makes clear our intent to zero rate tampons and other sanitary products. Of course, both amendments are pursuant to Government policy, and this is the bitter irony of our membership of the EU. We had to have a dramatic row over VAT in the context of an EU referendum in order to secure the following commitment from the European Council:

“The European Council notes that the Commission intends to publish shortly a communication on an action plan on VAT. It welcomes the intention of the Commission to include proposals for increased flexibility for Member States with respect to reduced rates of VAT, which would provide the option to Member States of VAT zero rating for sanitary products.”

That is welcome, and it is clear that the Government’s policy and the House’s wish is that sanitary products should be zero-rated. It is welcome that the Government have secured this change of EU policy but, particularly as a participant in the campaign, I do not want us to have an EU membership referendum every time we want a different policy on our second largest tax.

Mr Kenneth Clarke: Will my hon. Friend accept that British Governments have always supported the idea of having an EU framework on VAT? Otherwise, the problem is that there is pressure on Governments to compete with each other in lowering the tax on selected products when they think that their manufacturers or producers will benefit. Also, it is very difficult to operate an open trade area if everybody is going for competitively different tax rates. If we go too far down that path, the main beneficiaries are smugglers.

Mr Baker: My right hon. and learned Friend raises some interesting points and, although I am grateful for the additional minute for my speech that he has given me, I cannot touch on all of them. He illustrates the difficulty of operating a customs union among interventionalist nation states. The old doctrines of liberalism did not require that one got rid of non-trade barriers, for the most part. There were no non-trade barriers because laissez-faire was the norm. I abridge an argument that could be made at much greater length, but at the heart of the exchange that we have just had is the difficulty
involved in interventionist nation states attempting to engage in free trade. In a world of globalisation, air travel and the internet, we need some degree of harmonisation on a global scale, provided that that enjoys democratic consent. That is probably a subject for another debate, but I am grateful to my right hon. and learned Friend for his intervention.

Until the VAT directive 2006/112/EC is changed, it will be technically unlawful under EU law for any amendment to be introduced in UK law, even if it is not applied and takes effect in the future. That is the situation that we face. It is similar to the situation concerning insulation products, on which a judgment in the European Court of Justice on 4 June 2015 ruled that

“The United Kingdom cannot apply, with respect to all housing, a reduced rate of VAT to the supply and installation of energy-saving materials, since that rate is reserved solely to transactions relating to social housing.”

That is the position in law while we are in the EU. Although I hear what my right hon. and learned Friend says, it is a fact that while we remain in the EU, we cannot control what is currently our second-biggest tax. I am grateful that we have had this opportunity to put this part of the EU membership debate on the public record and have it discussed in the media. I am particularly grateful that the Government will not be opposing either amendment. If there is a Division, I shall certainly vote for amendment (a) and I shall probably abstain on amendment (b).

Perhaps the most dramatic aspect of the Budget is a subject that I have talked about at every Budget. It is a subject that I mentioned in my maiden speech—the insane state of monetary policy all around the world. If the European Central Bank was printing €80 billion of new money every month in paper and shipping it around the continent in articulated lorries, it would already have destroyed faith in paper currency. Yet, because the process is one of buying Government and corporate bonds, we simply notice a recirculation of money and celebrate the coarse aggregate results. In 25 seconds, I cannot give a lecture on capital-based macro-economics—[HON. MEMBERS: “Oh!”] If Opposition Members would like to call a Back-Bench debate on the subject in their own time, I would be glad to give them the lesson. I welcome this Budget, but its dramatic consequences will be felt much later as a result of easy money.

3.14 pm

Rachel Reeves (Leeds West) (Lab): The Budget was a story of missed targets for the Chancellor and missed opportunities for our country and, like the Budget of 2012, it is rapidly turning into a total mess. I am pleased to see some of the U-turns, but much more is needed.

I associate myself with the remarks of my hon. Friend the Member for Hartlepool (Mr Wright), the Chair of the Business, Innovation and Skills Committee. He spoke powerfully about the importance of rebalancing our economy. That is greatly needed, especially after some of the numbers we saw in the Budget last week. As a result of the lower productivity, the lower exports and the other things my hon. Friend spoke about, economic growth has been revised down for every single year of this Parliament. A staggering £71 billion has been knocked off our tax revenues. As a result, the Government are now set to borrow an extra £38 billion over the next five years. That is why, after breaking his promise to clear the deficit in the last Parliament, the Chancellor has now broken his pledge to bring the debt down as a share of GDP in this Parliament as well.

Mr Stewart Jackson (Peterborough) (Con): Would the hon. Lady’s argument not have a lot more weight and credibility had her party—as she well knows because of her position on the Front Bench—not opposed every single one of the £83 billion-worth of welfare cuts that had to be made in the wake of the 2010 fiscal inheritance?

Rachel Reeves: I wonder whether the hon. Gentleman still thinks we should go ahead with the cuts to personal independence payments. It certainly sounds like it from those remarks.

Let me deal with the specific issues surrounding personal independence payments and the impact that this Government have had on disabled people. While the fiasco is unfolding around us, let us remember the broader points. This is a Government—the Chancellor, the Prime Minister, the former Secretary of State for Work and Pensions and the current Secretary of State for Work and Pensions—who forced through the bedroom tax, affecting 500,000 people, the majority of them disabled, by about £700 a year. This is the Government who forced through the closure of the independent living fund. This is the Government who forced through cuts to employment and support allowance only last summer, affecting 500,000 people and worth about £30 a week or £1,500 a year. The U-turn on personal independence payments, although welcome, deals with only a fraction of the damage and the pain that the Government have caused to disabled people in all our constituencies.

Let us be clear what this U-turn means. The new Secretary of State for Work and Pensions came to the Chamber yesterday and said that the Government are not going back to the welfare bill and to disabled people for further cuts. But in the course of yesterday’s statement, that was watered down a little. The Government now have “no plans” to come back to the welfare budget and disability benefits. That is reminiscent of when they had no plans to increase VAT and all the other things they had no plans to do, until they did them and until they hurt the people who least need to be hurt.

When the Chief Secretary winds up the debate this evening, I would like to hear whether there are no plans, or whether the Government can guarantee that there will be no further cuts to the welfare budget or to the benefits of disabled people. We know that there is a black hole of £4.4 billion in the public finances. If it is not the wealthy and not disabled people, who is going to pay the price? Are there going to be further cuts to education, health, defence and our police? Will there be further increases in taxes—on VAT and taxes for ordinary working people? Something has to give and we need some answers about the black hole in the Budget that we are voting on, although we do not know what it means. What does it mean for all those different groups of people?

As the Chair of the Office for Budget Responsibility told us at the Treasury Committee meeting this morning, this issue is not just that there is a £4.4 billion black hole in the social security budget, but that the Government have failed to meet their welfare cap. They are going to fail in every year of this Parliament, by a staggering
[Rachel Reeves]

£20 billion—£20 billion more on social security spending in this Parliament than the Government set out, a further black hole in their public finances. Why did they get into this mess in the first place? It is because they wanted to cut taxes for the wealthiest in society. They wanted to cut capital gains tax, increase the threshold before people started paying the 40p rate of tax, and increase the ISA limit from £15,000 to £20,000 so that we can all save the full £20,000 a year tax free. That is great for those who have the money, but most of our constituents are lucky to earn £20,000 a year, let alone put it away in savings. That is why the Government raided the social security budget yet again to give tax cuts to their friends, the wealthiest and the most privileged in our society.

Last week’s Budget could have been different. For example, the Government could have put more money into infrastructure investment. In my constituency, we are paying a heavy price for the floods on 26 December. The Chancellor said earlier that I should have welcomed the money for flood defences, but in 2011 the Government cancelled a flood defence scheme in Leeds worth £135 million. Last week, they announced £35 million for Leeds. Well, I am sorry for not thanking the Chancellor, but an offer of £35 million rather than £135 million is not really worth the thanks, and the businesses in my constituency will pay a heavy price if the rains come again.

Rachael Maskell (York Central) (Lab/Co-op): I was with the Environment Agency just last night, and it told me it will not have sufficient funds to put in place measures—particularly catchment management measures—to prevent future flooding.

Rachel Reeves: Last week, the Government announced £150 million for York, Calder Valley, Leeds and Cumbria. However, as I said, the scheme that was cancelled in Leeds was worth £135 million, and that £150 million is for flood defences, flood resilience and flood maintenance. Yet again, the Government are short-changing people who need them to step up to the mark, as our volunteers in York and Leeds and across the north of England did when the rains fell, the rivers rose and buildings—houses and businesses—were flooded.

Last week’s Budget could have been different. It could have been a different Budget for disabled people. It could have been a Budget that helped ordinary working people and the most vulnerable in our society. It could have been a Budget that put money into the northern powerhouse and the infrastructure that we need. However, it was a different Budget, because this Government have different priorities. That is why we need a Labour Government on the side of ordinary working people and the most vulnerable in our society.

3.21 pm

Mr Stewart Jackson (Peterborough) (Con): The hon. Member for Leeds West (Rachel Reeves) made a strong case, but, unfortunately, it is desperately flawed. As she knows, the fact of the matter is that, in the 13 years of the Labour Government, the gap between the richest 10% and the poorest 10% widened. During her party’s period in government, we had record numbers of children in workless households, and unemployment, including youth unemployment, rose.

Graham Evans: My hon. Friend is making a powerful point. During 13 years of Labour, many gaps were created, but particularly the north-south divide. Does he therefore welcome the Chancellor’s announcement of the High Speed 3 line from Manchester to Leeds, which will significantly cut train times—by 30 minutes?

Mr Jackson: I do. My hon. Friend is absolutely right. The fact of the matter is that this Government are taking the difficult decisions on infrastructure—on things such as nuclear power and airport capacity.

Wes Streeting: Will the hon. Gentleman give way?

Mr Jackson: I will not at the moment, but I might later.

The previous Labour Government, in very benign economic circumstances—mainly driven, of course, by debt and borrowing—failed to take those decisions. I welcome the Budget in general terms—of course, I took issue with the Chancellor’s comments about Brexit, and I think the OBR’s anodyne comments on Brexit were misrepresented. However, there were some good things in the Budget, which was not a redistributive Budget from poor to rich, but largely a redistributive-neutral Budget, as the Institute for Fiscal Studies said.

Mr MacNeil: Will the hon. Gentleman give way?

Mr Jackson: I will not at the moment.

I welcome the lifetime ISA. I welcome the tax crackdown on offshore property developers and transfer pricing. It was good to see the changes in the personal allowance, which will take many of my constituents out of tax.

Indeed, my constituency is in a very fortunate position, and I pay tribute to the Chancellor for delivering nothing short of a jobs miracle. We have seen the largest reduction in youth unemployment in the history of my seat—and probably in England as a whole—at over 70%, and there has been a more than 60% reduction in adult unemployment. We also have record numbers of apprenticeships. That is taking people out of poverty. That is the great record of this Government.

The decision to reise from the commitment on PIP was absolutely right. There is a moral, social equity issue—[HON. MEMBERS: “A U-turn.”] It is a U-turn—that was well spotted by Labour Members. However, it was absolutely right to make that decision. It was right for my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith) to point up the juxtaposition of tax reductions for well-off people and the change in PIP. However, it ill behoves Labour Members to lecture the Government, when they voted against every welfare change in the last Parliament. What would they have done, and what would they do now? It is incumbent on the Opposition to come through with a coherent, comprehensive alternative on fiscal policy, public expenditure and tax.

Let me raise two issues that have caused me some concern with the Budget. The problem the Government have encountered, which we have discussed over the last few days, has given rise to a proper debate about intergenerational fairness. We need to look again at pensioner benefits. We cannot discuss welfare without looking at things such as the triple lock and pensioners
benefits. I rarely agree with my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke), but he is absolutely right that we cannot see these things in a vacuum, that it is important that we look again at means-testing and pensioner benefits. It is morally wrong to make large transfers of wealth from the young to the old. There has to be a consensus on this issue.

One suggestion I would make is that, if we are going to means-test pensioner benefits, we should perhaps look at that to the most acute societal issue we have at the moment, which is adult social care. We should have co-ordination and integration between acute district hospitals and the provision of care and housing for older people. I think there are older pensioners who would understand that, and it is something the Treasury needs to go forward with and look at very seriously.

The second concern is that, as we speak, Cambridgeshire County Council—it is not my local authority, because Peterborough City Council is a unitary authority—is looking at the devolution plans for East Anglia. At the moment, those do not stack up. We have not had enough information—in some senses, I am reprising the comments of my hon. Friend the Member for North West Norfolk (Sir Henry Bellingham) yesterday—and we need more. The proposal has been rushed to get it in the Budget statement. It needs to be finessed. We need to carry businesses with us. Neither local enterprise partnership agrees with it. The majority of councils are, at best, ambivalent, and that includes Cambridge City Council, which has rejected it. We need to look at this proposal again.

Mr Anderson: Will the hon. Gentleman give way?

Mr Jackson: I will not at the moment.

It may be that there are synergies between Lowestoft and Peterborough, or between Norwich and Ipswich, but I have yet to see them. Let us have more information about funding, governance, infrastructure spending, the role of an executive mayor and what will happen to the existing local government structure. I am not against this in principle, but we cannot promise £30 billion of spending over the next 30 years without more facts. We need to see those, and that is the challenge I give to the Chancellor.

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3.28 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab): We learned many things from last week’s Budget, and we have learned perhaps even more from the fallout since. However, the overriding message we seem to be getting is that, six years into his job, the Chancellor cannot keep a promise and does not seem to learn from his past shambolic Budget mistakes. He promised to balance the books by last year, to get debt falling as a percentage of GDP each year and to keep welfare spending within his welfare cap, but on virtually all of his own fiscal targets, as the independent Office for Budget Responsibility confirmed last week, he has failed to deliver.

Of course, this Government’s shortcomings go much further than the Chancellor’s own meaningless targets. A mere six months ago, the Prime Minister told his party conference that he would govern according to “one nation, modern, compassionate” Conservatism. This is the same Prime Minister who last week cheered on a Budget that cut capital gains tax, raised the threshold for the 40p rate, further cut corporation tax, and would see the poorest losing about £1,500 a year in the next few years while some of the richest gain £200. To top it off, the Chancellor pledged to slash disability benefits by up to £1.3 billion a year, which the OBR estimated would lead to some 370,000 disabled people losing an average of £3,500 a year.

Robert Jenrick: I want to give some context on the important point about capital gains tax that is being made by the Opposition. Jim Callaghan created capital gains tax when he was Chancellor in 1965, but it has always been lower under Labour Chancellors than under Conservative Chancellors. Even after this change, capital gains tax will be 2% higher under this Chancellor than it was under Alistair Darling, and indeed Gordon Brown in the previous Labour Government.

Catherine McKinnell: I do not understand the hon. Gentleman’s point. He is digressing on details of capital gains tax when the point I am clearly making is about the context in which the cut has been made, where the burden of this Budget very much falls on the poorest and the most vulnerable in our society. If that is compassionate Conservatism, bring the nasty party back!

I am pleased and relieved that the Government have backed down on this issue within less than a week. However, I am angry that those people who rely on the personal independence payment, including 1,100 people in Newcastle upon Tyne North, have endured days and weeks of huge anxiety about how they would cope if this level of support was cut. It is unforgivable. I remain equally concerned about how the existing reforms to PIP are quite clearly failing disabled people. Constituents continue to get in touch with me following my recent question to the Prime Minister because they have been told that they are no longer eligible for a Motability vehicle despite its clearly being the only means by which they can leave the house, or indeed get to work. The new PIP assessment is fundamentally flawed. I strongly urge the Work and Pensions Secretary and the Chief Secretary to the Treasury to revisit this issue with fresh eyes and look at reforming the current PIP changes before they embark on any further welfare reform.

Despite the Chancellor’s so-called “revolution in the way we govern England”, with the pledge last May to give local areas greater control over local transport, housing, skills and healthcare, it appears that he does not place the same faith in local communities when it comes to our schools. Last week’s Budget confirmed that, far from handing control to local communities, the Government are about to embark on the greatest ever centralisation of our schools system, which will see an end to the role, now a century old, of democratically accountable local authorities as the stewards of our children’s education. My Front-Bench colleagues have already highlighted the glaring black hole in the finances of this plan—£560 million—which raises questions about the extent to which the schools budget will be raided to make up the shortfall.

Mr Jim Cunningham (Coventry South) (Lab): My hon. Friend mentions the schools budget. I do not know whether she is aware that in Coventry one or two
academies are already in serious trouble because of falling numbers as a result of certain changes in the education budgets.

Catherine McKinnell: I appreciate my hon. Friend’s point. It is not just local academies that are in trouble—there are some much bigger and more serious questions that we need to raise. First, why are the Government doing this? There is no proof whatsoever that academies per se raise educational standards. It is a distraction that schools now need to focus on this rather than on their educational attainment. Secondly, how will the Government enable the local political leadership to drive up standards and work together, as happened so effectively with the London Challenge, if the power and decision making is so centralised in Whitehall?

Is the Department for Education even fit for purpose to deal with over 20,000 schools across the country—about 3,400 secondaries and almost 17,000 primaries? There are signs that it is already struggling with its current workload of 4,000 schools. As the Education Committee, of which I am a member, recently uncovered, the Department could not even deliver its annual accounts to Parliament in time and required a statutory extension, and there remains doubt as to when it will ever be able to present them. This mass rush to conversion will only add to the current mess. We need only look at the fiasco of the free schools application process, where there is no clear rhyme or reason to the Department’s decisions to authorise new schools.

We see a Department in disarray. Of particular concern for my constituents is how the forced academisation process will fit alongside the large-scale programme of house building that is planned for our area. As a result of the coalition’s national planning policy framework, some 21,000 new homes are expected to be built in Newcastle by 2030, a large proportion of which will be in my constituency. That will require new school capacity, but who will be the guiding mind that will match and create that new school capacity in an area that will be controlled by Whitehall? Newcastle City Council already finds itself in the impossible position of being unable to establish new community schools to cope with existing demand. How on earth will it be able to deliver the right school places across Newcastle upon Tyne North when every school is accountable to the Secretary of State?

Finally, in addition to the fact that apprenticeships were not mentioned in the Chancellor’s Budget even though we were promised that they would be, another glaring omission was the lack of any announcement about how the Government intend to protect our regional airports from the impact of devolving air passenger duty to Scotland. That is crucial to Newcastle airport, which supports 12,000 jobs in the region, and through which £300 million of goods are exported every year. All talk of a northern powerhouse will be completely undermined if the Chancellor fails to deal with the issue urgently.

3.35 pm

Chloe Smith (Norwich North) (Con): It is a pleasure to follow the hon. Member for Newcastle upon Tyne North (Catherine McKinnell). This Budget, like my right hon. Friend the Chancellor’s previous Budgets, helps to create jobs. That is the right thing to do, which is why I continue to support the strategy of lowering business taxes to encourage growth. The corporation tax cut will benefit 1 million companies in Britain, and the business rates measure will help 600,000 small businesses. Cutting capital gains tax, as my hon. Friend the Member for Newark (Robert Jenrick) has carefully laid out, will help to boost enterprise. Reforming stamp duty and abolishing national insurance contributions will help the smallest businesses of all.

The Government have my wholehearted support in putting the next generation first. Our philosophy in the Conservative party is that debt is the most unethical thing of all to leave to the next generation, and I am proud that we continue to pay down the country’s debts; to reduce spending that cannot possibly have the consent of those who are yet to come; and to steer towards a surplus, which will put the public finances in the strongest position for today’s youngest.

Making it feasible for young people to buy a home or to save in a pension is crucial to intergenerational fairness, which is why I think that the lifetime ISA in this Budget is a positive thing. It should be seen alongside all the other measures that are already helping people in every corner of this country to get their first home. Ultimately, building homes is the most important way to provide homes at a price that can be afforded, and I urge the Chancellor and Housing Ministers to continue to build.

Mr Anderson: With the average pay for somebody on a zero-hours contract at £189 a week, how does the hon. Lady expect them to save in an ISA or buy a house?

Chloe Smith: I make two points to the hon. Gentleman. First, the percentage of people on zero-hours contracts remains about 2.5% of all who are in work. Secondly, as he will know from the small print of the Budget, for every £4 that somebody saves, the Chancellor will put in £1. That means that at the rate that the hon. Gentleman cites, for example, it is possible to consider taking up a savings product.

It is vital that those who come out of education and skills training have every possible opportunity, which is why the Budget is right to keep up job creation and investment in infrastructure. It is also crucial that we try to represent the values of the next generation. Generation Y—my own generation—and those coming after us value enterprise. Many will set up their own businesses, and many will work in a totally different pattern over their lifetime, so the Budget is smart to turn attention to the growing army of the self-employed. Many of the smallest businesses of all will welcome a drop in their NIC burden.

Richard Fuller (Bedford) (Con): Will my hon. Friend use this opportunity to congratulate the Government on the start-up loans scheme, which has done so much to help young people to go into business and fulfil their entrepreneurial objectives?

Chloe Smith: I certainly will, and I welcome my hon. Friend’s reminder of that. I am sure he will agree with me on my next point, which is that we should also prize the ethical approach to business of many of those entrepreneurs. We should welcome the measures in the
Budget that begin to make sense of taxing multinationals in the 21st century. The Government have my full support in ensuring that our tax system demands and gets a fair contribution from companies large and small, domestic and global.

Let me turn to the welfare measures in the Budget. As is well documented, Generation Y has a sceptical approach to the welfare state, and support for the welfare state has steadily declined by generation. We should therefore remind ourselves of the basic principles of what welfare is for. It is a safety net for when we are unable to look after ourselves, perhaps because of sickness, old age or disability. It is a safety net that we will all need in one way or another, so we all have a responsibility to maintain it. Because we are going to live longer on average than previous generations, we need to make sure it is affordable for the future. We also, of course, expect the richest to pay most. In summary, we need a sensible method of working out who needs most support and how to get it to them.

I did not support the measures announced in the Budget seeking to reduce support for the disabled through PIP. The manifesto on which I and my hon. Friends stood at the last election made it clear that we would spend less on welfare, but that we would do so by protecting the most vulnerable. I have supported the Government’s welfare reforms since 2010, principally because they put work first. Universal credit puts work first, as does the most recent reform of the rate for those who are on employment and support allowance and can work. In the 21st century, we should not write off people from work and independence; the policy of spending more on helping people to work despite a disability or a health condition is right.

In some cases, our welfare reforms have been about injustice in other ways, such as in relation to the removal of the spare room subsidy. For example, the pay to stay policy in our current Housing and Planning Bill will relieve taxpayers of subsidising the housing of those who may well earn more than they do, such as, dare I say it, the leader of Norwich City Council. These reforms are about fairness for taxpayers who foot the bill for a benefit they themselves could not expect to enjoy.

I am in the Chamber today to speak up for many constituents who simply want us to use limited resources to provide properly for those who need support. I helped constituents to record their concerns during the consultation on aids and appliances, and I am very pleased that my right hon. Friend the new Secretary of State for Work and Pensions has stopped that measure. We should protect the disabled and make savings elsewhere.

Our manifesto clearly pledged us to back pensioners. At some point in the future, however, we will have to look again at universal benefits. As I have said, the welfare state is a safety net, which means that pensioners need a decent income. That is why I wholeheartedly support the triple lock. But it does not necessarily mean that the most well-off pensioners need benefits as well, as my hon. Friend the Member for Peterborough (Mr Jackson) and my right hon. and learned Friend the Member for Rushcliffe (Mr Clarke) have already argued. When others are more in need—and, indeed, when there must be a balance with other generations—is it right to maintain such policies?

A Mrs Brown recently wrote to the Norwich Evening News letters page:“Excuse me, but as a baby boomer I was...brought up in post-war abject poverty. We got an apple or orange for Christmas...I worked for everything I have. We never had credit and only had anything we could pay for or we went without.”

She is of course right. I deeply respect her and all my constituents, from any generation, who have worked hard and done the right thing. I am making an argument for fairness in the future, for helping those who most need it and for balance between the generations.

3.43 pm

Susan Elan Jones (Clwyd South) (Lab): It is a pleasure to follow other speakers in this Budget debate.

There is not a single Member of the House who has not received scores of letters in the past couple of weeks from people deeply concerned by what the Budget proposed on personal independence payments. Let me give the House just one example from my constituency. A woman living in a rural area, about 15 miles from the nearest railway station, was about to lose her Motability vehicle, which she uses to get to work, and she has a pretty severe disability.

I think it is abhorrent and extraordinary that the changes—we welcome them, whether they be resiled from, U-turned or whatever—have come about because of the internal workings of the Tory party, not because of the requirements of people in the most need and those of disabled people across our country. There is no morality in the way that decision was made, and the Government should hang their head in shame for all that has happened in the past few days.

On infrastructure, others have noticed—indeed, my hon. Friend the Member for Leeds West (Rachel Reeves) wrote an article about it—that according to latest figures from the National Infrastructure Pipeline, which monitors public and private sector projects of more than £50 million, only 114 of 565 major projects are under construction. In 2013 The Economist published an article entitled “Let’s try to catch up with Mali”, which noted that OECD figures showed how low Britain ranks for infrastructure investment, including for rail, roads, airports and energy.

The Government now claim, as the Chancellor said, to be opening the door for growth in north Wales, but it is difficult to open a door to anything if people cannot get there. All the rhetoric about a northern powerhouse matters precious little if we do not deal with things such as tackling accident blackspots and single-track highways on both sides of the A483 and A5, or if we do not make it quicker and safer to travel on both sides of the border. We must also start speeding away with HS2 to Crewe, which will transform the economies of north and mid-Wales, and we need more direct trains to London on the Wrexham to Shrewsbury line to take the pressure off the Chester line and give us better connectivity. We should sort out a proper north Wales train infrastructure to Manchester and Liverpool airports, and we should consider what should be happening with 4G. I was intrigued to see astronaut Tim Peake out in space wishing us all a happy St David’s day, because he would not have managed to do that if he had been on a mobile phone in Llandrillo.

The hon. Member for Norwich North (Chloe Smith) spoke about an ethical dimension for corporate taxation, but one issue that the Government did not consider in the Budget—although they needed to—is the insidious
closure of banks across our country. In Wales, 130 bank branches have closed or will close over five years. That is simply unacceptable, and those banks that close their branches are not paying anything back to wider society.

My final point is about measures on philanthropy or rather the lack of them in the Budget. Gordon Brown introduced millennium gift aid in a previous Budget, and if the right hon. and learned Member for Rushcliffe (Mr Clarke) were here now, he would say how either he or John Major introduced the initial gift aid proposals in 1990. There was no mention of anything to do with philanthropy in this Budget, however, and it is time to consider that issue in greater detail. That might involve the implementation of a gift aid package for text donations, or another look at corporate philanthropy—those are just some of the measures that I am trying to fit into a five-minute speech on a mixed Budget.

Finally, in my last few seconds, I welcome what the Chancellor said about EU membership. There are three MPs in Denbighshire. I might be the only one who welcomes the stay-in vote, but I do.

3.48 pm

**Rishi Sunak (Richmond (Yorks)) (Con):** I am grateful for the opportunity to support this one nation, responsible and pro-enterprise Budget. Tucked among the beautiful Yorkshire dales in my constituency is a thriving community that is built on the jobs provided by our small and medium-sized businesses—businesses such as the Wensleydale Creamery, whose cheese has taken a slice of Yorkshire to kitchen tables around the globe, or Tennants Auctioneers, a fourth-generation family business that is now one of the UK’s largest private auction houses.

Before I arrived in this place, I spent my career investing around the world in companies such as those, and providing the capital to help them grow. I am delighted that this Budget recognises what my own experience has taught me: for growing SMEs, there are few more important ingredients for success than solid access to finance. Indeed, there are few more important ingredients for our nation’s success than growing SMEs. Small and medium-sized businesses account for more than half of private sector employment. They are responsible for three quarters of the jobs created since the recession. They are also delivering social justice—the unemployed are six times more likely to find work with a smaller company.

Those companies need the fuel of deep capital markets to power their growth, but despite improvements, it is still not always easy for SMEs to get the funding they need. The challenges they face fall into two distinct categories: debt and equity. For debt finance, companies can go either to banks or to the corporate bond market, but our bond markets are underdeveloped. Europe’s economy is the same size as that of the United States, yet its bond market is only a third as big, which means that our companies are too reliant on banks for their debt needs. Indeed, they are four times more reliant on banks than their American counterparts. At a time when banks are rightly deleveraging, the reality for British companies is that far too many loan applications go without success.

There are also problems for companies wishing to access equity finance. Although we are a European leader, the UK’s venture capital market still has room to grow. Adjusted for GDP, the US’s VC market is seven times the size of the UK’s. We also lag behind Sweden, South Africa, Ireland and Israel. That matters because equity is the kind of capital that SMEs need to grow beyond their early stages. Thanks in part to the policies of this Chancellor, our nation has become one of the world’s start-up capitals, but we must now focus our energy on growing those start-ups, for just 3% of British companies manage to expand beyond 10 employees, which is half the success rate of companies in the United States.

The Government have consistently shown that they understand those challenges, which is why they created the seed enterprise investment scheme, which has helped more than 3,000 companies to raise early-stage finance; why they launched the funding for lending programme to ease credit for SMEs; and why they fund the British Business Bank to power our growing companies.

**Neil Parish (Tiverton and Honiton) (Con):** I agree wholeheartedly with my hon. Friend. Getting enough capital, and venture capital in particular, and allowing small businesses to grow, especially those that traditional banking systems do not necessarily support, is key to stimulating more growth in our economy. I very much welcome his comments.

**Rishi Sunak:** I am grateful to my colleague, the Chair of the Select Committee on Environment, Food and Rural Affairs, for those comments. I will go on to some of those points in due course.

I am delighted that the Budget goes even further to encourage investment in our businesses and our job creators. I am confident that reducing capital gains tax rates together with a brand-new 10% rate for long-term investments in private businesses will unlock millions in much needed funding. From speaking with investors this past week, it is clear that those policies have cut through and generated a fresh wave of enthusiasm for investing in British companies. On debt, I welcome the Budget’s further help for businesses rejected by traditional banks, which will now more easily be able to access alternative providers of finance.

Whether it is cheesemakers in the Yorkshire dales or FinTech companies in Old Street, the Chancellor has always backed the aspirations of Britain’s growing companies. By continuing to close the tax loopholes that Labour left open, the Budget has another message: Britain is becoming not only the best place to do business, but the fairest place to do business. This is a Budget for the little guy, for a new generation of British ideas, and for a country where the rules do not bend for big balance sheets. It is a responsible, one nation, pro-enterprise Budget that will get our companies the vital funding they need to unleash their potential, and I commend it wholeheartedly to the House.

3.54 pm

**Karin Smyth (Bristol South) (Lab):** I want to focus on apprenticeships and the levy, which is key to opportunities for young people in Bristol South. I support the 3 million target by 2020. It is an ambitious target but we should be ambitious for our young people.
In many ways, Bristol is a booming city, with the highest household income outside London and easily the highest productivity of any big conurbation outside the capital, but apprenticeships are important in Bristol South because, as UCAS tells us, it sends fewer of its young people into higher education than any other constituency. Other opportunities are a lifeline to Bristol South’s young people. Apprenticeships and training are the route to a better future for so many people living in our communities. Although Bristol South is not home to a huge number of large companies, very many small and medium-sized enterprises are based there, owned by and employing local residents. I may disagree with the hon. Member for Richmond (Yorkshire) (Rishi Sunak), but I am glad he mentioned SMEs. I am particularly interested in the role that they are going to play in the delivery plan for apprenticeships and how the levy is going to work for them.

Last week, three important interventions emerged and caused me concern. First, the co-chair of the Government’s delivery board confirmed that SMEs will not be in the levy system when it launches, and that only firms paying the levy will have access to the new funding system from April 2017. Secondly, at the FE Week annual apprenticeship conference, we heard from the former Business Secretary about concerns that the levy may in fact be a revenue-raising measure, rather than a genuine one. Thirdly, we saw comments from the Social Mobility and Child Poverty Commission, which was concerned that the number of young apprentices has flatlined since 2010 and that many of these apprenticeships do not offer people a foundation they can build on.

I would like the Government to guarantee that every penny of the £3 billion this levy is expected to raise will be invested back into improving training and apprenticeships; that SMEs will have their fair share; and that the special and unique opportunities and challenges that SMEs bring to the apprenticeship table will be fully taken into account. How will young people, business, colleges and other training providers in Bristol South be able to access these opportunities? What guarantee can the Government give that my constituency will receive its share?

The Government plan for apprenticeships seems very much at the drawing board stage, so I am inviting firms in my constituency to help. I have issued an open call to SMEs in Bristol South to set out their ambitions for the shape of apprenticeship schemes over the next decade. I am sure the Government agree that the reaction and responses of employers to the levy will make or break the target. Will the Government therefore please accelerate the publication of the action plan, showing how the target will be met, how the levy will work and other fine details of the grand plan, so that I and others can work in Bristol South, alongside employers, colleges and other training providers, to promote and encourage full engagement?

An additional key consideration is the number of Bristol South residents who are not yet ready to take up an apprenticeship, so the detail of the Government’s plans for pre-apprenticeship training is of interest. It is essential we ensure that Bristol residents are not blocked from accessing these valuable opportunities because of a lack of existing skills.

I also have concerns about the realism of the 3 million target by 2020. Do the Government agree that there is a genuine danger that an apparently arbitrary target will risk a dangerous trade-off between quantity and quality? I heard of a call to my constituency office this week about a young person in Bristol South who was on an apprenticeship and was being asked to work from 7 am to 7 pm, with very poor support. That highlights the importance, in driving towards the 3 million target, of not ignoring the quality of that experience and support offered to young people. I also fear that post-19 loans will deter people from accessing training for the skills that employers need, which would have a negative effect on my constituency, so I look forward to reassurances on that from the Minister.

Earlier today, the Chancellor said to a Conservative Member—“I hope he extends this to others—that where constituency MPs raise the issue of vital services for their constituency, this Government are listening.

In concluding, let me say that for me this is not a party political issue; I make my points in the spirit of co-operation and what is best for the people of Bristol South, who have sent me here to represent their interests. This is key to their ambition and aspiration.
Richard Fuller: It is bizarre for the Government to attack one of the sectors of British industry that has done the most to innovate and bring in new products, while ignoring other parts of the industry that have not made the same changes. As my hon. Friend rightly says, the core of the issue is the impact on obesity. Office for National Statistics figures show that obesity among adults doubled between 1993 and 2013. The proportion of obese children in 2013 was 9.5%, which was higher than in 2012, but lower than in 2006-07. The products being targeted originate from way before the current obesity issue. Irn-Bru, which is often described as the national drink of Scotland, was introduced in 1901. Robinsons Barley Water was introduced in 1935, and Coca-Cola in 1886.

The Government are ignoring the advice of Public Health England which, in its October 2015 report, said that it is not possible to compare the impact of price increases achieved by, for example, the introduction of a tax on sugar sweetened drinks, with other factors, such as the demonstrated effects of marketing on children or the impact of in-store promotions on purchasing habits. Nevertheless, the general tone of the available evidence is that restrictions on marketing and promotions may be more effective than fiscal measures.

Neil Parish: Does my hon. Friend not think that it would be better for the Government to work with the companies to reduce the amount of sugar in their drinks, rather than bringing in any form of tax? In the end, all we will do is to make it more expensive for poorer people to buy these drinks. That will not necessarily stop them drinking them, whereas if the amount of sugar in them could be reduced, that might have a greater effect on their diet.

Richard Fuller: My hon. Friend, the Chair of the Environment, Food and Rural Affairs Committee, speaks with enormous sense and knowledge. He is, of course, absolutely right. It is much better to engage the industry with enormous sense and knowledge. He is, of course, the best judge of the impact of the levy.

Richard Fuller: It could not be more delightful to have given way to the hon. Lady, because she is quite right. The sugar tax is a passion of TV chef Mr Jamie Oliver, who is just the latest in a line of celebrities—think of people such as Mr Russell Brand and Mr Benedict Cumberbatch—to use their position to influence public policy. To quote The Independent, the "chief beneficiaries of star-studded attempts to raise the profile of a good cause are the celebrity themselves".

Can we have a new levy on policy pronouncements by well-heeled celebrities who sprinkle their fame to dazzle Ministers into ill-thought-through changes? The levy could pay for the unintended consequences for the public of their brief, highly jaundiced opinions. Emma Thompson’s pronouncements alone should secure the defence budget.

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by over £300 billion, as was touched on by the hon. Member for Hartlepool (Mr Wright), who is no longer in the Chamber.

On business investment, which was mentioned by my hon. Friend the Member for East Lothian (George Kerevan) and it is his hon. Member for Hartlepool (Mr. Wright), there is more bad news with regard to productivity, and research and development. Page 12 of the OBR’s “Economic and fiscal outlook” states that business investment will grow by only 2.6% this year, which is substantially less than the 7.4% predicted just three months ago in the autumn statement. Furthermore, the level of investment in 2019 is predicted to be a staggering 10% lower than predicted in December. So far, not so good.

I move now to an area of concern to me. Page 27 of the Red Book states that the Government expect to raise £25 billion from the sale of the Royal Bank of Scotland. Given several factors, however, including the current price of oil, I fear that this price might be exaggerated. In focusing on this issue, which I have grave concerns about, I would point out that between 2011 and 2014, RBS arranged £14.3 billion in leveraged loans to the oil and gas industry. In fact, RBS has been a leader in UK banks in arranging these high-risk loans. The falling price of oil has resulted in an increase in the default rates of these loans, however, and many of them have been repackaged into derivatives for sale to investors in the form of collateralised loan obligations—a derivative product starkly similar to the collateralised debt obligations that contributed to the 2007-08 financial crisis. How many of these risky loans RBS still has on its books remains uncertain, hence my concern for that particular £25 billion.

Let me take a minute to highlight what I view as a failure on the part of the Government to address the systemic risk inherent in the financial system and the wider economy in relation to the price of oil and leveraged investment. Alongside RBS, a number of US lenders with a large and active presence in UK markets have a high exposure on energy, due to leveraged lending in the oil and gas sector. For example, JP Morgan currently has £13.8 billion in outstanding debt relating to loans out of the roughly £100 billion in leveraged loans it issued to the oil and gas sector between 2011 and 2014. Wells Fargo arranged $98 billion in leveraged loans to the sector in that same time period, many of which are non-investment grade, and £17.4 billion of which is already outstanding. Alarm bells should be ringing somewhere.

On 15 December 2014, when the price of Brent was at $60 a barrel, the Financial Times predicted that if the price of oil were to continue to fall, “there is a stark parallel with the US property market collapse that heralded the start of the 2008 global financial crisis—and upset banks along the way.”

Yet the systemic risk inherent to the financial system due to these high-yield loans and the “slice and dice” nature of derivative products relating to these loans that have been sold to investors were not even mentioned in the most recent Bank of England stress test result.

Finally, in the years since the 2007-08 financial maelstrom and ensuing recession, the Tory Government have demonstrated their expectation that the most vulnerable in society should pay the price for the mistakes of the financial institutions. In 2011, the Bureau of Investigative Journalism found that over 50% of Conservative funding came from the City. We know whose interests the Conservatives have at heart. The Budget clearly highlights the fact that this attitude has not changed, as evidenced in the £3.5 billion of new cuts that it introduces. This Budget is not good enough, and if the Chancellor really wants to be head boy, he should heed his report card, which should read “Must do better”.

Richard Drax (South Dorset) (Con): Let me first condemn the outrage in Brussels today and those who perpetrated it. My sympathies and prayers go out to all the victims and their loved ones.

While some highly respected colleagues are sitting on the Treasury Bench, may I put in a plug for the armed police in Dorset and around the country, and not least in our capital, to receive more money for training? As a former soldier, I know full well the complications of storming buildings and dealing with civilians who are fleeing from bombs, as they were doing in the departure lounge this morning, as well as about the chaos, the blood, the gore, the mess and the noise. To go into a building that has been attacked, armed police need an incredibly high degree of training, otherwise even more problems could be caused.

Richard Fuller: Does my hon. Friend recall the Prime Minister saying after the events in Bataclan that he would support continued funding for the police and particularly for our armed police?

Richard Drax: I do, and I welcome the Prime Minister’s comments. I am simply expanding on the need for highly specialist training. All kinds of things—images that can change during an attack and different lights—are needed in what will be a highly strategic attack. Our armed police would not be able to stay outside and wait for the Special Air Service to come; they would have to get into the building and save lives, as I am sure they would. I do not doubt for one second their courage or dedication. I am requesting that the Treasury and the Prime Minister look carefully at the moneys available to train our armed police to deal with assaults such as what we saw this morning which, sadly and tragically, are becoming more common.

Speaking of the military, may I congratulate my right hon. Friend the Chancellor on resorting to military tactics? It is always said that attack is the best form of defence, and my right hon. Friend’s robust performance in the House today was a very good example of that.

I welcome much of what is in the Budget. I welcome the raising of the tax-free personal allowance, the increase of the higher-rate threshold to £45,000, the freezing of fuel, beer and cider duties, and the expanding of the savings culture. The Chancellor also reduced corporation tax and cut taxes for small businesses, and I want to direct my remarks about those measures to Opposition Members. We heard the shadow Chancellor say that they constituted a tax cut for the rich. May I remind the Opposition that such businesses are the engine room of our country? Many people risk their homes to invest in businesses and struggle for years to make a profit. They then pay for all the people whom we are trying to get into work, while also taking vast risks in making all the goods that we need for the economy to run, and generating the money that we need to spend on, for instance, schools and hospitals.
[Richard Drax]

The more money those business people keep, the more they can reinvest in their companies. It is not a matter of people jetting off in their 747s. I have visited many businesses, and I am sure that Opposition Members have done the same in their constituencies. I know that small engineering companies are now having to buy equipment that is worth £600,000, £700,000 or £800,000, and that profits are minimal. We need to help such companies for the sake of the future of our country, and the future of those whom we want to get back into work.

I agree entirely with my hon. Friend the Member for Bedford (Richard Fuller) about the sugar tax. I, too, have doubts about it, and I hope that Ministers will think again. I am also concerned about the effects of raising the business rates threshold for small businesses and exempting some businesses altogether. I am sure that someone will correct me if I am wrong, but I understand that more and more local authorities, particularly rural authorities like mine, will rely increasingly on business rates, because central Government funding will be reduced to zero. If that is the case, and if businesses are to be exempted from business rates—which I absolutely applaud; do not get me wrong—where will the money come from for small rural councils such as mine? I should be grateful if the Minister could answer that question when he sums up the debate.

Let me now say something about the personal independence payment, and all that has happened in that connection. Like others, I have huge praise for my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith). Having been the leader of our party, a lesser man would have gone out and stayed there, but not this man; he went out and did all that he could to do, and has done, for the poorest in our society. He has dedicated so much of his life to that, and I commend him for it.

I want to draw attention to an aspect of the PIP that greatly concerns me. Many constituents come to my surgeries and say that they have been assessed unfairly or lazily—whatever it may be. It is a tick-box culture, and I have never liked the ticking of boxes. In some instances, support has been withdrawn from my constituents while their cases are assessed, although many of them have had doctors’ certificates explaining why they need the money. May I strongly urge the Government to look closely at the assessing system? We need occupational therapists, family members and doctors to contribute to assessments. It is true that that would probably be more expensive, but at least we would get the assessments right, rather than causing huge distress to those who are least able to deal with it by taking away what support they have, and then giving it back to them X months later when a Member of Parliament has become involved.

Finally, let me point out that virtually every departmental budget is now ring-fenced. Which areas can we stop ring-fencing? There must be savings to be made, not least in overseas aid, which I am sure could be spent and targeted in a far better way.

4.18 pm

Stella Creasy (Walthamstow) (Lab/Co-op): Let me begin by associating myself with the comments made by the hon. Member for South Dorset (Richard Drax) about the dreadful situation in Brussels.

This debate has seemed to be more about astronomy than about the Budget, because we have all been talking about black holes. However, there is a clear analogy to be drawn. It will be remembered how Stephen Hawking famously described what he called the “black hole paradox”: the idea that information could simply disappear into a black hole, never to be restored, although all matter contained information that was to be held in perpetuity. What a perfect analogy that is, given that, at this point, we simply have no information about how the Budget will stack up. Our colleagues in local government would rightly be horrified.

Where can we find information about the impact of the Budget? We can find it in our constituencies, and obtain it from the people whom we represent. In the time that I have been granted, I shall offer three areas of information on which we can judge the Chancellor’s work. The first is personal debt; the second is savings; and the third is productivity. Those are three areas in which this Budget signal fails the British people.

It is no accident that personal household debt in this country is going up and up. “Unprecedented” is the term that the Office for Budget Responsibility has used to describe the impact of the Chancellor’s plans on our constituents. Unsecured personal debt is set to reach 3% of GDP and to stay at that level. This is a black hole into which the Chancellor is asking the public to pour their own money to pay for his mistakes. Just how bad is the situation? The Bank of England tells us that people are now borrowing £1 billion a month in this country. In January alone, people put £500 million on their credit cards, and Aviva tells us that the average family debt is now £13,000, up £4,000 from last summer’s level.

Those on the Conservative Benches who are casual about credit miss the point. Not everyone is paying the same level of interest. Some are being charged excessive amounts for the debts that they are getting into to pay for the Chancellor’s mistakes. The hon. Member for South Dorset talked about people putting their houses up to fund their businesses, but many in our communities have long given up on the dream of home ownership as a result of the debt that they are now in. Wages have risen by just 4% in the last few years, but house prices have gone up by 76%. We know that every single penny matters. That is why it is such a problem that people face these levels of debt. This Chancellor is banking on the British habit of borrowing, but that is like putting Wayne Rooney in charge of a stock-take in a Nike shop.

This is not just about people’s borrowing habits. The fact is that we are now a nation that cannot save either. We are saving just 4% of our disposable income, which is half as much as we were saving four years ago. That is the lowest level of personal saving since 1963. Help to Save will do little for the 26 million people in our country who do not even have access to £1,000 for an emergency. On this Government’s watch, they have no rainy day money. Lifetime ISAs are out of reach for those people who have too much month at the end of their money.

We are seeing a situation of rising personal debt, and low or no savings, in which wages are now stalling. This has an impact on our public finances, because it leads to lower tax receipts. They are down £44 billion on the projections made in 2011. That is why we on this side of the House are angry when we see that those who will do well out of the Budget are those who can well afford
to pay. We know that 80% of the gains from the Budget will go to those in the top half of the income distribution, and that half of that amount will go to the top 20%. Meanwhile, debt is locking our people out of opportunities.

George Kerevan: Is the hon. Lady aware that the very act of running a budget surplus—that is, putting more in than we take out—forces the public accounts into a situation in which private borrowing increases?

Stella Creasy: The hon. Gentleman might not know of my long-held concerns about the way in which this Government are managing the public finances. We do not have time today to talk about PFI debt, or about PF2, which is going to lead to even more problems.

We on this side of the House get the fact that we need to get the deficit down, because every single penny that we pay in interest, and every single penny that we use to pay for the mistakes in this Government’s borrowing, is money that could be invested in our people. It could be invested in the public services that our communities need in order to succeed. That is the point about this Budget. It is not just about the damage that it is doing to people today, or about the debts and destitution that they face now. It is about the narrowing of their horizons tomorrow, too.

We can see the Government signal failing to deal with the productivity gap Britain faces, and the 18% difference between ourselves and our competitors. They are failing to invest in our young people. By the end of this Parliament, China intends to produce 195 million graduates. Not just China is investing in its people; Brazil, Russia and Argentina are as well. Our children will have to compete with graduates from those countries, but our Government are offering them nothing in that regard. We can see the consequences for them in the productivity gap. And when the Government are forcing every school to become an academy, we can see that they are rejecting their own responsibility.

How very different this is from when we sat here a year ago and listened to the Chancellor claim that he was fixing the roof and that Britain would be able to walk tall again. He is a bit like one of those builders we see on the “Watchdog” programme. I would encourage the British people to go to their trading standards officer about him, but the Government have cut that service too. They are left with only one alternative, to look to an alternative party of government—the Labour party—to offer a genuine investment in the future of our young people and a genuine recognition of why fiscal responsibility matters. This is a black hole that is sucking everything out of this country—including, hopefully, the Chancellor’s career.

4.24 pm

Bob Blackman (Harrow East) (Con): It is a pleasure and an honour to follow the hon. Member for Walthamstow (Stella Creasy). As a graduate in physics and maths from the University of Liverpool, I both congratulate and condemn her on managing to get both Stephen Hawking and Wayne Rooney into the same speech.

I want to send my condolences to the families of the victims in Brussels. I was in Brussels shortly after the Paris attacks and the degree of security being implemented demonstrated that the authorities were already on high alert. It is clearly a devastating tragedy.

The events of the past few days seem to have over-shadowed a remarkably good Budget from the Chancellor. Reducing business taxes to promote growth to enable people to have the dignity of earning a living, rather than a life on benefits, should be applauded on both sides of the Chamber, not condemned. I trust that that will be the Government’s focus over the next four years.

London has done particularly well out of the Budget, but I have not heard many details mentioned in the Chamber. The Chancellor has invested £80 million in Crossrail 2, which will be this country’s single biggest transport operation outside HS2 and something that we clearly need to get on with. I am looking forward to Crossrail 2 enhancing north-west London and my constituency in particular. It will be excellent for everyone involved in transport across London. Transferring business rates powers to the Mayor of London and London councils is remarkably important and will mean that the transport projects that London desperately needs will be funded by the business rates paid by London’s businesses, with that money being appropriately retained. Kick-starting the redevelopment of Old Oak Common will be central to the generation of new homes, new jobs and new businesses and a much better transport infrastructure for London.

Combating rough sleeping across the country is important. Ensuring that people do not experience a second night out is vital, particularly in London. I ask the Chief Secretary to the Treasury, my right hon. Friend the Member for Chelsea and Fulham (Greg Hands), to make it clear when he replies to the debate how much of the money will go to London, because London has the biggest homelessness problem and we all want to see it combated. I recently visited FirmFoundation in my constituency, which does a brilliant job of dealing with single homeless men, but it needs additional resources to assist such men and to enable them to get back into a proper home and get their lives back together again. It desperately wants to know how it can apply for the extra money being made available, so I trust that we will hear more details later.

In contrast to my hon. Friend the Member for Bedford (Richard Fuller), I applaud the Chancellor for introducing the sugar tax. Given that behaviours can be driven by taxation, something of which I strongly approve, the Chancellor has missed an opportunity. I welcome the increase in tobacco duty, particularly on rolling tobacco, to encourage people to give up smoking. However, given that the Chancellor has said that the sugar tax will be spent on things to encourage a reduction in obesity, let us drive behaviour by adding additional duties. Just a penny increase on every cigarette smoked in this country would raise £500 million, which could be invested in initiatives such as encouraging people to give up smoking or, even better, not to start in the first place.

The other issue that I want to mention is something that is not going to go away: seeking justice for Equitable Life policyholders. I had hoped that we would hear something in the Budget about further compensation for both the pre-1992 trapped annuitants and the people who have not received compensation thus far. Let me put the Chancellor on notice that we will continue our campaign until we get justice for those who suffered as a result of that terrible scandal.
4.29 pm

Dr Roberta Blackman-Woods (City of Durham) (Lab): It is a pleasure to follow my namesake, the hon. Member for Harrow East (Bob Blackman). I did not agree with everything he said, but I associate myself with his comments about the dreadful events in Brussels today.

I am not sure that I buy everything that the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) said at the weekend, but he was right when he said on “The Andrew Marr Show” that the Budget was unfair and widely perceived to be so. When the Budget was announced last week, it contained cuts to support for disabled people while giving tax breaks to the wealthy and to large corporations. Although I agree with the right hon. Gentleman on the unfairness point, it is a pity that his conscience did not jump into life some years ago so that we could have avoided the suffering that his cuts—or the cuts that he supported—to tax credits, employment and support allowance and other benefits have caused to so many vulnerable people.

The decision to abandon the cuts to PIP are welcome, but we must not forget the distress that was caused to many, many people who have visited our surgeries in recent weeks. Those people were really concerned about how they would manage should the cuts go ahead. I have not finished worrying yet, because we do not know from where the £4.4 billion of cuts will come, never mind the £3.5 billion-worth of efficiency savings that are also mentioned in the Red Book. It is really irresponsible to ask Government Members to go through the Lobby tonight in support of the Budget when they know so little about the detail and where the cuts are going to be made.

The Chancellor said many, many times that this was a Budget for young people and for the future, but it most certainly was not. Where was the step change in new investment for our universities and colleges, allowing Britain to build the knowledge-based economy that the Prime Minister is so keen to talk about and that would provide high value jobs for young people and others? As the organisation Million+ said, universities will have to foot the bill for increased employer contributions to pension schemes without any additional funding, and it is very disappointing that the overall reduction in capital expenditure for the Department for Business, Innovation and Skills remains in place until 2020.

Similarly, the National Union of Students has been reminding everyone that the removal of education maintenance allowance, the scrapping of maintenance grants and the repayment hike for student loans have been devastating for many young people. The hon. Member for Harrow East (Bob Blackman) was right to say that his conscience did not jump into life some years ago so that we could have avoided the suffering that his cuts—or the cuts that he supported—to tax credits, employment and support allowance and other benefits have caused to so many vulnerable people.

Turning to business support, I warmly welcome the huge boost to the midlands engine, which includes £16 million of investment in our world-class aerospace industry, including support for Rolls-Royce, which has just announced that it is to create 350 new jobs locally as it prepares to ramp up the production of the new Trent XWB engine. Locally, SMEs and those who are self-employed stand to gain significantly from changes to small business rate relief and the abolition of class 2 national insurance contributions. These measures not only provide a welcome boost to the Erewash economy, where many of our businesses are small furniture manufacturers or engineering firms, but recognises the fact that those businesses are the real backbone of the British economy.

As chair of the all-party group on adult and childhood obesity and as a member of the Select Committee on Health, I want briefly to address the new sugar levy. The atrocities in Brussels today are a sharp reminder that the first duty of any Government is the protection of their citizens, but we rarely consider that phrase from anything other than a national security point of view. There is no doubt that obesity and the problems that arise from being obese, such as diabetes, cancer and heart disease, are becoming a serious issue within our society. Responsibility for tackling that lies on many heads—manufacturers, retailers, Governments, educators, health professionals—and, of course, on people taking action.

4.35 pm

Maggie Throup (Erewash) (Con): I am delighted to contribute to today’s Budget debate and I congratulate my right hon. Friend the Chancellor on continuing to deliver a long-term economic plan that has seen unemployment in my constituency fall by a record 63% since 2010.

I have always been a passionate believer that for those who can work, work is the only real way to get on in life and succeed. This is not just a personal view but one that is shared by people up and down the country, and I am proud to belong to a Government who support a strong work ethic and are helping more families to keep more of what they have worked hard for. As a result of the measures announced in the Budget, in Erewash alone more than 45,000 people received an income tax cut and around 2,000 people were taken out of tax altogether.

Turning to business support, I warmly welcome the huge boost to the midlands engine, which includes £16 million of investment in our world-class aerospace industry, including support for Rolls-Royce, which has just announced that it is to create 350 new jobs locally as it prepares to ramp up the production of the new Trent XWB engine. Locally, SMEs and those who are self-employed stand to gain significantly from changes to small business rate relief and the abolition of class 2 national insurance contributions. These measures not only provide a welcome boost to the Erewash economy, where many of our businesses are small furniture manufacturers or engineering firms, but recognise the fact that those businesses are the real backbone of the British economy.

As chair of the all-party group on adult and childhood obesity and as a member of the Select Committee on Health, I want briefly to address the new sugar levy. The atrocities in Brussels today are a sharp reminder that the first duty of any Government is the protection of their citizens, but we rarely consider that phrase from anything other than a national security point of view. There is no doubt that obesity and the problems that arise from being obese, such as diabetes, cancer and heart disease, are becoming a serious issue within our society. Responsibility for tackling that lies on many heads—manufacturers, retailers, Governments, educators, health professionals—and, of course, on people taking action.
individual and personal responsibility for the matter. By introducing the sugar levy, the Government are accepting their duty to protect the health of our citizens and of generations to come. In that, I must disagree with my hon. Friend the Member for Bedford (Richard Fuller), who is no longer in his place.

I urge drinks manufacturers to step up to the mark and play their part in tackling the obesity crisis by reformulating drinks and recipes over the next two years to reduce added sugars. We cannot tackle the obesity crisis by a sugar levy alone, and I look forward to the Department of Health announcing further measures in the forthcoming weeks and months.

In my view, this is a fiscally responsible Budget for the long term, supporting workers, businesses and our future generations. More importantly, it is a one nation Budget that truly puts the health and wellbeing of our nation first and I commend it to the House.

4.38 pm

Chi Onwurah (Newcastle upon Tyne Central) (Lab): It is a pleasure to contribute to such an important debate and to follow so many speeches from my hon. and right hon. Friends. Although I might not have agreed with what the hon. Member for Erewash (Maggie Throup) said, I commend her focus on jobs and the importance of delivering a high-wage, job-based economy for our country. By contrast, the Chancellor opened with the mix of bluff and bravado, arrogance and malice that has become his trademark, but even so, I was absolutely astonished to hear him refer to social justice. This is a Budget with unfairness at its heart and misery in its veins. The Chancellor’s record of failure—failure to achieve any of his own debt targets, failure to deliver decent wages—

Suella Fernandes (Fareham) (Con): Does the hon. Lady agree with me and the Institute for Fiscal Studies, which reported yesterday that since the Chancellor has been in place, the gap between rich and poor has narrowed because most people have got into jobs? That is the way to bring about social justice.

Chi Onwurah: I thank the hon. Lady for that. Lady for that contribution, but it flies in the face of the lived experience of my constituents, who are in low-wage jobs, cannot make ends meet and find themselves attacked by this Chancellor’s Budget. The Chancellor has failed to deliver for working people. His failure to raise productivity has been trumped in the past few days, in media terms at least, by his failure to deliver a Budget that lasts 48 hours.

The 1,443 PIP claimants in Newcastle will, like me, be pleased at least that that cut proved an ideological attack too far, but it is undoubtedly the case that by demonising and attacking all benefits claimants, the Chancellor hoped to create an atmosphere in which it was acceptable to enrich the better-off on the backs of the poorest and most vulnerable among us. It will be some compensation for them that members of the Government are now attacking and reviling each other almost to the same extent they have attacked and undermined benefits claimants.

I do not want to focus on the 48 hours following the Budget as experienced by the Chancellor. Instead, I want to give three examples of events that I attended in those 48 hours that highlighted the huge gap at the centre of the Budget, which was a failure to address our future economy and the future of the next generation, as he put it. On Thursday I visited the Big Bang fair organised by EngineeringUK with engineering professional bodies and businesses from across the country, where 70,000 young people discovered or rediscovered the excitement offered by a career in science, technology, engineering and maths. Those are the jobs of the future, the ones I want for my constituents, high-paid—not minimum wage, minimum skill—jobs.

But where were such jobs mentioned in the Budget? Where was the investment in the future to help create those jobs? There were, it is true, tax breaks for those hiring out their assets in the digital economy, but there was nothing for manufacturing or technology. There was no investment in digital infrastructure. There was no more detail on apprenticeships, which we need to ensure that we have the skills of the future. This was a Budget that left behind the technology that we need for our future.

That evening I visited the Creative Newcastle Get Digital summit, celebrating one of the fastest-growing sectors in the north-east, only hundreds of yards from where Stephenson’s Rocket was built. That was the real northern powerhouse, powering our economy into the future. But the Budget offered a few hundred million pounds for investment in north-east transport, against the tens of billions of investment in transport in London. This Budget did not offer any investment in digital infrastructure, and we stand to lose the millions of investment from the European Union, thanks to the referendum and the chaos on the Government Benches over that.

Finally, on Friday morning I visited St Paul’s primary school, where 10 and 11-year-olds were taking on the Pioneer challenge with employers and other schools across the region to promote STEM and entrepreneurship. Those children are the future basis for our economy in the north-east. They are proud Geordies, yet what the Budget did for them was to force the academisation of their school, taking it out of the local authority and the community that it seeks to support and atomising it—in effect, privatising it and taking away responsibility from the local parents and putting it on a desk in Whitehall, which is also where the northern powerhouse is found.

This Budget offered nothing for the future of our young people, for the north-east economy or for our country.

4.44 pm

Chris Philp (Croydon South) (Con): I would like to start with fiscal responsibility, as the Chief Secretary is on the Front Bench. Fiscal responsibility is very important—for the sake of our children, if nothing else. I have two-year-old twins, and there is nothing noble, moral or ethical about consistently spending more than we can afford and sending the bill to the next generation. Moreover, as the Chancellor eloquently put it earlier, without fiscal responsibility we cannot deliver the services that are so important.

Clearly, a good start has been made on fixing the deficit left behind in 2010; about half of it has been eliminated. Labour Members are right to point out that there is still more work to do, but it does not seem entirely appropriate for them to give angry lectures on...
the topic, when they have opposed every measure proposed by the Government over the last five years to reduce the deficit. In fact, had we followed their advice during the last Parliament, our national debt would be £900 billion higher than it is today.

During his thoughtful speech, my colleague on the Treasury Committee, the hon. Member for East Lothian (George Kerevan), suggested that high spending during the late 1940s and 1950s demonstrated that we could in fact spend money to grow. I am afraid that I dispute that analysis, because that spending spree ended in 1976, when we had to go cap-in-hand to the IMF. Even Denis Healey, the then Chancellor of the Exchequer, said:

“You can’t spend your way out of a recession”—a lesson we would do well to remember.

George Kerevan: My point was to go not into the 1970s, but into the very specific period of the 1950s, when national debt as a share of GDP was significantly higher—twice as high—in many years than it is now. That did not lead to a burden on the generation that was young then—my generation—which is in fact extremely well-off as a result of that spending. I was trying to look at whether borrowing per se disbenefits future generations, and it does not—it depends on how we spend the money.

Chris Philp: I must respectfully disagree with the conclusions of my Treasury Committee colleague. If we look at economic performance in the 1960s and 1970s, we see that the enormous debt overhang, with the state spending too much money, was a drag on the economy and culminated in the 1976 bail-out. That was the natural conclusion of the overspending that started in the 1950s and continued through the post-war consensus period, which ended only in 1979.

The second main criticism levelled at the Budget by Opposition Members is on the issue of fairness. I am afraid I disagree with the comments made over the weekend by my right hon. Friend the Member for Chingford and Woodford Green (Mr Duncan Smith). This is a fair Budget, but let me produce some evidence to substantiate that.

Over the last five years, spending on disability benefits has increased by £3 billion, and it is forecast to increase further. That strikes me as fundamentally fair. We are spending more than we ever have on the NHS and on education—particularly on pupils from low-income backgrounds, via the pupil premium. Moreover, we are introducing the highest-ever national minimum wage—the national living wage—which takes effect in about a week’s time. We have taken millions of people out of income tax entirely, which disproportionately benefits people on low incomes. We have frozen petrol duty once again, which also disproportionately benefits people on low incomes, because things such as petrol duty are inherently regressive.

If we consult the Treasury’s distributional analysis, we see that the lowest 20% of earners pay just 6% of tax; we would expect that to be 20% if everything was even. They will pay the same in 2019-20 as they paid in 2010, while the top quintile will pay 52%—up from 49% five years ago. The highest earners will therefore pay proportionately more in five years’ time than they did five years ago. This analysis excludes the effect of the national minimum wage; if that is included, the skew will go even further. I believe that this Budget is a fair Budget. It protects spending on the most vulnerable, and those with the broadest shoulders are bearing the burden.

Let me turn briefly to business. Before coming here, I spent 15 years setting up and running entrepreneurial businesses. There is a reason why our economy has created 2.4 million jobs in the past five years, and why youth unemployment in my constituency is down by an incredible 62%—it is not an accident. It is because corporation tax has been cut, which has encouraged businesses to invest in creating jobs. I am delighted that the Chancellor is continuing this very successful long-term economic plan—[Interruption.] I see it commands widespread support—with further cuts in corporation tax and capital gains tax to encourage investment. My Treasury Committee colleague suggested that lower corporation tax encouraged share buy-backs, which is a bad thing. I would respectfully suggest that share buy-backs cycle money back into the investor community, who can then reinvest in other opportunities.

I welcome the Government’s action on international tax evasion through the BEPS initiative, although they could forerun that with further moves on transparency and disclosure unilaterally in the UK, as has been suggested. There is a consultation document on giving the Financial Policy Committee further powers to direct buy-to-let mortgage lending, which appears to be very high. I urge the Government to look seriously at those proposals and enact them at the earliest opportunity.

I support this Budget. It is good for business and good for our country—and most of all, it is fair.

4.51 pm

Mr Jim Cunningham (Coventry South) (Lab): I am interested in something that the hon. Member for Croydon South (Chris Philp) said when he mentioned Denis Healey. There was another individual who said, “You never had it so good” in 1959, but by 1963 the economy of this country was in very serious trouble. People should be very careful when they start sloganising like that.

To be charitable about this Budget, the most one can say about it is that it is divisive. Frankly, it puts the burden of the national debt and the national economy on the shoulders of the poorest. Over the past few days—I will not rehearse it now—we have had the fiasco with the Chancellor and the Secretary of State for Work and Pensions. If the Chancellor had an economic plan, why was he blown off course over the past 48 hours or so? He would not have been blown off course if he knew what his economic plan was. Did he not know the implications of the cuts he was inflicting on the poorest members of our society?

During the general election, the Conservatives bandied about a figure for cuts in benefits—I think it was £12 billion—but when they were pushed to spell out exactly where they would find that sum, they never answered the question. There has been a deception on the British public based on the argument that the country was in an economic mess that they inherited when in fact it was the world economic situation that had deteriorated. If Ministers really want to know about
this, they should watch the second part of the BBC 2 programme about Obama. The first part was about how Obama dealt with the debt that he inherited—from a conservative Republican, George Bush, by the way. Interestingly, at that stage Obama spent $85 billion on bailing out the motorcar industries, so I have no doubt there was an economic problem.

The Government are preparing the ground for some of these measures by always hinting at the international economic situation, so if we listen to them very closely, we can expect more cuts. It is no economic strategy to continually inflict cuts on the poorer people in society, and on local government and the public services. On the one hand they say they value those in the public services, but on the other they only give them a 1% wage increase. If they really value the nurses and the doctors in this country, then they ought to give them a decent increase.

Equally, in fairness to the Government, I have to say that I certainly welcome the help given to small businesses. That is an important factor, because 3 million or 4 million jobs have been created in this country by small businesses, but sometimes they are picked up by the larger companies. People tend to forget that.

Not enough is being invested in skills, and we must be careful about that. It is one thing to have a target of 200,000 apprentices, but the question is: are they quality apprenticeships? More importantly, we had the recent example of student nurses, whose grants have been cut. A married woman who suddenly wants to study part time will no longer qualify for that grant.

Once again, the Government have placed the burden on local authorities. Over the next few years, Coventry City Council will have to find between £70 million and £90 million for something that has been slipped out in the Budget. Not a lot of people have picked up on this, and it certainly has not been mentioned today, but Government grant will be shifted on to local authorities. When local authorities have to put up council tax to counter that and to deliver public services, the Government may come along and call local authorities prolific spenders, or they may want to cap it three years down the road. These are things that we should be conscious of. In the west midlands, the police budget is 80% funded by Government grant. Can people not see the implications for those services and for local government in terms of jobs? As I have indicated, local government is paying a terrible price, along with the poor of this country.

I will finish by talking about academies. An academy is closing in Woodlands ward in Coventry, which is in the constituency of my hon. Friend the Member for Coventry North West (Mr Robinson). I do not want to intrude on his territory, but I intend to start taking the matter up with Ministers, as a route for consultation, and with the local authority.

4.56 pm

Seema Kennedy (South Ribble) (Con): Since 2008, all developed economies have struggled with low confidence, lack of investment and sluggish growth. How each finance Ministry has responded to that challenge is quite clear from the growth and unemployment rates of our competitor economies.

The long-term economic plan is not just a slogan; it is a plan that we can be proud of. Since 2010 it has delivered for our constituents record levels of employment, stable interest rates and low inflation. Those are not just dry, dusty economic terms. They mean that in our constituencies, people have jobs; that we are not seeing mass house repossession that we did in previous recessions; and that savings have kept their value. We have only to look at countries that are almost on our doorstep, such as Greece, to see that mass unemployment has massive social consequences when Governments lose control of their economies.

Our economy still faces great challenges. My hon. Friend the Member for Richmond (Yorks) (Rishi Sunak) talked about access to finance and investment, and I want to touch on those measures briefly. Many colleagues have quite rightly pointed out that cutting taxes leaves businesses with spare cash to invest. That leads to more recruitment and more tax take; it is a virtuous circle. I very much welcome the cut in corporation tax, and I disagree with the hon. Member for East Lothian (George Kerevan) who said we do not need to cut it any further because it is already low enough.

I welcome the 10% rate on long-term investment in small cap companies. We need to do more to foster a culture of long-term investment, and the Budget goes some way to addressing that. Access to finance is still a barrier for some businesses. I was glad to see that the British Business Bank will carry on supporting SMEs through the Help to Grow programme from this spring, supporting at least £200 million of lending, and that the enterprise finance guarantee programme will be extended until 2018.

I have long been troubled not only by the brakes on investment but by the barriers to entry that prevent entrepreneurs from starting up in the first place. Business rates are one such barrier, because they are a fixed cost paid by businesses before they even start up. When I have spoken to small businesses in my constituency, they have welcomed the extension of small business rate relief. I also welcome the discussion paper on the revaluation of properties for business rates, because the three-year cycle will fit in a lot better with standard rent reviews.

I welcome most the changes in stamp duty land tax for commercial properties. Again, this tax is a barrier to businesses opening or expanding. In my previous life as a commercial property solicitor, I saw small businesses unable to open or grow because of the stamp duty land tax, or they adopted avoidance behaviours, which did not help anybody.

I want to speak briefly about investment infrastructure in the north, which I feel passionate about. We need more investment, particularly in east-west connections. I respectfully ask Treasury Ministers if there could be some money in the next Budget for the Ribble bridge.

The aim to have £1 trillion of exports by 2020 will boost our economy, and the investment in UK Trade & Investment is most welcome. Yesterday was the festival of Nowruz, when Iranians celebrate their new year. I very much welcome the fact that my right hon. Friends the Chancellor and the Business Secretary will visit Iran in May, and I wish them the best of luck.

The record shows that this Government’s long-term economic plan is working in the face of a difficult global economy. This Budget focuses on investment, and I shall be happy to support it tonight.

Several hon. Members rose—
Madam Deputy Speaker (Mrs Eleanor Laing): Order. There are still a great many Members who wish to speak, so I will have to reduce the limit to four minutes.

5.1 pm

John Mc Nally (Falkirk) (SNP): I give the Chancellor credit for one thing—he is consistent. After all this time, he is still failing: he has failed on key economic indicators; he has missed the targets that he has set; he has failed on his target debt and GDP; he has failed to hit his target on the current account and on public sector net borrowing. The one thing that the Chancellor has achieved is to prove beyond doubt that the ‘Tories’ claim to economic credibility now lies in tatters. The Budget announcement clearly reveals that the Chancellor and the UK Government made the move to a decade of austerity through choice, certainly not through necessity. No matter what further U-turns are announced, his Budget means that society’s poor are in effect still paying for the mistakes of society’s rich. This pursuit of austerity—this Government’s callous actions favouring society’s rich—means, as the Chancellor confirmed this afternoon, that it is always the poor who, in his words, “pay the price.”

Philip Boswell: Since the Bureau of Investigative Journalism found in 2011 that over 50% of Conservative party funding under the current Prime Minister comes from the City of London, does my hon. Friend agree that we can see whose interests the Conservatives truly have at heart?

John Mc Nally: I thank my hon. Friend for that very valuable point. I hope Conservative Members will think deeply about what he has said.

I want to take this opportunity to welcome the Secretary of State for Work and Pensions to his new position. I urge him to use his portfolio to protect, support, enable and empower the most vulnerable in society, and return to them some peace of mind. The Chancellor did not provide an answer earlier today when he was asked about the plans for welfare cuts. To my mind, he succeeded only in causing the disabled more stress than they are already experiencing.

Not only have the Government managed to fail on the economic and productivity targets they set themselves, but we can clearly see that the deficit, the debt and the level of borrowing are worse than was promised last autumn. By contrast, the Scottish National party has set out a sensible alternative to austerity, which would return the public finances to a sustainable path, while continuing to invest in public services.

It is worth noting that, after much debate, wrangling and negativity, the UK Government have, in my opinion, seen sense and agreed to introduce a graduated sugar tax on soft drinks in 2018. Let us hope that we see some corporate responsibility among manufacturers and that they will willingly announce reductions in the sugar content of their products.

Health is a subject about which I have been deeply concerned for some time. I spoke during the sugar tax debate in November, when I gave my support to Jamie Oliver, the celebrity who has been mentioned today, and the other MPs present that day who have fought hard to bring this issue into the public domain and bring about change. I met Jamie at a House of Commons debate on diabetes, and I agreed with his aim of offering the public clear and reliable information about the sugar that we all consume—indeed, the planned confusion on some labelling reminds me of the Budget that we are discussing. I am grateful for the Government’s U-turn from their position before the debate in November, when they stated that they had “no plans to introduce a tax on sugar-sweetened beverages”.

Philip Boswell: Does my hon. Friend agree that the sugar tax is as much about taking the first step to reduce sugar consumption as about raising awareness?

John Mc Nally: Absolutely. It is the first step in raising awareness throughout the land, and as I said, perhaps more manufacturers should take cognisance of the fact that sugar is causing a lot of problems in this country.

I am delighted that the SNP was joined by the FairFuelUK campaign and The Sun in calling for a freeze on fuel duty. We have successfully pressured the Chancellor not to raise fuel duty—a victory for small businesses, rural communities, and family budgets across Scotland and the UK. I praise my hon. Friend the Member for Glasgow Central (Alison Thewliss) and other MPs—particularly the hon. Member for Dewsbury (Paula Sherriff)—for their help to remove VAT on women’s sanitary products. I would like the Chancellor to go further, and I refer him to the gender pricing debate that I took part in on 2 February, so that we make the added cost of living for women in the UK a thing of the past.

I am pleased that the Chancellor has followed the example of the Scottish Government and realised that small and medium-sized businesses are a huge driver of economic growth. I welcome the Chancellor undertaking a review of business tax, which is designed to be a road map to a more competitive tax. He could do no better than match the Scottish Government’s commitment to supporting SMEs—a commitment which has meant that spending on economic development in Scotland is more than double the UK average. Over the last quarter, Scotland’s overall employment rate has increased by more than the UK equivalent. Finally, I seek the Chancellor’s reassurance that before Members make arrangements for a summer break, he will announce to the House the date of a corrective Budget.

5.7 pm

Mike Wood (Dudley South) (Con): The Budget builds on the Chancellor’s strong record over the past six years of restoring sanity to the public finances, rebuilding the nation’s economy and securing growth. It is a shame that the shadow Chancellor is no longer in the Chamber, but I am sure that the shadow Chief Secretary to the Treasury will pass on the message that despite the shadow Chancellor’s mean-spirited comments to the Chancellor, such a feeling is not reciprocated on the Government Benches. Indeed, I am sure that I speak for all Conservative Members when I say that I hope that the shadow Chancellor will remain in his position for many years to come.

The Budget contains many measures that will benefit people and businesses in Dudley South by creating opportunities that are the hallmark of any compassionate society. There are nearly 3,000 small and medium-sized
employers in Dudley South, many of which will benefit from the permanent increase in small business rate relief thresholds, as well as the increase in thresholds at the higher rate and business rates. As the hon. Member for Coventry South (Mr Cunningham) was generous enough to acknowledge, such measures are indisputably good for small businesses. About 2,000 self-employed people in Dudley South will benefit from the abolition of class 2 national insurance contributions as part of an ongoing simplification and modernisation of the taxation system.

For me, the most significant announcement in the Budget last Wednesday was of a new enterprise zone for the Waterfront in my constituency. I had been running a campaign about that since before the general election, so I put on record my personal thanks both to the Chancellor and to the Minister for Communities and Resilience, who has responsibility for devolution, who have taken the time to meet me, to listen to the arguments for the enterprise zone and, more importantly, to understand and act on them.

The enterprise zone will create more than 4,000 net new jobs—[Interruption.] As the hon. Member for Wolverhampton South West (Rob Marris) said, it will create significant benefits not only for Dudley borough, but for the wider region, which I happily acknowledge. It will mean a 100% business rate holiday alongside 100% capital allowances on large investment in new plant machinery, which has been extended for eight years. It is a big boost to our local economy and promises to add millions of pounds to local prosperity. I thank Dudley Council and the Black Country local enterprise partnership for all the work they did in making that possible.

The Budget is a big step forward in creating opportunities for all nations and all regions of our country. The black country is well placed to take full advantage, and I will certainly support the Budget this evening.

5.11 pm

Melanie Onn (Great Grimsby) (Lab): I want to focus my comments on homelessness and the effects on it caused by the Budget and the changes over the past six years, specifically because I attended an event this weekend organised by Rucksack, a charity that gives advice and clothing to homeless people in Grimsby and the surrounding area. It directs rough-sleepers to hostels with spare beds and other organisations that can offer help, such as the YMCA, Salvation Army and Harbour Place, which is a well-known local organisation. They all do fantastic work but, due to the recent surge in homelessness, some local hostels have extensive waiting lists of 15 people who cannot get beds. Rucksack tells me that each of those organisations is substantially overstretched in offering their provision to local people in dire straits. Homelessness is not caused by fluctuations in the economy; it is about people’s support structures.

In my area—I am sure the situation is replicated across the country—there is a critical shortage of appropriate properties for people suffering varying degrees of disability, and their partners, children or people they care for, because of the funding available for adaptations in social housing and private housing for people with disabilities. It is becoming more so high.

It is a test for our society. I heard colleagues say eloquently yesterday that the debate is about whether we are compassionate enough to ensure that help is there for people in their most difficult time. We have failed that test in recent years. The Treasury briefed The Sun before the Budget that the Chancellor was drawing up plans to eradicate homelessness. How typical was that of the Chancellor! There was a great pre-Budget story for the papers, complete with a celebrity endorsement from Richard Gere to catch attention. On the day itself, that grand scheme turned out to be nothing more than a sticking plaster. I defy any Government Minister to stand up and say, with a straight face, that the scheme will get us anywhere near eradicating homelessness. As the chief executive of Crisis said, the measures do little to tackle the underlying problems.

I am no spreadsheet geek, by any stretch of the imagination, but I have had a look at tables 2.1 and 2.2 in the Red Book, which deal with measures in this Budget and those in previous Budgets and autumn statements that are due to come into effect this year. They relate to housing benefit changes, the temporary accommodation funding mechanism and reductions in social housing rents, which have impacts on the ability of housing associations to invest in existing properties or to build new ones. All those things have a significant impact on homelessness and the likely increases in it. The £115 million proposed is therefore a case of giving with one hand and taking significantly away with the other. I know that organisations such as Rucksack and other small charities in my constituency, such as Harbour Place, will say that they are not clear where that £115 million is going to go. It really needs to go to those who need it the most and the organisations that provide direct care and help. Under their welfare reforms, the Government made those under the age of 25 ineligible for housing benefit. That is another cut within this Budget, but I will end there.

5.15 pm

Chris White (Warwick and Leamington) (Con): A number of measures in this Budget will have a positive impact on smaller businesses, and it is absolutely right that we continue to stimulate growth in the size and number of small and medium-sized enterprises as they have undoubtedly been a key contributor to a strengthening economy, both locally and nationally.

The midlands is vital to our economy, and I am pleased that the Government—

Rob Marris (Wolverhampton South West) (Lab): Hear, hear.

Chris White: And Opposition Front Benchers are generous enough to recognise it as such.

Some 96,000 more businesses have been formed in the midlands since 2010, which amounts to about 52 a day. The announcement of the midlands engine investment fund, which will see more than £250 million invested in smaller businesses across our region, will be a boost for the local economy and will go some way to ensuring that the progress made in recent years is built upon.

It is worth recognising the tremendous impact that the reform of business rates will have. As the Chancellor outlined on Wednesday, it will mean that 600,000 businesses will pay no business rates at all. The Federation of
Small Businesses has said that its members welcome this as an “important step”, and I echo that sentiment. The further cut in corporation tax to 17% by 2020, the freeze on fuel duty, and the action on VAT on overseas firms to create a more level playing field are all welcome measures.

We must not lose focus, however, on enterprise policy and the idea of the “march of the makers”, which is particularly relevant. Manufacturing is key to the Midlands and an important aspect of rebalancing our economy. As co-chair of the all-party group on manufacturing and a member of the Business, Innovation and Skills Committee, I have worked closely with industry to discuss and hear about some of the challenges it faces. High-value manufacturing catapult centres have been a revelation, and I am pleased that the Government continue to back them, with more than £200 million of investment since 2011 and an increase in financial support in the latest autumn statement. Fostering an environment in which innovation thrives has to be a priority when thinking long-term, and these catapult centres, which bridge the gap between businesses, academia and some of the UK’s world-class research centres, are instrumental in achieving that. However, such action must be matched by a supply of skills, and apprenticeships are of huge significance. In my constituency, Warwick Trident College works with industry—it partners with industry—and is providing hundreds of students with the necessary skills to succeed. Empowering further education colleges to extend the provision of tailored courses should be an important part of the Government’s future apprenticeship agenda.

Another underestimated sector is video games, which contributes a huge amount to our economy, not least in my constituency. There is no doubt about the value of the games industry to the economy: we are talking about £1.4 billion in gross value added, support for 23,900 jobs nationally and the generation of £429 million in tax receipts. We must continue to support this very important sector.

5.19 pm

Mr David Anderson (Blaydon) (Lab): It has been a bad week for the Chancellor. It was his eighth Budget and sixteenth economic statement, so he ought to know better. The Budget unravelled in 24 hours and then it got worse: outrage at PIT cuts as it became clear that the disabled were being sacrificed for the rich; education in chaos as he forced academisation on every school, using our kids in his war against local government; stealth cuts on the NHS and local government, with changes to employer pension contributions; and, to cap it all, the Secretary of State for Work and Pensions giving in after six years.

This latest mess only builds on the Chancellor’s catalogue of failure. He is still nowhere near eliminating the deficit, despite his plans to have done so two years ago. In February, we had the lowest manufacturing output for four years. National debt is up 50% under this Chancellor—up to an eye-watering £1.6 trillion—and he has lurched from one missed target to another. He has blamed everybody and everything except himself. He blamed the Greeks. He blamed the Queen for having a jubilee holiday. He even blamed the snow. He did not find any money down the back of the settee this week, unlike the £27 billion he found miraculously before Christmas.

Who pays for the Chancellor’s folly? Who else but the poor, the vulnerable and the sick—those least able to fight back. The Resolution Foundation has him bang to rights. It showed that what the Budget really means is that on average the richest will get a £225 rise, while the poorest might get a measly rise of £10 a year. In fact, it shows that, with other changes and the cuts announced since last year, the richest in our nation can expect to be £235 a year better off, while the poorest will be £375 a year worse off by the end of this Parliament. He is the Robin Hood-in-reverse Chancellor. He has made a career out of making the poorest in our country even poorer.

It is worse than that, however, because in an amazing show of puffed-up pride, the Chancellor stated in his speech that the northern powerhouse is “the most radical devolution of power in modern British history.”—[Official Report, 16 March 2016; Vol. 607, c. 960.] Has he not heard what is happening in Scotland and in Northern Ireland, where they are running their own affairs, getting extra money and having proper devolution?

Mary Glindon: Does my hon. Friend agree that devolution for the north-east is no deal at all? It is a raw deal, because we cannot even agree between councils what we want. We are just not getting the real democracy we need.

Mr Anderson: I thank my hon. Friend for her intervention. I will come on to the north-east in a moment.

The Chancellor should be aware of what is happening in this city, where £2,000 a head is being spent on transport, while in my part of the world the figure is £5 a head. Where is the fairness in that?

The institutions of devolution were set up properly under a Labour Government who trusted the people with referendums and democratic discussion, but that is unlike what has happened in my part of the world. It is one thing to exaggerate—we do it all in this House, and I am as guilty as anybody else, believe it or not—but last week the Chancellor said from the Dispatch Box that “powerful elected Mayors have been agreed for Manchester, Liverpool, Tees Valley, Newcastle and Sheffield.”—[Official Report, 16 March 2016; Vol. 607, c. 960.]

At least in the case of Newcastle, that is simply untrue. Newcastle is not being offered an elected mayor. That is exactly as it should be, as it is less than four years since the people of that great city rejected a mayor in a referendum by 62% to 38%. What is actually on offer is an elected mayor for the north-east, but that has certainly not been agreed yet. In fact, this morning Gateshead Council, one of seven councils involved, threw that out. Northumberland Council says is will agree to it only with certain additional powers that do not look like being given. Durham County Council has already said it wants a delay and not to be forced to make a decision on Thursday on proposed legislation that has not even gone through this House and will not do so until November.

So did the Chancellor—the great manipulator; the political strategist; the man who does not get out bed in the morning without weighing up the political advantage; the Machiavelli of Downing Street—make a mistake? He might have. If he made a mistake by saying that that
had been agreed in the north-east, he should come and apologise for it. If he did not make a mistake, however, and if he deliberately tried to mislead the House, he should come back here and tell the truth—that he was deliberately misleading the nation and pretending that the so-called northern powerhouse was up and running in the north-east of England, as it is struggling to do in the rest of England. I have been really chuffed in these past two days to hear the right hon. Member for North Norfolk (Norman Lamb) and the hon. Member for Peterborough (Mr Jackson)—I never, ever thought I would agree with the hon. Member for Peterborough—share exactly the same concerns as me and my hon. Friend the Member for North Tyneside (Mary Glindon), and saying very clearly that what is on offer is not fair, not democratic and not open to proper consultation.

The proof is in what the Chancellor said last Wednesday. This is a party political Chancellor who puts his and his party’s interests first. He said last week, in relation to the £20 million for building houses in the south-west:

“it is proof that when the south-west votes blue, their voice is heard loud here in Westminster.”—[Official Report, 16 March 2016; Vol. 607, c. 961.]

Unfortunately for those of us who vote red, our voice is never heard, but we are going to keep on shouting at ‘em.

5.25 pm

Shabana Mahmood (Birmingham, Ladywood) (Lab): During the Chancellor’s opening speech today, I could not help but reflect that he should consider a job swap with his Financial Secretary to the Treasury, who did a much better job of trying to defend the indefensible in the Chamber yesterday. The Chancellor could have improved his performance by saying sorry—sorry to all the disabled people he has frightened over the last few days—but not for the first time for him sorry proved to be the hardest word.

On the basis of the things the Chancellor does say, it is clear he has a habit of saying one thing and then doing quite another. He famously promised in 2010 that he would eliminate the deficit within five years, but it now seems it will take him another full Parliament to achieve that. He said the debt would peak at 70% of GDP in 2013-14 and then fall and that our debt-to-GDP ratio would fall every year, but he has missed those targets.

The borrowing figures out today do not make for good reading for the Chancellor. Public sector net borrowing was higher than expected last month. Last week, the borrowing forecast was lowered to £72.2 billion, but the ONS tells us that borrowing so far this fiscal year, from April 2015 to this February, is already at £70.7 billion, meaning he can only borrow £1.5 billion in March. I very much doubt this is achievable, given that in March 2015 he borrowed £7.4 billion. It is another target that is likely to be missed. He said he would cap welfare spending, but he has well and truly bust his own welfare cap. Last summer, when he launched the productivity plan, he said it would produce “world-beating productivity”.

It is a damning indictment of that plan that the OBR has significantly revised down its forecasts of our national productivity.

The combination of all those factors means that as a nation we are ill prepared for the global cocktail of risks that the Chancellor himself has spent the last three months telling us about. His habit of saying one thing and doing another is something he has been getting away with for some time, but this year, finally, some on his own side are recoiling. His iteration of that famous phrase—“We’re all in it together” was too much for the former Work and Pensions Secretary. Taking money from the disabled and cutting capital gains tax for the better-off was more than he could bear—and he is not exactly a soft touch. It comes to something when the Government are deemed too right wing even for him.

The Government’s retreat is welcome, but with it comes a hole in the Budget and a scorecard that no longer adds up. The scorecard already had the air of surrealism about it. Many people play fantasy football, but it seems the Chancellor plays fantasy Budget. The fiscal forecast for 2019-20 suggests that in one year we will go from a £21.4 billion deficit to a £10.4 billion surplus—never mind that we will never have reduced the deficit by that much in any year since 2010; never mind that the fiscal charter, introduced in October, has already been broken; never mind the retreat from the cuts to PIP.

The Chancellor has reigned over a litany of missed targets—growth down, productivity down, fiscal rules broken, a fantasy scorecard. The resignation of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) puts the attention squarely back where it should be—on the Chancellor’s ability to deliver what he says he will—and it has become clear, especially over the last few days, that he has utterly failed.

5.28 pm

Mark Durkan (Foyle) (SDLP): I am among those whose names are on both amendments today. I congratulate, in particular, the hon. Members for Dewsbury (Paula Sherriff), for Glasgow Central (Alison Thewliss) and for Berwick-upon-Tweed (Mrs Trevelyan), and I acknowledge the good work of Ministers on the important issue raised in amendment (b). I also acknowledge the thoughtful contributions today, including the critiques by the hon. Member for East Lothian (George Kerevan) and for Hartlepool (Mr Wright) on the issues of productivity and public sector investment.

On some of the more local aspects of the Budget, I must decry the fact that Northern Ireland gets very little out of the Budget, although that is not all the fault of Ministers. A lot of it is the fault of a dereliction of initiative and responsibility on the part of our own devolved Executive. They have not made the case for city deals in Northern Ireland. They have certainly refused for a very long time to make the case for a city deal for Derry, pretending instead that city deals were for England, which did not have devolution. That completely ignored the fact that much work on city deals has been done in Scotland and Wales. Some of them are represented in the Budget. I know that the city deals, in terms of the northern powerhouse, are not all necessarily what the Chancellor puffs them up to be, but they are initiatives worth pursuing, and we in Northern Ireland have been left out of them.

As for what is in the Budget for Northern Ireland, I welcome the spending for the air ambulance coming from the LIBOR fines. I and others had lobbied for that. Billed as a big gain for us are the enhanced capital allowances for an enterprise zone in Coleraine—a zone that should have been in Derry, which is the place of the highest unemployment. It is intended that Coleraine
can benefit from Project Kelvin—a project that was initially meant to benefit Derry in the first place and other places on both sides of the border. This has happened courtesy of a letter from the First Minister and the Deputy First Minister to the Chancellor before the 2014 Budget, asking for that enterprise zone so that Coleraine could benefit from Project Kelvin.

As for the wider arguments around PIP, having listened to the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) and to the Chancellor on both his Budgets, I think we have tuned into the cognitive dissonance game, whereby each gives an account of their motives and purposes on the record that are far removed from my sense of what is really happening and certainly far removed from my constituents’ experience.

I am one of 22 who voted against the introduction of the welfare cap nearly two years ago in March 2014, and I am very glad that I did. We said at the time that while it was being bubble-wrapped as a neutral budgetary tool, it would be a cuts weapon in the hands of the Treasury—and that is exactly what it has been. What we heard from the former Secretary of State for Work and Pensions at the weekend was essentially that the welfare cap, which he voted for and used to boast about, has become simply a search engine for benefit cuts by the Treasury. We saw that in the summer Budget when the Chancellor revised the welfare cap downwards by £46.5 billion over four years. It is no wonder that we heard from the new Secretary of State for Work and Pensions yesterday that the attempt to have further cuts being pursued.

We need to hear exactly what is going to be done with the welfare cap in future. Is it the case from what we heard from the new Secretary of State for Work and Pensions yesterday that the attempt to have further legislative change on welfare is going to be abandoned, or will the welfare cap be used to impose cash-limited administrative decisions on rules, rates, interpretations around criteria and so forth so that the cuts will effectively be stealth cuts? Yes, Parliament will be spared any legislative cuts, but the cuts will still be there by administering the welfare cap ruthlessly.

5.32 pm

Mr David Hanson (Delyn) (Lab): Oh—thank you very much, Mr Speaker. [Laughter.] I have been here so long that I was falling into a general stupor. I am so pleased to have you back in the Chair. It is pleasure to be here under your chairmanship, and I welcome you back.

Over the last couple of days, I have taken some time to think about when a Budget was either as bad or has unravelled as quickly as this one. I thought of this Chancellor’s Budget of 2012, with its pasty tax and caravan tax, and I was reminded of today’s failed Budgets of the right hon. and learned Member for North East Fife (Mr Darling), whom I know well and admire greatly. He raised VAT on fuel, including gas and electricity, and was defeated on it. However, after 24 years in the House, I cannot think of a Budget that has unravelled so quickly, or in such a damaging fashion, as the one proposed by the Chancellor of the Exchequer today.

We will vote on the Budget at 7 o’clock, when we do not even know—because we have not had an answer from the Chancellor today—from where the £4.4 billion loss of revenue from the appalling cut that he initially proposed will come. He said, “Trust me: we will discuss this in the autumn”, but it strikes me that we cannot wait until the autumn, given that we have not heard this evening. I hope that the Chief Secretary will respond to those central points when he winds up the debate.

The Chancellor admitted today that he had made a mistake. He admitted that he had made a U-turn. I put it to the House that this is no mistake, and no U-turn. This is simply the Chancellor who could not get his proposals through the House of Commons. The values that led him to make the choices that he made last week—the values that led him to choose to take money from disabled people in personal independence payments, and the values that led him to cut capital gains and business taxes—were values that he still holds today. If he could have got those measures through the House, he would have done so. His central value is one which ensures that we see a shift from the poor to the rich, that we have a small state, and that members of an out-of-touch elite are managing issues that they know little about, and care little about. I hope that the Chief Secretary, who represents Chelsea and Fulham, will accept that he lives in a bubble that does not relate to the lives of the vast majority of people in the constituencies that we represent.

On my patch, more than 1,200 people would have lost those personal independence payments. The fact is that the Chancellor has changed his mind not because of his desire to make the world better, but because his values would have been defeated, and defeated, dare I say it, by some of his own colleagues who faced the wrath of their constituents.

Time is limited, but I want to say three more things. First, we need to look at spending on infrastructure, including infrastructure in areas like north Wales. The Chancellor announced welcome money for Manchester airport, but we need a rail link to Manchester from north Wales. We need to think about how we can develop the north Wales economy with extra support for the HS2 route from Crewe to north Wales. We need to think about how we can electrify the rail network. That would be positive, valued investment, and we need to make it in a united European Union whose benefits are shared throughout the United Kingdom for all the people of the United Kingdom.

I take just one positive thing from the Chancellor’s Budget today: the Government’s commitment to campaign for a yes vote on 23 June. I look forward to working with them to achieve that yes vote for the good of the United Kingdom, and the good of north Wales.

Several hon. Members rose—

Mr Speaker: Order. I am afraid that, so that I can try to accommodate the maximum number of Members who have not yet spoken, I must reduce the time limit on Back-Bench speeches to three minutes, with immediate effect.

5.37 pm

Barry Gardiner (Brent North) (Lab): Let me begin like this.

“My husband was diagnosed with oesophageal cancer and has not been able to work since. We are now reliant on the ESA he receives. There is nothing more that either of us want than for life to somehow return to normal and for him to be able to return to
the job he loves. We did not choose these dreadful circumstances—the benefits system is intended to protect those in society as much as possible when things go badly wrong. Forcing people in very difficult circumstances into poverty seems an outrageous way for any government to behave.”

That is a letter from one of my constituents, and she is absolutely correct. More than 9,000 Brent residents rely on ESA to live independently and with dignity. Their income has been cut by £30 per week, and the cut in the PIP would have caused 640,000 disabled people to lose up to a further £3,500 a year by 2020. It is therefore with great relief that many of them will have watched the Government’s U-turn on the proposed £4.4 billion cut. However, disabled people in my constituency have already suffered real hardship under this Government as a result of the bedroom tax, the benefit cap, the benefits uprating policy, the scrapping of disability living allowance, and the 12-month time limit on contributory ESA.

Yesterday the new Secretary of State for Work and Pensions said in his statement that the Government would not be making further cuts in to the welfare budget, but that gives the Chancellor a serious problem. He has a fiscal charter which enshrines in law that he must achieve a budgetary surplus by 2015. He did not. This year, he has a deficit of £72 billion. He has a debt-to-GDP ratio of 83.7%, and productivity failure means that Britvic and Tate & Lyle with his clumsily scrabbled managed to knock down the share value of A.G. Barr, but this one started to disintegrate before it was delivered, during its delivery and, spectacularly, afterwards. First Budgets lose a bit of their lustre as the days wear on, but this one started to disintegrate before it was delivered, during its delivery and, spectacularly, afterwards. First time after the election. He was forced to break it, in his U-turn on tax credit cuts in the autumn statement, by the justified anger at his hitting the working poor who were trying to do the right thing by themselves and their families. His second fiscal rule involved a pledge to reduce debt year on year. Another fiscal rule made, another one broken. The Office for Budget Responsibility’s verdict is:

“The Budget measures make little difference to net debt in 2015-16, so we expect that target still to be missed.”

That leaves only his target for a surplus in 2019-20, which the OBR rates his chances of meeting as no better than 50:50.

This was supposed to be a Budget that did not frighten the horses, yet it has fallen apart in a matter of days. Whatever the motivations of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), he has exposed the reality of the approach of the Chancellor and the Prime Minister to Budget-making: make up a rule, then pick on the same group of low-income people to pay for it time after time. The right hon. Gentleman has described the measure as “unfair” and “divisive”, but perhaps his most damning statement is that he believes the Chancellor targets the non-pension part of the Department for Work and Pensions budget because it relates largely to a group of people who do not vote Conservative.

The Chancellor says that we are all in this together, but we cannot all be in it together if the Budget is a series of tax giveaways on thresholds for higher earners, capital gains tax cuts and other measures that, in the main, go to the better-off while disabled people are expected to take a £4 billion hit. The cuts to the disabled have been abandoned, at least for now, but the bigger impact involves not just one spending measure. The Prime Minister and the Chancellor pride themselves on fashioning a one nation compassionate Conservatism, but that claim has now been turned to dust by this Chancellor’s Budget. This is not a reformed Conservative party; it is the same old Conservative party, rewarding those it thinks will vote for it and punishing those it thinks will not. It is not just one spending measure that has been killed; it is the whole project of one nation compassionate Conservatism.

5.40 pm

Mr Pat McFadden (Wolverhampton South East) (Lab): For six years now, we have had Budgets made on the basis of targets and rules announced by the Chancellor, which have then informed the Government’s spending choices. Each time, the Chancellor has set out his targets as an iron necessity, suggesting that any deviation from them meant that those guilty of the deviation could not be trusted with the public finances, yet time after time, the deviation has been his. The traps he has fallen into have been traps of his own making.

The Chancellor began in the last Parliament by telling us that he would eliminate the deficit within five years. He failed to do so. His strategy of austerity was so successful that he announced it would be necessary to carry it on for two Parliaments, rather than just for the intended one. Instead of eliminating the deficit, he roughly halved it. That was the same pace of deficit reduction that Labour had asked for, but which he dismissed at the time as irresponsible profligacy.

Then, in this Parliament, there were three rules. First, there was a welfare cap designed to show how tough the Chancellor was on welfare. It lasted barely six months after the election. He was forced to break it, in his U-turn on tax credit cuts in the autumn statement, by the justified anger at his hitting the working poor who were trying to do the right thing by themselves and their families. His second fiscal rule involved a pledge to reduce debt year on year. Another fiscal rule made, another one broken. The Office for Budget Responsibility’s verdict is:

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5.43 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): Most Budgets lose a bit of their lustre as the days wear on, but this one started to disintegrate before it was delivered, during its delivery and, spectacularly, afterwards. First there was the great pension reform that never materialised. Then the pound suffered a rocky period as Mr Memory—no!—tried to forget the deficit and the borrowing, and the fact that growth and exports should by now be seeing the sunny uplands as he had predicted. He then managed to knock down the share value of A.G. Barr, Britvic and Tate & Lyle with his clumsily scrabbled together announcement of the sugar tax. What we have learned over eight Budgets is that this guy has run out...
of excuses and is rapidly running out of friends. He is now correcting previous Budget errors—his errors. We see a cut in capital gains tax, which he increased in 2010, an increase in insurance premiums to pay for his cuts to flood defences, cuts in North sea taxes from the man who ignored advice and increased them in 2011, and a promised cut in business rates for small business, except that local authorities were promised such rates only four months ago, which is another £1.7 billion unaccounted for. The Government say that local authorities will be compensated, but will they be only blue authorities as usual?

What are we left with? We have the abolition of class 2 national insurance contributions, which on the表面 will help the self-employed, although we need an assurance that it is not a cunning ploy to make them ineligible for employment and support allowance and another hidden welfare cut. Personal allowances will be raised, which is good for the top half of earners. There are also some new capital projects. The Chancellor is cutting corporation tax, which helps the service sector, but there is no sign of the rebalancing of the economy that he promised. There is nothing for manufacturing on capital allowances, and, of course, 9% of the catapult innovation resources is going to the Midlands and 46% to London. There is not a hint of support for the WASPI campaign. We have seen a legacy of 14% council tax increases, meaning an average of £162 for Birmingham households, to pay for his cuts to the police and social care. That is his plan for Birmingham.

In the fall-out of the Budget, we have been told that there are no new plans to attack the disabled. However, in a little-noted item, the Department for Work and Pensions is to receive £22 million to hire more staff to deal with disabled people’s claims at PIP tribunals. Maybe there will be more cuts for the disabled after all. The Chancellor has failed. He has broken every promise. He is finished.

5.46 pm

Hannah Bardell (Livingston) (SNP): Thank you for calling me, Mr Speaker.

“By failing to prepare, you are preparing to fail.” The words of Benjamin Franklin are as resonant and appropriate today as they were when he uttered them, especially in relation to this Government and their mismanagement of the public finances. The Government are failing to prepare our country by implementing, by their own parliamentarians’ admissions, short-termist policies that risk failure in the long term. They continue to unravel the fabric of our society by pursuing their relentless austerity agenda.

As we come to the end of the Budget debate, there is much to reflect on, particularly after a weekend of turmoil for the “party of Government”. As the Tory party tears itself apart over Europe and its horrible benefits cuts, the most-affected people of our nations have a painful wait to find out how they will be affected by the Tory cuts. The IFS has warned that British voters should “all be worried” about the risk of job cuts and lower wages amid growing concerns of another economic downturn. The Chancellor’s cuts have even been criticised by his own leader in Scotland, Ruth Davidson. That the party of Government has the temerity to self-style itself the party of working people is an absolute joke. It has a target to increase the number of disabled people working, yet it cuts employment and support allowance and other supports that enable people with disabilities to find employment.

It is good to see that the Chancellor is taking a lead from the SNP Government in Scotland by cutting business rates, showing that while the Government often lag behind in reacting, they occasionally listen and do the right thing. However, it is important that the system is easy for business to understand and navigate. I have already heard some businesspeople raising concerns about the complexities of working out the rates reduction. Similarly, support for the oil and gas industry is welcome, but the time taken to reach the decision was woeful. Tens of thousands of people have lost their jobs and investor confidence is faltering. Quite frankly, it is too little, too late. Both the SNP and the industry have called for a proper strategic review of the tax regime for the North sea and our wait continues.

The apprenticeship levy is allegedly designed to help the next generation to get into work, but we are still waiting for clarity on how it will be implemented. I have raised the double-charging of industries such as oil and gas, but we continue to wait for a response.

The Guardian reported after the Budget that IPSE chief executive Chris Bryce described the move to abolish class 2 national insurance contributions as a “long overdue and welcome step.”

However, he also said:

“The Government missed the perfect opportunity to back self-employed mums by giving them the same maternity pay as employees. This measure was recommended in the recent self-employment review.”

The Chancellor has failed to achieve his own targets on debt, the deficit, trade and exports and has stubbornly failed to listen to calls to invest in the economy.

5.49 pm

Tristram Hunt (Stoke-on-Trent Central) (Lab): I think we can all agree that this has been a pretty disastrous Budget, and that was the case even before the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) revealed the Government’s extraordinary mendacity in their pursuit of policies for political purposes rather than for the national economic interest. What is worse, as my right hon. Friend the Member for Wolverhampton South East (Mr McFadden) said, they are hammering the working-age poor because they do not vote Conservative.

Even on the Chancellor’s own terms, it is a shocking state of affairs. He has breached two of his three fiscal rules. Indeed, this Budget might end the period of fiscal rules that we have enjoyed for the past two decades. He has failed to meet his commitments to get debt falling as a share of GDP each year and he has failed to cap welfare spending. He tried to sweeten that with a spoonful of sucrose replacement, but we all saw through it.

The Chancellor is on track to meet only his third target, because he is deploying all sorts of fiscal shenanigans. He is rescheduling capital investment and shifting a one-off boost to corporation tax receipts. We also have to find £3.5 billion in unprotected spending.
The Chancellor is now set to borrow £38 billion more over the course of this Parliament than he planned just four months ago. Worst of all, this Parliament of productivity has stalled at the first outing. The OBR is clear on the collapse of productivity, even over the past six months.

Where I do agree with the Government is on the risk posed to our economy by fears of Brexit. The latest evidence from the CBI spells out the immediate costs to the British economy. Why, at a time of such fragile economic growth, would we knowingly want to turn our back on one of the most successful single markets in the world?

The key issue that we look at today is the morality of this Budget. To balance the books, the Prime Minister has chosen to focus on the weakest and most vulnerable in society. As the IFS has reported, the Government’s tax and benefit changes have

“resulted in significant losses for those of working age in the bottom half of the income distribution.”

Then came the hit on the disabled, with the assault on PIP, now thankfully reversed. But who gained from all that? Well, it was those paying capital gains tax. Half went to 35,000 individuals with incomes of £100,000 a year or more. It is a totally shocking result. According to the Resolution Foundation, the poorest 30% of households are set to lose around £565 by 2020, while the richest 30% of households are set to gain around £280. That is the morality of the Conservative party, and that is why we will be voting against the Budget tonight.

5.52 pm

Angela Rayner (Ashton-under-Lyne) (Lab): Last week, the Chancellor told us that he would put stability first, choose the long term and deliver real opportunity and social mobility. I am afraid that this Government have not appeared very stable since that statement and, far from being long term, the Budget that was delivered only last week appears to have been abandoned before we have even come to vote on it.

I suppose there was some opportunity and social mobility, even if it was limited to the Department for Work and Pensions. The former Secretary of State revealed the simple truth in his resignation letter: this is a Chancellor who puts his career before the country. Even by his own fiscal rules, he has failed, and blaming Labour will just not wash. This was a Budget not for the long-term interests of the country, but for the short-term interests of his ambition to lead the country—an ambition that seems to have unravelled almost as fast as his Budget.

As remarkable as it is to watch what has unfolded on the Government Benches, my concern is what is happening for my constituents in Ashton-under-Lyne. My constituent Marie has worked all her life, but then, unfortunately, developed lymphoedema as a secondary of breast cancer. She should be entitled to a dignified life while managing her condition, and this Budget has sought to deny her that.

One borough that sits in my constituency is Oldham, and under this Government, Oldham is now the most deprived town in England, according to the latest figures of the Office for National Statistics. Since 2010, more than half of the council’s income has been taken away. Real jobs are lost, real services are withdrawn and the most vulnerable suffer the worst. Our local economy and businesses suffer. Meanwhile, councils such as Surrey, given minimal cuts to local government finance in the first place, now receive a windfall of nearly £12 million on top. Guess what the two local authorities serving my constituency, Oldham and Tameside, received: a big fat zero. Of course, the Chancellor has revealed exactly why that is the case; people in my constituency do not vote for the Conservatives.

Cuts to ESA to fund tax cuts, proposed cuts for the working poor through tax credits and universal credit—if the cruelty was not bad enough, the incompetence is now becoming obvious as well. In the last Parliament, we saw plans to tax everything from caravans to pasties proposed and abandoned, and this year the Chancellor becomes the first Chancellor in history to have to accept not one but two amendments to his own Budget resolution just days after he tabled it. Mr Speaker, I do not need three minutes to tell you about this Chancellor. I have three words, and they are “Not good enough”.

5.55 pm

Geraint Davies (Swansea West) (Lab/Co-op): What a shambles from the Wizard of Osborne, with the revelation that the tin man, the former Secretary of State for Work and Pensions, has a heart. I do not really believe it myself—I believe that he is thinking of jobs after Brexit with the Mayor of London, but other people will have other views. Of course, we now have a new Secretary of State, the former Welsh Secretary, who has just done a U-turn on the Wales Bill and has now done a U-turn on disability payments. I never thought that crabs did anything other than move sideways, but there we are. He was cheering away at the Budget a few days ago, but apparently now he does not agree with it.

As usual, the Wizard of Osborne has blamed Labour, but let us not forget that in the 10 years to 2008 the economy grew under Labour by 40%, some 4% a year, whereas that figure is now about 2%. We left debt as a share of GDP at 55% and it is now 83%. Why is that? Because of economic failure and slow productivity growth. Why is that? Because we have low investment in research and development and in infrastructure compared with the rest of the developed world. In particular, that is focused on London and the south-east and not in the north, in Wales or elsewhere.

I welcome the sugar tax, which I have been fighting for and which is a good idea—taxing something bad to invest in something good while costing the health service less. Similarly, I would have liked the Chancellor to take bold steps on air pollution, as 40,000 people a year are dying from diesel pollution, costing £20 billion a year, but of course he did not have the guts to re-tilt the fiscal structure for taxes and incentives to promote a sustainable green transport system. Instead, we have this epidemic of pregnant women having their babies’ mental health affected, children losing their lung capacity and so on. It is time that the Chancellor took that seriously.

I welcome the reduction in the Severn bridge toll, but that could have been reduced to a quarter of the price to cover operational costs as opposed to half the price, as the Government will continue to make a large margin of profit by basically putting a tax on trade with Wales. I welcome the news that there might be a new city deal for
Swansea and the fact that the Chancellor is still trying to support the EU. The reality is that if we do have Brexit, as IDS and others want, we will be turning our backs on a large market. The argument that we are essentially net importers does not follow because, in essence, that applies only to Germany and Spain.

Finally, I should mention the other stealth tax from employers’ contributions on pensions, which is a back-door cut for the Welsh Government that I resist. In a nutshell, this is a sheriff of Nottingham Budget that I resist.

5.58 pm  
**Rachael Maskell** (York Central) (Lab/Co-op): This was a Budget about words, not wisdom. I want to focus on that because we have now had six years of the Chancellor presiding over a very worrying economic picture while using a narrative to disguise the fragile place into which he has put our economy. It is also a Budget that exposed the worst aspects of the cruel, callous and uncaring Conservatives, crushing disabled people and some of the most vulnerable and economically disadvantaged groups in our society. Those actions over the past six years have worried me as the weaknesses in the structure of the economy have not been addressed and the economy has been used to deliver a political agenda, not productivity and not fiscal security.

This is leading to a risk shift, increasingly away from Government to local communities and individuals—those who cannot weather the storm. Politicians can use any words they want, but what lingers behind those words is what matters. Apprenticeships are not apprenticeships any more, the living wage is not a living wage, and affordable housing is unaffordable. Remember the phrase “long-term economic plan”? I will let hon. Members work that one out for themselves.

I know the impact of all this in my local community and on my local economy. York has a low-wage, insecure and high cost of living economy where housing is now inaccessible. We heard about the next generation being better off. With the debts that young people now carry and the difficulty in accessing housing, I was interested in the lifetime ISA, which will mean that the people who are least worse off will get £1,000, while those struggling with tax credit cuts and increased in-work poverty will feel the pinch.

I hang my head in shame at the way that disabled people are treated in the Budget. No compassion there. That takes me back to the economic picture which I worry so much about. The Chancellor has borrowed more than all Labour Chancellors put together throughout history, and wants to borrow even more now. The question is what he will do with that money. We know from our economic experts how to invest that money to lead not to a growing debt, but to growing productivity. When the Chancellor has had to cut his own growth targets twice in the past six months, from 2.4% to 2.2% and now to 2%, he is admitting that his economic plan is not working. He did not clear the deficit in the previous Parliament, and it seems that with this omnishambles Budget he will not do so in this Parliament either.

I am worried, and I am most worried about the people I represent. In six years of low productivity, their insecurity and risks are rising, the local economy in York is totally inequitable—a two-speed economy, as it is known, speeding up for those who are well off—

Mr Speaker: Order.

6.2 pm  
**Kate Osamor** (Edmonton) (Lab/Co-op): I would like to focus my speech on the announcements in the Budget that all schools will be forced to become academies by 2020. This will lead to a fundamental shift in the way education is managed in this country, turning education into a business. I am concerned that, like most businesses, it will benefit the richer, and leave behind those who most need educational reform. This is a concern echoed by the public. More than 100,000 people have signed a petition to hold a public inquiry and a referendum on turning all schools into academies.

I have a history of campaigning against forced academisation. Before becoming an MP, I campaigned against forced academisation in Haringey. The experience taught me how much community support there is for the state sector in Britain, and how much people care about their schools having the right priorities for their children. Forced academisation is a costly exercise. The timing of this move appears highly questionable. At a time when councils, especially Labour-run councils, are having their budgets cut by 79%, and when they are having to make severe cuts to valuable front-line services, money spent on forced academisation seems like a political exercise, rather than money well spent.

Roy Perry, chairman of the Local Government Association’s children and young people board, stated:

“With mixed evidence about academisation improving standards and when public spending is facing significant cuts imposing academisation on schools regardless of local opinion cannot be an appropriate use of public money.”

This policy was not in the Conservative manifesto. There needs to be proper debate and scrutiny, looking into the cost and how the policy will affect local communities.

Academies do not solve the big problems facing our schools—problems of a shortage of teachers, a shortage of head teachers, and increasing class sizes. Until we look at all those aspects, we should not proceed with academisation.

6.4 pm  
**Ruth Cadbury** (Brentford and Isleworth) (Lab): Is this a Budget where those with the broadest shoulders bear the greatest burden, or is it one that cuts support for those who are already struggling, such as the parents and carers of people with learning disabilities whom I met in Hounslow yesterday, who are bearing the brunt of service and benefit cuts? The Resolution Foundation has shown that the poorest 30% of households are set to lose around £565 per annum by 2020, while the richest 30% are set to gain around £280. Is it not right to suggest, as the former Work and Pensions Secretary did, that we are not all in it together?

On housing, the lifetime ISA will, according to the Office for Budget Responsibility, actually increase home prices, and it has added 0.3% in its Budget book to the level that house prices will reach by 2021. That proves that the Government plan to use taxpayers’ money to
further inflate house prices out of the reach of young people, rather than to build affordable homes for rent that help people on low incomes to have a permanent home over their heads.

Let me move on to the topic of today’s budget debate: business and the economy. First, investment in infrastructure is essential for future growth, but business investment is falling, and the Government are set to spend just over half the level spent by the Government of 2010. Britain is set to slip yet further down the international rankings on infrastructure investments.

Secondly, are not skills a crucial element of our economic infrastructure? There is nothing in the Budget to help West Thames College, which, like all further education colleges, faces a 21% funding cut, resulting in a cut in courses and in the number of students being trained. There is nothing to provide the essential step change in skills that the UK economy needs.

Finally, on the 19% gender pay gap, the Women and Equalities Committee concluded today that not using women’s skills fully costs the UK economy £36 billion or 2% of GDP. There is nothing in the Red Book to address that, and nor is there anything to address the fact that 81% of the Budget cuts have fallen on women.

So, is this a Budget from a Chancellor with a track record of growth and stability, or is it a Budget that yet again has to revise his figures on growth, productivity and exports downwards? I conclude by using words from the former Work and Pensions Secretary and by asking what the Chancellor cares more about—the “fiscal self imposed restraints” or the “national economic interest”.

6.7 pm

Peter Dowd (Bootle) (Lab): May I put on record my condolences to the people of Brussels and Belgium? My home town has been twinned with the town of Mons for more than 50 years, and the current Mayor of Mons—Elio Di Rupo—is the former Prime Minister of Belgium. I would therefore like to make sure my views are recorded.

Anything I say about the Chancellor in relation to the Budget will be as nothing compared with the thrashing he received over the weekend from his colleagues and particularly from the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) or, conversely, with the assault that the right hon. Member for Chingford and Woodford Green received in retaliation. It was the nasty party in full flow, arguing among themselves for all to see. If Conservative Members do that to themselves, hon. Members can imagine how easy it is for them to do the same to disabled people.

Before our very eyes, the acrid smoke from the smoke-and-mirrors Budget is starting to choke the Chancellor, and the mirrors have cracked. As for compassionate Conservatives, they would not know a good samaritan if he crossed the road to help them—by their standards, they would expect to be mugged. Expecting the country, at this point in the whole unfolding charade, to believe that a mass damascene conversion has taken place among Conservative Members is stretching credulity to its limits.

The Chancellor is fond of talking about cocktails: the problems faced by the economy are the result of a cocktail of external pressures—oil prices, the squeeze in China, the instability in the middle east—that have little to do with him. In my view, what we have seen is more cock-up than cocktail. According to the Chancellor, that has nothing to do with the fact that, as John Humphrys pointed out on the “Today” programme, he has missed virtually every target he has set himself.

Labour Members would be impressed by the conversions we have seen if we did not smell a rat. At the end of the day, however, we all remember the right hon. Member for Chingford and Woodford Green punching the air at the autumn statement and trying to claim that the Chancellor was Mr Christmas. Evidently the Chancellor had laid his hands on another £27 billion, and of course Conservative Members were all cheering and chinking glasses. Well, the chinking of glasses is often followed by a hangover, and the hangover is on its way. The Government are going to have to deal with the hangover, because they cannot and must not—and we will not tolerate it—make people in the most vulnerable positions the fall guys for the arrogance, the incompetence and the brass neck of this Chancellor.

6.10 pm

Daniel Zeichner (Cambridge) (Lab): It was striking how little the Chancellor had to say about science and innovation in the Budget. Nearly 60,000 people are employed in the Cambridge cluster, and Cambridge is home to over 1,500 tech companies with a combined annual revenue of about £13 billion. This Government’s record on science is erratic. Investment in research and development is only at 0.49% of GDP—below the OECD average of 0.67% and well below the EU target of 3%. That means that the UK comes last in the EU 27 and eighth in the G8 in terms of R and D spending as a proportion of GDP. The annual funding shortfalls resulting from the 2010 flat-cash settlement for the resource science budget meant a £1 billion loss to the UK research base over the lifetime of the previous Parliament.

There was some relief when the Government committed to protecting the science resource budget in real terms over the course of this Parliament, but £1.5 billion of this funding has been reserved for a new global challenges fund—a new funding commitment tucked within existing science resource funding. I would welcome clarification of how this will impact on current scientific research. It should be noted that funding for innovation and wider research sits outside the ring-fenced science budget. This funding supports companies, especially small and medium-sized enterprises, in translating their research into products.

Like many others, I was very disappointed by the Government’s decision to bin research grants for companies and replace them with loans. This will have a significant impact on key early-stage enterprises, which have explained that they will struggle to secure investment if they have a hefty loan on the books. Sadly, the Government did not listen. They should, because, as I have said on previous occasions, Cambridge’s future success is not assured. Last week, new data from the Office for National Statistics showed that house prices in Cambridge have risen faster since 2010 than anywhere else in the country. If people cannot live in the city, they are then forced to live outside, and that is why local transport matters so much.

I turn to the devolution deal—so-called. Let us be clear: Cambridge and the area around us need the freedoms to make the investments needed to tackle the
housing and transport challenges we face. That was why Cambridgeshire councils, business and universities came together to create the Case for Cambridge—a thoughtful and sensible set of proposals put to Government last year. However, instead of responding positively to that locally agreed and developed proposal, the Government came back very late in the day with a completely different solution, and basically said, “You’ve got three weeks to take it or leave it.” Unsurprisingly, the reaction has been furious. The local enterprise partnership has rejected it, individual business leaders have rejected it, the city council has rejected it, and today Cambridgeshire County Council rejected it. This is no way to deal with the huge and urgent challenge that faces one of the most successful parts of the country: it puts that very success at risk. I hope that those involved in this process—ultimately it is Treasury-led—will reflect on what has happened and reopen discussions in good faith with Cambridgeshire. Cambridgeshire needs a deal, but it needs a deal for Cambridgeshire, not for the Treasury.

6.13 pm

Ms Angela Eagle (Wallasey) (Lab): Today we have heard contributions from 30 Opposition Members and only 14 Government Members—the Government ran out of contributors quite a while ago.

The Chancellor has had to be dragged back to the Chamber today to explain what on earth has happened to his Budget which, after all, is still only six days old and already contains three U-turns. He put in a bravura performance, but there was not a windmill that he did not tilt at or a straw man that he did not set up. Even then, he had the gall to claim that he supports the vulnerable. At the end of all that sound and fury, however, his Budget was still a mess, and the idea of one nation Conservatism is still a national joke.

What we actually got was a botched Budget that has disastrously unravelled in just a few short days. It was a Budget created by a Chancellor far more concerned with advancing his own interests than advancing the national interest. We all knew that this was a Budget that had to be seen through the lens of the Chancellor’s own long-cherished ambition to become leader of the Tory party and Prime Minister, and that the chief interest the Chancellor was promoting was his own. In an effort to curry favour with his own side, he announced increases in tax thresholds and cuts to capital gains tax, and he decided that cuts to disability benefits would pay for them.

The Chancellor has presented a catastrophic Budget—omnishambles does not do it justice. The Prime Minister had ordered him to produce a “safety first” budget; instead, he has succeeded in producing a Budget that has torn the Cabinet apart. Despite his performance today, we see a Chancellor at bay, on the run from attacks in his own party. He has completely lost control of his own Budget. He is now so weakened that he is accepting amendments on the tampon tax and solar panels because he knows he would lose the votes, and he dare not let that happen. He has had to reappear in the Chamber today to explain where it all went wrong.

It took less than 24 hours for the Chancellor’s triumph of Wednesday to turn into chaos at the weekend. We have seen a Government in complete and utter disarray

and a Chancellor who has only succeeded in shredding his own reputation. Today, we see the utter collapse of his authority. His popularity has halved since the election, and two thirds of people who voted Conservative last May do not think that he is up to the job of being Prime Minister.

The Chancellor’s Budget was rightly savaged as deeply unfair by his then Secretary of State for Work and Pensions, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). Back Benchers’ outrage grew as they realised that the huge cuts to disability support were being used to fund a tax giveaway for the well-off. We then had Panic Friday, as the Prime Minister realised that his party was in revolt and ordered a hasty retreat on the Chancellor’s biggest revenue raiser in the Red Book. Then came a dramatic Cabinet resignation by the Work and Pensions Secretary, who had reached the end of his tether. On Manic Monday, the cowardly Chancellor went missing, sending out his hapless junior to cover for him.

The former Work and Pensions Secretary made clear his opposition in his devastating resignation letter, in which he said that cuts to disability benefits were “not defensible in the way they were placed within a Budget that benefits higher earning taxpayers.”

That was this Chancellor’s choice. The former Work and Pensions Secretary called the disability cuts that the Chancellor presented last week “morally indefensible”. The former Work and Pensions Secretary has questioned the entire moral basis of the last six years of Conservative government, and weak assertions from Conservative Members that they are really, really compassionate are revealed for what they really, really are: hollow nonsense. The former Work and Pensions Secretary was also clear that he thought that the Chancellor’s welfare cap was unsustainable, and he questioned the motives of his erstwhile Cabinet colleagues, slamming the Chancellor’s indefensible Budget. He said “they’re losing sight of the direction of the travel that they should be in” and “it is in danger of drifting in a direction that divides society rather than unites it. And that I think is unfair.”

It is still unclear in what form this Budget statement will survive, but it now contains an abandoned £4.4 billion of disability benefit cuts and an unspecified £3.5 billion cut in public expenditure. This is a Budget that continues to disintegrate before our very eyes. The Chancellor has given us a Budget that is an economic failure, a moral failure and a political failure. The OBR forecast accompanying the Budget formed a sharply deteriorating backdrop, caused mainly by his own failures at home. Productivity has been revised down and down. Growth has been revised down and down. Earnings have been revised down and are still lower in real terms than they were when the Chancellor took office. It is the same for business investment, which was downgraded by two thirds this year alone. That is not the forecast that most concerns the Chancellor, however. I do not know if you are a betting man, Mr Speaker, but over the weekend the odds on the Chancellor moving next door to No. 10 have slipped from a healthy 2:1 to a distant 4:1. He is on the slide—and fast.

This is a Chancellor who has an astonishing record of missing his own targets. He promised to protect our triple A credit rating—he has failed. He said he would eliminate the deficit by 2015—he has failed. In his 2012
Budget, he set out a target to double UK exports to £1 trillion by 2020—he has failed, admitting he will miss it by £357 billion. In his last Budget, the Chancellor established three targets he wished to be judged by in this Parliament. First, he promised to keep social security spending below an arbitrary cap he imposed on himself. He has, by his own admission, failed, and he will fail every year of this Parliament, and that was even before he was forced to row back on the cuts to PIP.

Secondly, the Chancellor promised to reduce debt as a percentage of GDP in every year. He will fail, by the end of the month, to meet his target, and he only met it last year by flogging off public assets, such as bits of Royal Mail. Thirdly, he has promised to have an overall surplus by 2020, and that rule is now danging by the thinnest of threads. The Red Book shows that he only hangs on to meeting his economically pointless surplus rule by a series of tricks the Joker would have been proud of, and a promise to cut borrowing by an unprecedented £32 billion in a pre-election year. These are fiscal gymnastics that would embarrass the dodgiest accountant. It does not take a genius to see that this amounts to an economic plan that has lost all credibility in the country, just as he is losing credibility in his own party.

This Budget is also a moral failure. It is a Budget with unfairness at its very heart, from a Chancellor who is making the wrong decisions for our country. Since 2010, over 1 million people have been forced to go to food banks, and over 1 million benefit claimants have been sanctioned, often for utterly trivial reasons. Dying people have been found fit to work—one woman in a coma was found fit to work—and people have committed suicide. Homelessness has soared, and the bedroom tax has caused untold misery. The Chancellor has talked about workers and shirkers, stigmatising all benefit claimants, including those with disabilities, and that has led to a discernible increase in hate crimes against them. I hope the Chancellor is proud of that record, but it is clear that this is not and can never be called compassionate Conservatism.

This is a Budget that planned to eliminate the deficit on the backs of the poor and some of the most vulnerable in our society. None of this is morally justifiable. Never again will this Government be able to claim, “We’re all in this together”. Never again will they be able to don the mantle of compassionate Conservatism with any shred of credibility. This is a political failure of a Budget, as well as a moral failure and an economic failure. This is a Chancellor who has mishandled tax credit cuts, who has pushed and lost on Sunday trading and who has now mishandled disability benefit cuts, too. He is a Chancellor who has lost control of his Budget and lost control of his leadership hopes. This is an omnishambles Chancellor who has produced an immoral Budget, which is disintegrating before our eyes. That is why we will vote against it tonight.

6.23 pm

The Chief Secretary to the Treasury (Greg Hands): May I associate myself with the comments made by the Chancellor, Members on both Front Benches and many Back Benchers about the terrible terrorist outrages in Brussels this morning? I remind everybody that we stand shoulder to shoulder with the people of Belgium, as we in this country have done many times before against the scourge of terrorism.

The past four days of this debate have certainly been lively. I want to look back not just four days, but more than six years. Let us cast our minds back to six years ago, in 2010, when the whole world doubted the UK’s ability to pay its way. Now the UK is forecast to grow faster than any other major advanced economy in the world.

Six years ago, we were borrowing 25p out of every £1 that we spent—almost £6,000 per household per annum. Now that figure is down to 10p, and will be 7p next year. Six years ago our deficit was more than 10% of GDP. Now we are three years away from building that surplus. Our economy is a full 12.6% bigger than it was in 2010 when my right hon. Friend delivered his first Budget. Our foreign exchange reserves have doubled, and every day has seen an average of 1,000 jobs created. Inflation is low, poverty and inequality are falling, and wages are rising. Yes, that is due to our long-term economic plan.

We can only have a fair and compassionate society on the back of a strong economy. That is what the British electorate asked us to do in May, and that is what we are doing. We are proud of the jobs created over the past six years, proud of having lifted more than 1 million low-paid people out of income tax, proud of having introduced the national living wage, and proud of our record as a compassionate one-nation Conservative Government.

Let me respond to some of the points raised today, partly because the shadow First Secretary of State failed to mention any of them. The hon. Member for Dewsbury (Paula Sherriff) and my right hon. Friend the Member for Basingstoke (Mrs Miller) raised a technical detail and asked, with reference to the tampon tax, what will happen to the money now allocated for that in the Budget. That was a one-year bidding process, and all the organisations will get the money that we announced on Wednesday. The relevant clause for that will be in the Finance Bill, which will be published on Thursday.

Various Conservative Members, including my hon. Friends the Members for Warwick and Leamington (Chris White), for South Dorset (Richard Drax), for Richmond (Yorks) (Rishi Sunak), for Croydon South (Chris Philp) and for Dudley South (Mike Wood), my right hon. Friend the Member for Basingstoke, and others, praised the wealth creators and business, and this is very much a Budget for business, wealth creators and enterprise. My hon. Friends the Members for Harrow East (Bob Blackman) and for Peterborough (Mr Jackson), the hon. Members for Clwyd South (Susan Elan Jones) and for City of Durham (Dr Blackman-Woods), and the right hon. Member for Delyn (Mr Hanson) all mentioned infrastructure spending—albeit with slightly differing views—and individual projects.

The Government remain on course to deliver £100 billion in infrastructure projects this Parliament. The Budget announced more for flood defences, and for transport projects in the north, London and right the way across England. My hon. Friend the Member for Harrow East raised a point about tough sleeping, and we are committing £110 million extra for that. No allocations have yet been made, but London is very much a focus of that additional money.

When the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell) spoke I had to stop and check that I had heard him correctly, because he spoke about a risk “in relation to the price of oil”. I can tell
him something about a risk “in relation to the price of oil”, because if Scotland were to have separated on the SNP’s proposed date of this Thursday, it would now be facing a fiscal black hole of £19 billion, largely caused by a 98% collapse in oil revenue.

My hon. Friend the Member for Norwich North (Chloe Smith) called this a Budget for savers and the next generation. She is absolutely right, and the Lifetime ISA will apply even to those who do not put in the full £4,000 a year. We have also launched the Help to Save initiative, which will help lower-paid savers who are on universal credit or tax credits.

My hon. Friend the Member for Erewash (Maggie Throup) highlighted our income tax cuts, which deliver on our manifesto commitment—we are accelerating them for the low-paid, the lower-paid and the medium-paid.

We heard opposing speeches on the merits of the soft drinks industry levy from my hon. Friend the Member for Bedford (Richard Fuller), the hon. Member for Falkirk (John McNally) and others. My hon. Friend raised a number of technical objections to the levy. We are consulting on the details and are keen to work with the industry on it, but hon. Members should make no mistake: we think it is the right thing to do to help to deal with the UK’s £27 billion per annum obesity problem.

The hon. Member for Foyle (Mark Durkan) thanked us on behalf of Northern Ireland for launching funding for the new air ambulance, which I know has been very well received. We are open to ideas on UK city deals coming from Northern Ireland, but I should say to him that the Stormont House agreement committed more than £2.5 billion to the Executive, which I think was very generous.

We heard from many former members of the Labour Treasury team—the shadow shadow Treasury team, as they have been called—including the right hon. Member for Delyn, the hon. Members for Birmingham, Ladywood (Shabana Mahmood) and for Leeds West (Rachel Reeves). All protested at the policies and initiatives launched by the Government. I have two things to say to them. First of all, in all of the last Parliament, I do not recall any of them coming up with a single proposal to save money or cut spending, or to back any tax rise. More interestingly, not one of the shadow shadow Treasury team had a word of praise for their actual shadow Treasury team, which was absolutely compelling evidence of where they are going wrong.

It is because we have faced up to the facts and because we have taken the difficult decisions that our economy is fundamentally stronger, more resilient and better able to protect our families and households in uncertain times. Uncertain times are what we must currently deal with. Growth worldwide is slowing, commodity prices have fallen and productivity growth has been sluggish, particularly in the most advanced economies. The middle east remains unstable and global markets have experienced worrying turbulence. The UK is immune to none of that. Responsible government means preparing our economy for the challenges that lie ahead and ensuring that we never again find ourselves in the position we found ourselves in six years ago. It means that, when problems come up, we deal with them in full and early on.

Rachel Reeves: Many Labour Members have asked about the £4.4 billion black hole. Will the Chief Secretary to the Treasury please confirm whether that £4.4 billion will be plugged by further cuts to welfare, tax increases, spending cuts or more borrowing? It has to be one. Which is it?

Greg Hands: It is always good to hear from the shadow shadow Treasury team. I can tell the hon. Lady that more will be outlined in the course of this year in the autumn statement. However, we remain on course—[Interruption.]

Mr Speaker: Order. Members are becoming a little over-excitible. The Chief Secretary must be heard.

Greg Hands: We remain on course to deliver our budget surplus in 2019-20, which is far more than Labour ever achieved. I would have thought that the hon. Lady would take the opportunity to congratulate the Government on the new commitment to flood defences in Leeds, which she did not mention.

I will be working to find a further £3.5 billion of efficiencies by 2019-20 so that we deliver that surplus by the end of this Parliament. That means that we keep our economy on course, and we refuse to pass on the burden to our children and grandchildren.

At the same time, we will continue to reward aspiration, back growth, invest in education and help people get on in life—because this is a Budget that backs Britain’s businesses. It cuts the burden of business rates by £6.7 billion over the next five years, taking 600,000 of our smallest firms out of business rates altogether. It cuts the rate of corporation tax even further, to 17% in 2020, giving us the most competitive rate in the G7 and benefiting more than 1 million businesses. Through a £1 billion North sea oil and gas package, it is a Budget that helps Britain’s largest industry succeed in difficult economic times; through cuts to both the higher and basic rates of capital gains tax, it encourages investment—the lifeblood of Britain’s businesses; and, through the abolition of class 2 national insurance contributions, it creates a simpler tax system and a tax cut of more than £130 for the 3 million-plus self-employed people in Britain—this Government stand squarely behind them.

This is a Budget that puts cash into people’s pockets. It raises the tax-free personal allowance to £11,500 from next year, and the higher rate threshold to £45,000. We recognise that money should be in savings accounts as well as in pockets, so this is also the Budget that creates the lifetime ISA, helping people to buy their first home or save for their retirement. This is a Budget that freezes fuel duty, helping people every time they fill up their tank. It is a Budget that supports responsible drinkers; helps the nation’s pubs and gives a further boost to the Scotch whisky industry.

I recall seeing on the morning of the Budget the Scottish National party’s lead spokesman saying that he had three asks in this Budget, and he listed them on Twitter. They were to freeze fuel duty, to keep down duty on Scotch and to have a fiscal package for oil and gas. We have met all three of his asks and much more, and this is a very good Budget for Scotland, too.

It is a Budget that strengthens our tax base, through reforming the tax system so that it is in line with the realities of global, 21st-century economics. As I said, in
this Budget we take action on the scourge of obesity, which, as well as putting unsustainable pressures on the NHS, ruins people’s health and quality of life, and costs the country about £27 billion a year.

Catherine McKinnell rose—

Greg Hands: I do not have time to give way. Because we continue to get the public finances under control, our Budget—[Interruption.] I am sorry, but all the Labour MPs elected in 2010 and 2015 do not remember the last Labour Government, and that is part of their problem. Because we get the public finances under control, our Budget gives this country a stable base from which to support those in need of support. That is a point that too many on the Opposition Benches still do not get: there can only be true social justice on the back of a functioning economy. Had we not taken action in 2010, borrowing would have been £930 billion more by the end of the decade than it is now forecast to be. On a serious point, one more downturn and we could have lost control altogether in this country, and when that happens it is the poorest and the most vulnerable who are hit the hardest. So we say: never again. That is why we take action now, so we do not pay later.

To conclude, I am sure that some on the Opposition Benches will vote against the Budget tonight, but they will be voting against more money going to our schools. They will be voting against 600,000 small businesses being taken out of paying business rates altogether. They will be voting against support for our North sea oil and gas industry. They will be voting against 600,000 small businesses not paying for business rates. They will be voting against increases in value added tax on women’s sanitary products. ‘other than in respect of value added tax on women’s sanitary products’.—[Paula Sherriff.]

Main Question, as amended, put.

The House divided: Ayes 310, Noes 275.

Division No. 221] [6.40 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
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Resolved,
That—

(1) That it is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax (except in relation to value added tax on insulation, solar panels and any other category of energy-saving material or their installation) so as to provide—

(a) for zero-rating or exempting a supply, acquisition or importation; other than in respect of value added tax on women's sanitary products

(b) for refunding an amount of tax;

(c) for any relief, other than a relief that—

(i) so far as it is applicable to goods, applies to goods of every description, and

(ii) so far as it is applicable to services, applies to services of every description.

Mr Speaker: I am now required under Standing Order No. 51(3) to put, without further debate, the Question on each of the Ways and Means motions numbered 2 to 69 on which the Bill is to be brought in, and on the motions on Procedure and Finance (Money). I should point out that motion No. 13 includes a schedule. These motions are set out in a separate paper distributed with today’s Order Paper.

I must inform the House that, for the purposes of Standing Order No. 83U, and on the basis of material put before me, I have certified that in my opinion the motions on Procedure and Finance (Money) are within devolved legislative competence. I am referring, as I feel sure colleagues are keenly aware, to the following motions:

45. Stamp duty land tax (calculating tax on non-residential and mixed transactions);

46. Stamp duty land tax (higher rates for additional dwellings etc.);

47. SDLT higher rate (land purchased for commercial use);

48. SDLT higher rate (acquisition under home reversion plan);

49. SDLT higher rate (properties occupied by certain employees);

50. Stamp duty land tax (co-ownership authorised contractual schemes);

57. Landfill tax (rates); and the motion on Procedure (Future Taxation) relating to rates of landfill tax.

Any of these motions on which the House may divide will be subject to double majority voting. With the leave of the House, I will put the Question on motions 2 to 7 together.

The Speaker put forthwith the Questions necessary to dispose of the motions made in the name of the Chancellor of the Exchequer (Standing Order No. 51(3)).

2. INCOME TAX (CHARGE AND MAIN RATES)

Resolved,
That—

(1) Income tax is charged for the tax year 2016-17.
(2) For that tax year—
(a) the basic rate is 20%,
(b) the higher rate is 40%, and
(c) the additional rate is 45%.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

3. DIVIDENDS ETC.

Resolved,
That provision may be made about distributions (within the meaning of the Tax Acts), including provision about rates of income tax on dividend income (within the meaning of the Income Tax Acts).

4. TAXABLE BENEFITS (APPLICATION OF CHAPTERS 5, 6 AND 7 OF PART 3 OF THE INCOME TAX (EARNINGS AND PENSIONS) ACT 2003)

Resolved,
That—
(1) Part 3 of the Income Tax (Earnings and Pensions) Act 2003 (employment income: earnings and benefits etc treated as earnings) is amended as follows.
(2) In section 97 (living accommodation to which Chapter 5 applies), after subsection (1) insert—
“(1A) In determining for the purposes of this Chapter whether this Chapter applies to living accommodation provided for an individual it is immaterial whether or not the terms on which it is provided constitute a fair bargain.”
(3) In section 114 (cars, vans and related benefits to which Chapter 6 applies), after subsection (1) insert—
“(1A) In determining for the purposes of this Chapter whether this Chapter applies by virtue of subsection (1) to a car or van made available to an individual it is immaterial whether or not the terms on which the car or van is made available constitute a fair bargain.”
(4) For section 117 substitute—
“117 Meaning of car or van made available by reason of employment
(1) For the purposes of this Chapter a car or van made available by an employer to an employee or member of an employee's family or household is to be regarded as made available by reason of the employment unless subsection (2) or (3) excludes the application of this subsection.
(2) Subsection (1) does not apply where—
(a) the employer is an individual, and
(b) the car or van is made available in the normal course of the employer’s domestic, family or personal relationships.
(3) Subsection (1) does not apply where—
(a) the employer carries on a vehicle hire business under which cars or vans of the same kind are made available to members of the public for hire,
(b) the car or van in question is hired to the employee or member in the normal course of that business, and
(c) in hiring that car or van the employee or member is acting as an ordinary member of the public.
(4) In section 173 (loans to which Chapter 7 applies), after subsection (1) insert—
“(1A) In determining for the purposes of this Chapter whether a loan is an employment-related loan it is immaterial whether or not the terms of the loan constitute a fair bargain.”
(6) The amendments made by this Resolution have effect for the tax year 2016-17 and subsequent tax years.

5. TAXABLE BENEFITS (DIESEL CARS)

Resolved,
That—
(1) In section 24 of the Finance Act 2014 (cars: the appropriate percentage), omit the following (“the repealing provisions”)—
(a) subsection (2),
(b) subsection (6),
(c) subsection (10),
(d) subsection (11), and
(e) subsection (15).
(2) Any provision of the Income Tax (Earnings and Pensions) Act 2003 amended or omitted by the repealing provisions has effect for the tax year 2016-17 and subsequent tax years as if the repealing provisions had not been enacted.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

6. TAXABLE BENEFITS (VANS)

Resolved,
That—
(1) Section 155 of the Income Tax (Earnings and Pensions) Act 2003 (cash equivalent of the benefit of a van) is amended as follows.
(2) In subsection (lB)(a), for “2019-20” substitute “2021-22”.
(3) In subsection (1C), for paragraphs (b) to (e) substitute—
“(b) 20% for the tax year 2016-17;
(c) 20% for the tax year 2017-18;
(d) 40% for the tax year 2018-19;
(e) 60% for the tax year 2019-20;
(f) 80% for the tax year 2020-21;
(g) 90% for the tax year 2021-22.”
(4) The amendments made by this Resolution have effect for the tax year 2016-17 and subsequent tax years.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

7. INCOME TAX (EXEMPTION FOR TRIVIAL BENEFITS PROVIDED BY EMPLOYERS)

Resolved,
That—
(1) The Income Tax (Earnings and Pensions) Act 2003 is amended as follows.
(2) After section 323 insert—
“323ATrivial benefits provided by employers
(1) No liability to income tax arises in respect of a benefit provided by, or on behalf of, an employer to an employee or a member of the employee's family or household if—
(a) conditions A to D are met, or
(b) in a case where subsection (2) applies, conditions A to E are met.
(2) This subsection applies where—
(a) the employer is a close company, and
(b) the employee is—
(i) a person who is a director or other office-holder of the employer, or
(ii) a member of the family or household of such a person.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.
(3) Condition A is that the benefit is not cash or a cash voucher within the meaning of section 75.
(4) Condition B is that the benefit cost of the benefit does not exceed £50.
(5) In this section “benefit cost”, in relation to a benefit, means—
(a) the cost of providing the benefit, or
(b) if the benefit is provided to more than one person and the nature of the benefit or the scale of its provision means it is impracticable to calculate the cost of providing it to each person to whom it is provided, the average cost per person of providing the benefit.
(6) For the purposes of subsection (5)(b), the average cost per person of providing a benefit is found by dividing the total cost of providing the benefit by the number of persons to whom the benefit is provided.
(7) Condition C is that the benefit is not provided pursuant to relevant salary sacrifice arrangements or any other contractual obligation.
(8) “Relevant salary sacrifice arrangements”, in relation to the provision of a benefit to an employee or to a member of an employee’s family or household, means arrangements (whenever made, whether before or after the employment began) under which the employee gives up the right to receive an amount of general earnings or specific employment income in return for the provision of the benefit.
(9) Condition D is that the benefit is not provided in recognition of particular services performed by the employee in the course of the employment or in anticipation of such services.
(10) Condition E is that—
(a) the benefit cost of the benefit provided to the employee, or
(b) in a case where the benefit is provided to a member of the employee’s family or household who is not an employee of the employer, the amount of the benefit cost allocated to the employee in accordance with section 323B(4), does not exceed the employee’s available exempt amount (see section 323B).

323B Section 323A: calculation of available exempt amount
(1) The “available exempt amount”, in relation to an employee of an employer, is the amount found by deducting from the annual exempt amount the aggregate of—
(a) the benefit cost of eligible benefits provided earlier in the tax year by, or on behalf of, the employer to the employee, and
(b) any amounts allocated to the employee in accordance with subsection (4) in respect of eligible benefits provided earlier in the tax year by, or on behalf of, the employer to a member of the employee’s family or household who was not at that time an employee of the employer.
(2) The annual exempt amount is £300.
(3) For the purposes of subsection (1) “eligible benefits” means benefits in respect of which conditions A to D in section 323A are met.
(4) The amount allocated to an employee of an employer in respect of a benefit provided to a person (“P”) who—
(a) is a member of the employee’s family or household, and
(b) is not an employee of the employer,
is the benefit cost of that benefit divided by the number of persons who meet the condition in subsection (5) and are members of P’s family or household.
(5) This condition is met if the person is—
(a) a director or other office-holder of the employer,
(b) an employee of the employer who is a member of the family or household of a person within paragraph (a), or
(c) a former employee of the employer who—
(i) was a director or other office-holder at any time when the employer was a close company, or
(ii) is a member of the family or household of such a person.
(6) In this section “benefit cost” has the same meaning as in section 323A.
(7) The amendment made by this Resolution has effect for the tax year 2016-17 and subsequent tax years.
And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

8. TRAVEL EXPENSES OF WORKERS PROVIDING SERVICES THROUGH INTERMEDIARIES

Question put,
That—
(1) In Chapter 2 of Part 5 of the Income Tax (Earnings and Pensions) Act 2003 (deductions for employee’s expenses), after section 339 insert—
“339A Travel for necessary attendance: employment intermediaries
(1) This section applies where an individual (“the worker”)—
(a) personally provides services (which are not excluded services) to another person (“the client”), and
(b) the services are provided not under a contract directly between the client or a person connected with the client and the worker but under arrangements involving an employment intermediary.
This is subject to the following provisions of this section.
(2) Where this section applies, each engagement is for the purposes of sections 338 and 339 to be regarded as a separate employment.
(3) This section does not apply if it is shown that the manner in which the worker provides the services is not subject to (or to the right of) supervision, direction or control by any person.
(4) Subsection (3) does not apply in relation to an engagement if—
(a) Chapter 8 of Part 2 applies in relation to the engagement,
(b) the conditions in section 51, 52 or 53 are met in relation to the employment intermediary, and
(c) the employment intermediary is not a managed service company.
(5) This section does not apply in relation to an engagement if—
(a) Chapter 8 of Part 2 does not apply in relation to the engagement merely because the circumstances in section 49(1)(c) are not met,
(b) assuming those circumstances were met, the conditions in section 51, 52 or 53 would be met in relation to the employment intermediary, and
(c) the employment intermediary is not a managed service company.
(6) In determining for the purposes of subsection (4) or (5) whether the conditions in section 51, 52 or 53 are or would be met in relation to the employment intermediary—
(a) in section 50(1)(b), disregard the words “that is not employment income”, and
(b) read references to the intermediary as references to the employment intermediary.
(7) Subsection (8) applies if—
(a) the client or a relevant person provides the employment intermediary (whether before or after the worker begins to provide the services) with a fraudulent document which is intended to constitute evidence that, by virtue of subsection (3), this section does not or will not apply in relation to the services,
(b) that section is taken not to apply in relation to the services, and
(c) in consequence, the employment intermediary does not under PAYE regulations deduct and account for an amount that would have been deducted and accounted for under those regulations if this subsection had been taken to apply in relation to the services.
(8) For the purpose of recovering the amount referred to in subsection (7)(c)("the unpaid tax")—
(a) the worker is to be treated as having an employment with the client or relevant person who provided the document, the duties of which consist of the services, and
(b) the client or relevant person is under PAYE regulations to account for the unpaid tax as if it arose in respect of earnings from that employment.

(9) In subsections (7) and (8) "relevant person" means a person, other than the client, the worker or a person connected with the employment intermediary, who—
(a) is resident, or has a place of business, in the United Kingdom, and
(b) is party to a contract with the employment intermediary or a person connected with the employment intermediary under or in consequence of which—
(i) the services are provided, or
(ii) the employment intermediary, or a person connected with the employment intermediary, makes payments in respect of the services.

(10) In determining whether this section applies, no regard is to be had to any arrangements the main purpose, or one of the main purposes, of which is to secure that this section does not to any extent apply.

(11) In this section—
"arrangements" includes any scheme, transaction or series of transactions, agreement or understanding, whether or not enforceable, and any associated operations;
"employment intermediary" means a person, other than the worker or the client, who carries on a business (whether or not with a view to profit and whether or not in conjunction with any other business) of supplying labour;
"engagement" means any such provision of service as is mentioned in subsection (1)(a);
"excluded services" means services provided wholly in the client's home;
"managed service company" means a company which—
(a) is a managed service company within the meaning given by section 61B, or
(b) would be such a company disregarding subsection (4)(c) of that section."

(2) In section 688A of the Income Tax (Earnings and Pensions) Act 2003 (managed service companies: recovery from other persons), in subsection (5), in the definition of "managed service company", after "section 61B" insert "but for the purposes of section 339A has the meaning given by subsection (11) of that section".

"688B Travel expenses of workers providing services through intermediaries: recovery of unpaid tax

(1) PAYE regulations may make provision for, or in connection with, the recovery from a director or officer of a company, in such circumstances as may be specified in the regulations, of amounts within any of subsections (2) to (5).

(2) An amount within this subsection is an amount that the company is to account for in accordance with PAYE regulations by virtue of section 339A in circumstances where—
(a) the company is an employment intermediary,
(b) on the basis that section 339A of ITEPA does not apply by virtue of subsection (3) of that section the company has not deducted and paid the amount, but
(c) the company has not been provided by any other person with evidence from which it would be reasonable in all the circumstances to conclude that subsection (3) of that section applied (and the mere assertion by a person that the manner in which the worker provided the services was not subject to (or to the right of) supervision, direction or control by any person is not such evidence).

(4) An amount within this subsection is an amount that the company is to deduct and pay in accordance with PAYE regulations by virtue of section 339A in a case where subsection (4) of that section applies, (services provided under arrangements made by intermediaries).

(5) An amount within this subsection is any interest or penalty in respect of an amount within any of subsections (2) to (4) for which the company is liable.

(6) In this section—
"company" includes a limited liability partnership;
"director" has the meaning given by section 67 of ITEPA;
"officer", in relation to a company, means any manager, secretary or other similar officer of the company, or any person acting or purporting to act as such."


"CHAPTER 3B
CERTAIN DEBTS OF COMPANIES UNDER SECTION 339A OF ITEPA (TRAVEL EXPENSES OF WORKERS PROVIDING SERVICES THROUGH EMPLOYMENT INTERMEDIARIES)

97ZG Interpretation of Chapter 3B: "relevant PAYE debt" and "relevant date"

(1) In this Chapter "relevant PAYE debt", in relation to a company means an amount within any of paragraphs (2) to (5).

(2) An amount within this paragraph is an amount that the company is to account for in accordance with these Regulations by virtue of section 339A(7) to (9) of ITEPA (persons providing fraudulent documents).

(3) An amount within this paragraph is an amount which a company is to deduct and pay in accordance with these Regulations by virtue of section 339A of ITEPA in circumstances where—
(a) the company is an employment intermediary,
(b) on the basis that section 339A of ITEPA does not apply by virtue of subsection (3) of that section the company has not deducted and paid the amount, but
(c) the company has not been provided by any other person with evidence from which it would be reasonable in all the circumstances to conclude that subsection (3) of that section applied (and the mere assertion by a person that the manner in which the worker provided the services was not subject to (or to the right of) supervision, direction or control by any person is not such evidence).

(4) An amount within this paragraph is an amount that the company is to deduct and pay in accordance with these Regulations by virtue of section 339A of ITEPA in a case where subsection (4) of that section applies (services provided under arrangements made by intermediaries).

(5) An amount within this paragraph is any interest or penalty in respect of an amount within any of paragraphs (2) to (4) for which the company is liable.

(6) In this Chapter "the relevant date" in relation to a relevant PAYE debt means the date on which the first payment is due on which PAYE is not accounted for.

97ZH Interpretation of Chapter 3B: general

In this Chapter—
"company" includes a limited liability partnership;
"director" has the meaning given by section 67 of ITEPA;
"personal liability notice" has the meaning given by regulation 97ZI(2);
97ZJ Liability of directors for relevant PAYE debts

(1) This regulation applies in relation to an amount of relevant PAYE debt of a company if the company does not deduct that amount by the time by which the company is required to do so.

(2) HMRC may serve a notice (a “personal liability notice”) on any person who was, on the relevant date, a director of the company—
(a) specifying the amount of relevant PAYE debt in relation to which this regulation applies (“the specified amount”), and
(b) requiring the director to pay to HMRC—
(i) the specified amount, and
(ii) specified interest on that amount.

(3) The interest specified in the personal liability notice—
(a) is to be at the rate applicable under section 178 of the Finance Act 1989 for the purposes of section 86 of TMA, and
(b) is to run from the date the notice is served.

(4) A director who is served with a personal liability notice is liable to pay to HMRC the specified amount and the interest specified in the notice within 30 days beginning with the day the notice is served.

(5) If HMRC serve personal liability notices on more than one director of the company in respect of the same amount of relevant PAYE debt, the directors are jointly and severally liable to pay to HMRC the specified amount and the interest specified in the notices.

97ZJ Appeals in relation to personal liability notices

(1) A person who is served with a personal liability notice in relation to an amount of relevant PAYE debt of a company may appeal against the notice.

(2) A notice of appeal must—
(a) be given to HMRC within 30 days beginning with the day the personal liability notice is served, and
(b) specify the grounds of the appeal.

(3) The grounds of appeal are—
(a) that all or part of the specified amount does not represent an amount of relevant PAYE debt, of the company, to which regulation 97ZI applies, or
(b) that the person was not a director of the company on the relevant date.

(4) But a person may not appeal on the ground mentioned in paragraph (3)(a) if it has already been determined, on an appeal by the company, that—
(a) the specified amount is a relevant PAYE debt of the company, and
(b) the company did not deduct, account for, or (as the case may be) pay the debt by the time by which the company was required to do so.

(5) Subject to paragraph (6), on an appeal that is notified to the tribunal, the tribunal is to uphold or quash the personal liability notice.

(6) In a case in which the ground of appeal mentioned in paragraph (3)(a) is raised, the tribunal may also reduce or increase the specified amount so that it does represent an amount of relevant PAYE debt, of the company, to which regulation 97ZI applies.

97ZK Withdrawal of personal liability notices

(1) A personal liability notice is withdrawn if the tribunal quashes it.

(2) An officer of Revenue and Customs may withdraw a personal liability notice if the officer considers it appropriate to do so.

(3) If a personal liability notice is withdrawn, HMRC must give notice of that fact to the person upon whom the notice was served.

97ZL Recovery of sums due under personal liability notice: application of Part 6 of TMA

(1) For the purposes of this Chapter, Part 6 of TMA (collection and recovery) applies as if—
(a) the personal liability notice were an assessment, and
(b) the specified amount, and any interest on that amount under regulation 97ZI(2)(b)(ii), were income tax charged on the director upon whom the notice is served,
and that Part of that Act applies with the modification in paragraph (2) and any other necessary modifications.

(2) Summary proceedings for the recovery of the specified amount, and any interest on that amount under regulation 97ZI(2)(b)(ii), may be brought in England and Wales or Northern Ireland at any time before the end of the period of 12 months beginning with the day after the day on which the personal liability notice is served.

97ZM Repayment of surplus amounts

(1) This regulation applies if—
(a) one or more personal liability notices are served in respect of an amount of relevant PAYE debt of a company, and
(b) the amounts paid to HMRC (whether by directors upon whom notices are served or the company) exceed the aggregate of the specified amount and any interest on it under regulation 97ZI(2)(b)(ii).

(2) HMRC is to repay the difference on a just and equitable basis and without unreasonable delay.

(3) HMRC is to pay interest on any sum repaid.

(4) The interest—
(a) is to be at the rate applicable under section 178 of the Finance Act 1989 for the purposes of section 824 of ICTA, and
(b) is to run from the date the amounts paid to HMRC come to exceed the aggregate mentioned in subsection (1)(b)."

(5) The amendment made by paragraph (4) is to be treated as having been made by the Commissioners for Her Majesty’s Revenue and Customs in exercise of the power conferred by section 688B of the Income Tax (Earnings and Pensions) Act 2003 (inserted by paragraph (3)).

(6) The amendment made by paragraph (1) has effect in relation to the tax year 2016-17 and subsequent tax years.

(7) The amendment made by paragraph (4) has effect in relation to relevant PAYE debts that are to be deducted, accounted for or paid on or after 6 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

The House divided: Ayes 307, Noes 62.

Division No. 222

[6.57 pm]
Budget Resolutions and Economic Situation

22 MARCH 2016

Budget Resolutions and Economic Situation

Grahame, Richard
Graham, Mrs Helen
Gray, Mr James
Grayling, Mr Chris
Green, Chris
Green, Mr Damien
Greening, Mr Justine
Grieve, Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Mr Robert
Hall, Luke
Hammond, Stephen
Hands, Mr Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Haselhurst, Mr Sir Alan
Hayes, Mr John
Heald, Mr Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, flank Nick
Hinds, Damien
Hoare, Simon
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, Mr Jeremy
Jackson, Mr Stewart
James, Margot
Javid, Mr Sajid
Jayawardena, Mr Ranil
Jenkins, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Boris
Johnson, Kirsty
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kaczynski, Daniel
Kennedy, Seema
Knight, Sir Greg
Knight, Julian
Kwiatkowska, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Philip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, Mr Roger
Lewis, Brandon
Lewis, Mr Dr Julian
Lidington, Mr David
Lilly, Mr Peter
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, Mr Patrick
McPartland, Stephen
Menzies, Mark
Merron, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, Mr Malcolm
Milligan, Amanda
Mills, Nigel
Milton, Mr Anne
Mitchell, Mr Andrew
Mordaunt, Penny
Morgan, Mr Nicky
Morris, Mr Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, Mr David
Murray, Mrs Sheryl
Murray, Mr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Opperman, Mr Guy
Osborne, Mr George
Paisley, Ian
Parish, Neil
Patel, Mr Priti
Paterson, Mr Robert
Pawlsey, Mark
Penning, Mr Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Phip, Chris
Pickles, Mr Sir Eric
Pincher, Mr Christopher
Poulter, Mr Daniel
Pow, Rebecca
Pentland, Sheryl
Prisk, Mr Mark
Pursglove, Tom
Quin, Mr Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, Mr John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Pauline
Robinson, Mary
Rosindell, Andrew
Rudd, Mr Amber
Rutley, David
Sandbach, Antoinette
Scully, Paul
Selous, Andrew
Shapps, Mr Grant
Sharma, Akol
Simpson, Mr Robert
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Somers, Mr Sir Nicholas
Solloway, Amanda
Souby, Mr Alan
Spelman, Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Sturdy, Julian
Sunak, Rishi
Swayne, Mr Sir Desmond
Swire, Mr Sir Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Thompson, Edward
Tholhurst, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, Mr Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shai Elish
Vickers, Mr Charles
Villiers, Mr Stephen
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, White
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Craig
Williamson, Mr Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Mr Dr Sarah
Wood, Mike
Wragg, William
Wright, Mr Jeremy
Zahawi, Nadhim

Tellers for the Ayes:
Sarah Newton and Simon Kirby

Ahmed-Sheikh, Ms Tasmina
Arkless, Richard
Bardell, Hannah
Shapps, Mr Grant
Sharma, Akol
Simpson, Mr Robert
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Somers, Mr Sir Nicholas
Solloway, Amanda
Souby, Mr Alan
Spelman, Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Sturdy, Julian
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Truss, Mr Elizabeth
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Turner, Mr Andrew
Tyrie, Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shai Elish
Vickers, Mr Charles
Villiers, Mr Stephen
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
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Wharton, James
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White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Craig
Williamson, Mr Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Mr Dr Sarah
Wood, Mike
Wragg, William
Wright, Mr Jeremy
Zahawi, Nadhim

NOES

Black, Mr Mhairi
Blackford, Mr Ian
Blackman, Miss Kirby

1495 1496 22 MARCH 2016 1496
And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

13. PENSIONS: LIFETIME ALLOWANCE

Resolved,

That—

(1) Section 218 of the Finance Act 2004 (pension schemes etc: lifetime allowance) is amended in accordance with paragraphs (2) to (4).

(2) For subsections (2) and (3) (standard lifetime allowance is £1,250,000 but may be increased by Treasury order) substitute—

“(2) The standard lifetime allowance for the tax years 2016-17 and 2017-18 is £1,000,000.”

(3) After subsection (5B) insert—

“(3C) Where the operation of a lifetime enhancement factor is provided for by any of sections 220, 222, 223 and 224 and the time mentioned in the definition of SLA in the section concerned fell within the period consisting of the tax year 2014-15 and the tax year 2015-16, subsection (4) has effect as if the amount to be multiplied by LAEF were £1,250,000 if that is greater than SLA.

(5BD) Where more than one lifetime enhancement factor operates, subsection (5C) does not apply if any of subsections (5A), (5B) and (5BA) applies.”

(4) After subsection (5D) insert—

“(5E) Where benefit crystallisation event 7 occurs on or after 6 April 2016 by reason of the payment of a relevant lump sum death benefit in respect of the death of the individual during the period consisting of the tax year 2014-15 and the tax year 2015-16, the standard lifetime allowance at the time of the benefit crystallisation event is £1,250,000.”

(5) The amendments made by paragraphs (2) to (4) have effect for the tax year 2016-17 and subsequent tax years.

(6) The provision made by the Schedule to the 2016 Budget Resolution (Pensions: lifetime allowance) shall have effect.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

The schedule to Budget resolution No. 13 is available in Votes and Proceedings.

14. PENSIONS

Resolved,

That provision (including provision having retrospective effect) may be made in connection with the taxation of pensions.

15. INCOME TAX (FIXED-RATE DEDUCTIONS)

Resolved,

That provision may be made about the deductions allowed when calculating the profits of a trade, profession or vocation for the purposes of income tax.

16. EIS, SEIS AND VCTS

Resolved,

That provision (including provision having retrospective effect) may be made about the enterprise investment scheme, the seed enterprise investment scheme and venture capital trusts.

17. INCOME TAX RELIEF FOR IRRECOVERABLE PEER-TO-PEER LOANS

Resolved,

That—

(1) The Income Tax Act 2007 is amended as follows.

(2) After section 412 insert—
412A Relief for irrecoverable peer-to-peer loans

The relief

(a) L has made a peer-to-peer loan (“the relevant loan”),
(b) the loan was made through an operator,
(c) L has not assigned the right to recover the principal of the loan, and
(d) any outstanding amount of the principal of the loan has, on or after 6 April 2015, become irrecoverable.

(2) But if the outstanding amount became irrecoverable before 6 April 2016 L is entitled to relief under this section only on the making of a claim.

(3) The relief is given by deducting the outstanding amount in calculating L’s net income for the tax year in which the amount became irrecoverable (see Step 2 of the calculation in section 23).

(4) The deduction under this section is to be made only from income arising from the payment to L of interest on—
(a) the relevant loan, and
(b) any other loan within subsection (5) or (6).

(5) A loan is within this subsection if—
(a) it is a peer-to-peer loan made by L, and
(b) it was made through the operator through whom the relevant loan was made.

(6) A loan is within this subsection if—
(a) the loan was made by someone other than L,
(b) the right to receive interest on the loan has been assigned to L,
(c) the right was assigned through the operator through whom the relevant loan was made, and
(d) either—
(i) L is a person within paragraph (a), (b) or (c) of section 412I(4), or
(ii) the recipient of the loan is a person within one of those paragraphs and the loan is a personal or small loan.

412B Claims for additional relief: sideways relief

(1) A person (“L”) may make a claim for relief under this section if—
(a) it was made through an operator who is not the operator through whom the relevant loan was made.

(5) A loan is within this subsection if—
(a) the loan was made by someone other than L,
(b) the right to receive interest on the loan has been assigned to L,
(c) that right was assigned through an operator who is not the operator through whom the relevant loan was made, and
(d) either—
(i) L is a person within paragraph (a), (b) or (c) of section 412I(4), or
(ii) the recipient of the loan is a person within one of those paragraphs and the loan is a personal or small loan.

(6) The amount deducted under this section is limited in accordance with section 25(4) and (5).

412C Claims for additional relief: carry-forward relief

(1) A person (“L”) may make a claim for relief under this section if—
(a) L is entitled to relief under section 412A in respect of any outstanding amount of the principal of a loan (“the relevant loan”), but

(b) in the tax year in relation to which L is entitled to that relief (“the relevant year”)—
(i) L has no income of the kind mentioned in section 412A(4) or section 412B(3) from which to deduct the outstanding amount, or
(ii) L has insufficient income of that kind to enable the outstanding amount to be deducted in full under those sections.

(2) The claim is for the outstanding amount or (in a case within subsection (1)(b)(ii)) the part of the outstanding amount not capable of being deducted under sections 412A and 412B to be deducted under this section in calculating L’s net income for the four tax years following the relevant year.

(3) The deduction under this section is to be made only from income arising from the payment to L of interest on—
(a) the relevant loan, and
(b) any other loan within subsection (4) or (5).

(4) A loan is within this subsection if—
(a) the loan was made by someone other than L,
(b) the right to receive interest on the loan has been assigned to L,
(c) that right was assigned through an operator (whether or not that operator is the operator through whom the relevant loan was made).

(5) A loan is within this subsection if—
(a) the loan was made by someone other than L,
(b) the right to receive interest on the loan has been assigned to L,
(c) that right was assigned through an operator (whether or not that operator is the operator through whom the relevant loan was made), and
(d) either—
(i) L is a person within paragraph (a), (b) or (c) of section 412I(4), or
(ii) the recipient of the loan is a person within one of those paragraphs and the loan is a personal or small loan.

412D How carry-forward relief works

(1) This subsection explains how deductions are to be made under section 412C.

The amount to be deducted at any step is limited in accordance with section 25(4) and (5).

Step 1 Deduct the outstanding amount or (in a case within section 412C(1)(b)(ii)) the part of the outstanding amount not capable of being deducted under sections 412A and 412B from the lending income for the first tax year following the relevant year.
Step 2 Deduct from the lending income for the second tax year following the relevant year any part of the outstanding amount not previously deducted.

Step 3 Apply Step 2 in relation to the lending income for the third and fourth tax years following the relevant year, stopping if all of the outstanding amount is deducted.

(2) In this section—
“lending income” means income of a kind mentioned in section 412C(3);
“relevant year” has the meaning given by section 412C(l)(b).

Supplementary provisions

412E Subsequent recovery of peer-to-peer loans
(1) This section applies where—
(a) any amount of the principal of a loan has been deducted under this Chapter in calculating a person’s net income for a tax year, and
(b) the person subsequently recovers that amount or any part of it.

(2) The amount recovered is to be treated for the purposes of this Act as if it were interest on the loan paid to the person at the time it was recovered.

(3) For the purposes of this section, a person is to be treated as recovering an amount if the person (or any other person at his or her direction) receives any money or money’s worth—
(a) in satisfaction of the person’s right to recover that amount, or
(b) in consideration of the person’s assignment of the right to recover it;
and where a person assigns such a right otherwise than by way of a bargain made at arm’s length the person shall be treated as receiving money or money’s worth equal to the market value of the right at the time of the assignment.

412F Assigned loans treated as made by the assignee etc
(1) This section applies where—
(a) a person (“A”) is assigned the right to recover the principal of a loan,
(b) the right is assigned through an operator (“O”),
(c) A makes a payment in consideration of the assignment, and
(d) A does not further assign the right.

(2) The loan is to be treated for the purposes of section 412A(1) as—
(a) having been made by A, and
(b) having been made through O.

(3) The amount (if any) of the principal of the loan which is treated as irrecoverable may not exceed the amount which is arrived at by—
(a) taking the amount of the principal of the loan, and
(b) deducting the amount of the relief mentioned in subsection (1).

Interpretation

412I Meaning of “loan”, “peer-to-peer loan” and related terms
(1) This section applies for the purposes of this Chapter.

(2) “Loan” means a loan of money which—
(a) is made on genuine commercial terms, and
(b) is not part of a scheme or arrangement the main purpose of which is to obtain a tax advantage (within the meaning given by section 208 of the Finance Act 2013).

(3) A loan is a “peer-to-peer loan” only if it meets—
(a) Condition A or B, and
(b) Condition C.

(4) Condition A is that the person who made the loan is—
(a) an individual,
(b) a partnership which consists of—
(i) two or three persons, and
(ii) at least one person who is not a body corporate, or
(c) an unincorporated body of persons which—
(i) is not a partnership, and
(ii) consists of at least one person who is not a body corporate.

(5) Condition B is that—
(a) the recipient of the loan is a person within paragraph (a), (b) or (c) of subsection (4), and
(b) the loan is a personal or small loan.

(6) Condition C is that, assuming interest were paid on the loan, the person who made the loan would (except for this Chapter) be liable for income tax charged on the interest.

(7) “Personal loan” means a loan which is not used wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by the recipient of the loan.

(8) “Small loan” means a loan of £25,000 or less.

412J Meaning of “operator” and related terms
(1) This section applies for the purposes of this Chapter.

(2) “Operator” means a person who—
(a) has permission under Part 4A of the Financial Services and Markets Act 2000 to carry on a regulated activity specified in Article 36H of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (S.I. 2001/544) (operating an electronic system in relation to lending), or
(b) has been granted equivalent permission under the law of a territory outside the United Kingdom that is within the European Economic Area.

(3) A loan is “made through” an operator if the person who makes the loan and the recipient of the loan enter an agreement under which the loan is made at the invitation of the operator.

(4) A right is “assigned through” an operator if the person who assigns the right and the person to whom the right is assigned enter an agreement under which the assignment takes effect at the invitation of the operator.

(5) A person is not to be treated as having entered an agreement at the invitation of an operator if the operator made the invitation otherwise than in the course of carrying on the activity to which the permission mentioned in subsection (2) relates.

(6) In section 24(1) (list of reliefs deductible at Step 2 of the calculation of income tax liability), in paragraph (b), at the appropriate place insert—
“Chapter 1A of Part 8 (irrecoverable peer-to-peer loans),”.

(7) In section 25(3) (list of provisions requiring reliefs to be deducted from particular components of income etc) at the appropriate place insert—
Resolved.
That provision may be made amending Chapter 1 of Part 13 of the Income Tax Act 2007.

19. TRANSACTIONS IN SECURITIES
(PROCEDURE)

Resolved.
That—
(1) Chapter 1 of Part 13 of the Income Tax Act 2007 (transactions in securities) is amended as follows.
(2) For section 695 (preliminary notification) substitute—
“695 Notice of enquiry
(1) An officer of Revenue and Customs may enquire into a transaction or transactions if—
(a) the officer has reason to believe that section 684 (person liable to counteraction of income tax advantage) may apply to a person (“the taxpayer”) in respect of the transaction or transactions, and
(b) the officer notifies the taxpayer of his intention to do so.
(2) The notification may be given at any time not more than 6 years after the end of the tax year to which the income tax advantage in question relates.”
(3) Omit sections 696 and 697 (opposed notifications).
(4) In section 698 (counteraction notices), for subsection (1) substitute—
“(1) If on an enquiry under section 695 an officer of Revenue and Customs determines that section 684 applies to the taxpayer, the income tax advantage in question is to be counteracted by adjustments, unless the officer is of the opinion that no counteraction is required.”
(5) In that section, for subsection (5) substitute—
“(5) An assessment may be made in accordance with a counteraction notice at any time (without regard to any time limit on making the assessment that would otherwise apply).”
(6) After that section insert—
“698A No-counteraction notices
(1) If on an enquiry under section 695 an officer of Revenue and Customs determines that section 684 applies to the taxpayer, the officer must serve notice on the person (a “no-counteraction notice”) within a specified period—a counteraction notice; or
(a) a transaction occurring on or after 6 April 2016, or
(b) a series of transactions any one or more of which occurs on or after that date.
(9) Accordingly, Chapter 1 of Part 13 of the Income Tax Act 2007 has effect without the amendments made by this Resolution in relation to a tax advantage obtained on or after 6 April 2016 in consequence of—
(a) a transaction occurring before that date, or
(b) a series of transactions all of which occur before that date.
And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

20. COMPANY DISTRIBUTIONS

Resolved,
That provision may be made amending Chapters 3 and 4 of Part 4 of the Income Tax (Trading and Other Income) Act 2005.

21. CARRIED INTEREST AND DISGUISED FEES

Resolved,
That provision may be made about sums arising to individuals who perform investment management services.

22. ABOLITION OF SOME DUTIES TO DEDUCT INCOME TAX AT SOURCE

Resolved,
That—
(1) In Chapter 2 of Part 15 of the Income Tax Act 2007 (determination of income tax at source by deposit-takers and building societies) omit—
(a) section 851 (duty to deduct when making payment of interest on relevant investment), and
(b) the italic heading preceding it.
(2) For section 876 of the Income Tax Act 2007 (interest paid by deposit-takers), for subsections (1) and (2) substitute—
“(1) The duty to deduct a sum representing income tax under section 874 does not apply to a payment of interest on an investment if—
(a) the payment is made by a deposit-taker, and
(b) when the payment is made, the investment is a relevant investment.
(1A) In this section “deposit-taker”, “investment” and “relevant investment” have the meaning given by Chapter 2.
(3) Chapter 2 of Part 15 of the Income Tax Act 2007 (determination of income tax at source by deposit-takers and building societies) is amended in accordance with paragraphs (4) to (25).
(4) For the Chapter heading substitute “Meaning of “relevant investment” for purposes of section 876”.
(5) Section 850 (overview of Chapter) is amended in accordance with paragraphs (6) to (10).
(6) For subsection (1) substitute—
“(1) This Chapter has effect for the purposes of section 876 (duty under section 874 to deduct tax from payments of yearly interest: exception for deposit-takers):”
(7) Omit subsection (2) (which introduces sections 851 and 852).
(8) In subsection (4)(b) (which introduces sections 858 to 870), for “858” substitute “863”.
(9) In subsection (5) (which introduces sections 871 to 873), for “871” to “substitute “872 and”.
(10) In subsection (6) (interpretation), for the words from “Chapter—” to “crediting” substitute “Chapter, crediting”.
(11) Omit section 852 (power to disapply section 851).
(12) In section 853(1) (meaning of “deposit-taker”), after “In this Chapter” insert “and section 876”.

(13) In section 854(3) (meaning of “relevant investment” in section 851(1)(b)), for “851(1)(b)” substitute “876(1)(b)”.

(14) For section 855(1) (meaning of “investment”) substitute—

“(1) In this Chapter, and section 876, “investment” means a deposit with a deposit-taker.”

(15) Section 856 (meaning of “relevant investment”) is amended in accordance with paragraphs (16) and (17).

(16) In subsection (1), for “this Chapter” substitute “section 876”.

(17) In subsection (2) (exceptions), for “858” substitute “863”.

(18) In section 857 (treatments for income of being or not being relevant investments) omit “or building society” in each place.

(19) Omit—

(a) sections 858 to 861 (investments which are not relevant investments and in relation to which duty under section 874 does not apply), and

(b) the italic heading preceding section 858.

(20) In the italic heading preceding section 863, for “Other investments” substitute “Investments”.

(21) In sections 863, 864, 865 and 868(4) (investments with deposit-takers or building societies) omit “or building society” in each place.

(22) Omit sections 868(3), 869 and 870(2) (investments with building societies).

(23) Omit section 871 (power to make regulations to give effect to Chapter).

(24) In section 872 (power to amend Chapter)—

(a) in subsection (2) (different provision for different deposit-takers)—

(i) for “which amends this Chapter in its application to deposit-takers may do so” substitute “may amend this Chapter”, and

(ii) in each of paragraphs (a) and (b), for “relation” substitute “its application”, and

(b) omit subsections (4) and (5).

(25) Omit section 873(3) to (6) (interpretation of section 861).

(26) In Schedule 12 to the Finance Act 1988 (transfer of building society’s business to a company), in paragraph 6(1) (treatment for tax purposes of benefits conferred in connection with a transfer) omit—

(a) “either”, and

(b) paragraph (b) (benefit not to be subject to deduction of tax under Chapter 2 of Part 15 of the Income Tax Act 2007), and the “or” preceding it.

(27) In section 564Q(1) of the Income Tax Act 2007 (alternative finance return: deduction of income tax at source under Chapter 2 of Part 15)—

(a) after “Chapter 2 of Part 15” insert “and section 876”,

(b) for “deduction by deposit-takers and building societies” substitute “exception for deposit-takers”, and

(c) after “Chapter 2 of that Part” insert “and section 876”.

(28) In section 564Q(5) of the Income Tax Act 2007 (alternative finance return: deduction of income tax at source under Chapters 3 to 5 of Part 15)—

(a) after “of Part 15” insert “except section 876”, and

(b) for “those Chapters” substitute “those provisions”.

(29) In section 847 of the Income Tax Act 2007 (overview of Part 15)—

(a) in subsection (2) omit paragraph (a) (which introduces Chapter 2), and

(b) in subsection (5) (which introduces Chapters containing provision connected with the duties to deduct), before paragraph (a) insert—

“(za) Chapter 2 (interpretation of section 876 in Chapter 3: exception for deposit-takers).”.

(30) In section 946 of the Income Tax Act 2007 (collection of tax deducted at source: payments to which Chapter applies) omit paragraph (a) (payments from which deductions required to be made under section 851).

(31) In Schedule 2 to the Income Tax Act 2007 omit paragraphs 154 to 156 (transitioned provisions related to Chapter 2 of Part 15 of that Act).

(32) In Schedule 4 to the Income Tax Act 2007 (index of defined expressions)—

(a) omit the entry for “beneficiary under a discretionary or accumulation settlement (in Chapter 2 of Part 15)”,

(b) in the entry for “deposit-taker (in Chapter 2 of Part 15)”, after “Part 15” insert “and section 876”,

(c) omit the entry for “dividend (in Chapter 2 of Part 15)”,

(d) in the entry for “investment (in Chapter 2 of Part 15)”, after “Part 15” insert “and section 876”, and

(e) omit the entry for “relevant investment (in Chapter 2 of Part 15)”.

(33) In consequence of the amendments made by paragraphs (1) and (3) to (32)—

(a) in Schedule 1 to the Income Tax Act 2007 omit paragraph 277,

(b) in Schedule 1 to the Finance Act 2008 omit paragraph 25,

(c) in Schedule 46 to the Finance Act 2013—

(i) in paragraph 68(1) omit paragraph (a) including the “and” at the end,

(ii) in paragraph 69(1) omit paragraph (a) including the “and” at the end,

(iii) omit paragraph 70(1), and

(iv) in paragraph 71(3) omit paragraph (b) and the “and” preceding it, and

(d) in the Finance Act 2014 omit section 3(4).

(34) Chapter 5 of Part 15 of the Income Tax Act 2007 (deduction from payments of UK public revenue dividends) is amended in accordance with paragraphs (35) and (36).

(35) In section 893(2) (securities which are gross-paying government securities)—

(a) before the “or” at the end of paragraph (a) insert—

“(aa) securities, so far as they are not gilt-edged securities, issued or treated as issued under—

(i) the National Loans Act 1939, or

(ii) the National Loans Act 1968,”, and

(b) in paragraph (b), for “894(1) or (3)” substitute “894(3)”.

(36) In section 894 (power to direct that securities are gross-paying government securities)—

(a) omit subsections (1) and (2) (power in relation to securities within the new section 893(2)(aa)), and

(b) in subsection (5) omit “(1) or”.

(37) The amendments made by paragraphs (1) and (3) to (33) have effect in relation to—

(a) interest paid or credited on or after 6 April 2016, and

(b) dividends or other distributions paid by a building society on or after that date.

(38) Paragraph (37) does not apply to—

(a) the repeals in Schedule 12 to the Finance Act 1988;

(b) the amendments in section 564Q of the Income Tax Act 2007; and

(c) the repeal of paragraph 277 of Schedule 1 to the Income Tax Act 2007.
(39) The repeals mentioned in paragraph (38)(a) and (c) have effect in relation to benefits conferred on or after 6 April 2016.

(40) The amendments mentioned in paragraph (38) (b) have effect in relation to alternative finance return paid on or after 6 April 2016.

(41) The amendments made by paragraph (2), and the amendments made by this Resolution in sections 893 and 894 of the Income Tax Act 2007, have effect in relation to interest paid on or after 6 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

23. DEDUCTION OF INCOME TAX AT SOURCE (TAX AVOIDANCE)

Resolved,

That—

(1) In Part 15 of the Income Tax Act 2007 (deduction of income tax at source), after section 917 insert—

"Tax avoidance

917A Tax avoidance arrangements

(1) This section applies if and to the extent that—

(a) a person ("the payer") makes an intellectual property royalty payment,

(b) the payment is received by a person ("the payee") who is connected with the payer, and

(c) the payment is made under DTA tax avoidance arrangements.

(2) Any duty under Chapter 6 or 7 to deduct a sum representing income tax at any rate applies without regard to any double taxation arrangements.

(3) Any income tax deducted by virtue of subsection (2) may not be set off under section 967 or 968 of CTA 2010.

(4) In this section—

"arrangements" (except in the phrase "double taxation arrangements") includes any agreement, understanding, scheme, transaction or series of transactions, whether or not legally enforceable;

"DTA tax avoidance arrangements" means arrangements where, having regard to all the circumstances, it is reasonable to conclude that—

(a) the main purpose, or one of the main purposes, of the arrangements was to obtain a tax advantage by virtue of any provisions of a double taxation arrangement, and

(b) obtaining that tax advantage is contrary to the object and purpose of those provisions;

"intellectual property royalty payment" means—

(a) a payment of a royalty or other sum in respect of the use of a patent,

(b) a payment specified in section 906(l)(a), or

(c) a payment which is a “qualifying annual payment” for the purposes of Chapter 6 by virtue of section 899(3)(a)(ii) (royalties etc from intellectual property);

"receive" means receive—

(a) directly or indirectly;

(b) by one payment or by a series of payments;

"tax advantage" is to be construed in accordance with section 208 of FA 2013.

(5) For the purposes of this section the payer is connected with the payee if the participation condition is met as between them.

(6) Section 148 of TIOPA 2010 (when the participation condition is met) applies for the purposes of subsection (5) as for the purposes of section 147(l)(b) of that Act, but as if references to the actual provision were to the provision made or imposed between the payer and the payee in respect of the arrangements under which the payment is made.”

(2) The amendment made by this Resolution has effect in respect of a payment made on or after 17 March 2016 under arrangements entered into at any time (including arrangements entered into before that date).

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

24. CORPORATION TAX (CHARGE FOR FINANCIAL YEAR 2017)

Resolved,

That corporation tax is charged for the financial year 2017.

25. EXPENDITURE ON RESEARCH AND DEVELOPMENT

Resolved,

That provision may be made about tax relief for expenditure on research and development.

26. LOAN RELATIONSHIPS AND DERIVATIVE CONTRACTS

Resolved,

That provision may be made amending Parts 5 and 7 of the Corporation Tax Act 2009.

27. SECTIONS 455 AND 464A OF THE CORPORATION TAX ACT 2010 (RATES)

Resolved,

That provision may be made about the rates of tax charged under sections 455 and 464A of the Corporation Tax Act 2010.

28. INTANGIBLE FIXED ASSETS

Resolved,

That provision (including provision having retrospective effect) may be made amending Part 8 of the Corporation Tax Act 2009.

29. BANKING COMPANIES

Resolved,

That provision may be made amending Part 7A of the Corporation Tax Act 2010.

30. ALLOWANCES RELATING TO OIL ACTIVITIES

Resolved,

That provision (including provision having retrospective effect) may be made about the allowances that reduce adjusted ring fence profits under Part 8 of the Corporation Tax Act 2010.

31. PROFITS ARISING FROM THE EXPLOITATION OF PATENTS

Resolved,

That provision may be made amending Part 8A of the Corporation Tax Act 2010.

32. HYBRID AND OTHER MISMATCHES

Resolved,

That—

(1) Provision may be made for, and in connection with, the counteraction of certain cases that would otherwise give rise to—
(a) an amount being deductible from a person's income for
tax purposes—
(i) without a corresponding amount of income arising to a
person for tax purposes, or
(ii) where an amount of income would arise to a person for tax
purposes but would not be taxed at an appropriate rate, or
(b) an amount—
(i) being deductible from more than one person's income for
tax purposes, or
(ii) being deductible from a person's income for the purposes
of more than one tax.
(2) In this Resolution “tax” includes foreign tax.

33. INSURANCE COMPANIES
Resolved,
That provision may be made amending Part 2 of the Finance
Act 2012.

34. CONSIDERATION FOR TAKING OVER
PAYMENT OBLIGATIONS OF LESSEE UNDER
A LEASE OF PLANT OR MACHINERY
Resolved,
That provision (including provision having retrospective
effect) may be made about consideration for taking over payment
obligations of the lessee under a lease of plant or machinery.

35. CAPITAL ALLOWANCES
Resolved,
That provision (including provision having retrospective
effect) may be made about capital allowances.

36. TRADE AND PROPERTY BUSINESS
PROFITS
Resolved,
That provision may be made amending Parts 2 and 3 of the
Income Tax (Trading and Other Income) Act 2005 and Parts 3
and 4 of the Corporation Tax Act 2009.

37. TRANSFER PRICING
Resolved,
That provision may be made about the application of OECD
principles in relation to transfer pricing.

38. CAPITAL GAINS TAX
Question put,
That provision (including provision having retrospective
effect) may be made about capital gains tax.
The House divided: Ayes 311, Noes 274.
Division No. 223] [7.10 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Blackman, Bob
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brokenbrow, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Campbell, Mr Gregory
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins,Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Davies, rh Mr David
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Double, Steve
Dowden, Oliver
Dowling, Jackie
Drax, Richard
Drummond, Mrs Flick
Dudbridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evannett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark

AYES

Baker, Mr Steve
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew

Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Sandbach, Antoinette
Scally, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Allok
Simpson, rh Mr Keith
Smith, Chloe
Smith, Henry
Smith, Julia
Smith, Royston
Soames, r Mr Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Spelman, r Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Sturdy, Julian
Sukh, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tohill, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, rh Elizabeth
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailsh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wiseman, Sammy
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, rh Jeremy
Zahawi, Nadhim
Abbott, Ms Diane
Abrahams, Debbie
Ahmed-Sheikh, Ms Tamsin
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Arkless, Richard
Ashworth, Jonathan
Bardell, Hannah
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Blenkinsop, Tom
Blomfield, Paul
Boswell, Philip
Bradshaw, rh Mr Ben
Brake, r Mr Tom
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Brown, rh Mr Nicholas
Buck, Ms Karen
Burden, Richard
Burgon, Richard
Burnham, rh Andy
Butler, Dawn
Byrne, r Mr Liam
Cadbury, Ruth
Cameron, Dr Lisa
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Carmichael, rh Mr Alistair
Champion, Sarah
Chapman, Douglas
Chapman, Jenny
Cherry, Joanna
Clegg, rh Mr Nick
Clwyd, rh Ann
Coffey, Ann
Cooper, Julie
Cooper, Rosie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cowan, Ronnie
Cox, Jo
Coyle, Neil
Crawley, Angela
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummings, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danzuk, Simon
Davies, Geraint
Day, Martyn
De Piero, Gloria
Tellers for the Ayes:
Sarah Newton and Simon Kirby

NOES

Docherty-Hughes, Martin
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliot, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Farron, Tim
Fellows, Marion
Ferrier, Margaret
Field, rh Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flin, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Foxcroft, Vicky
Gapes, Mike
Gardiner, Barry
Gethins, Stephen
Gibson, Patricia
Glass, Pat
Glindon, Mary
Godsil, rh Mr Roger
Goodman, Helen
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Carolyn
Hayes, Helen
Healey, rh John
Hendrick, Mr Mark
Hendry, Drew
Heburn, rh Mr Stephen
Hillier, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Holern, Kate
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Irreanca-Davies, Huw
Jarvis, Dan
Johnson, rh Alan
Jones, Gerald
Jones, Helen
Question accordingly agreed to.

39. INHERITANCE TAX

Resolved,

That provision (including provision having retrospective effect) may be made about inheritance tax.

40. ESTATE DUTY

Resolved,

That provision may be made about estate duty.

41. APPRENTICESHIP LEVY

Resolved,

That provision may be made for and in connection with the imposition of a new tax in respect of payments of earnings to or for the benefit of employed earners.

42. VALUE ADDED TAX (REFUNDS TO SPECIFIED PERSONS)

Resolved,

That provision may be made for refunding value added tax to persons specified by the Treasury.

43. VALUE ADDED TAX (JOINT AND SEVERAL LIABILITY)

Resolved,

That provision may be made about joint and several liability for value added tax.

44. VALUE ADDED TAX (ISLE OF MAN CHARITIES)

Resolved,

That provision may be made for the purposes of value added tax about charities subject to the control of the High Court of the Isle of Man.

45. STAMP DUTY LAND TAX (CALCULATING TAX ON NON-RESIDENTIAL AND MIXED TRANSACTIONS)

Resolved,

That—

(1) Section 55 of the Finance Act 2003 (general rules on calculating the amount of stamp duty land tax chargeable) is amended in accordance with paragraphs (2) to (7).

(2) In subsection (1) for (1C) and (2)” substitute “and (1C)”.

(3) In subsection (1B)—

(a) omit the words from “the relevant land” to “and”,
(b) in Step 1—
(i) for “Table A” substitute “the appropriate table”,
(ii) for “that Table” substitute “the appropriate table”,
(iii) at the end insert—

“The “appropriate table” is—

(a) Table A, if the relevant land consists entirely of residential property, and
(b) Table B, if the relevant land consists of or includes land that is not residential property.”,

Tellers for the Noes:
Sue Hayman and
Grahame M. Morris

Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel
(c) after Table A insert—

**Table B: Non-residential or mixed**

<table>
<thead>
<tr>
<th>Relevant consideration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>So much as does not exceed £150,000</td>
<td>0%</td>
</tr>
<tr>
<td>So much as exceeds £150,000 but does not exceed £250,000</td>
<td>2%</td>
</tr>
<tr>
<td>The remainder (if any)</td>
<td>5%</td>
</tr>
</tbody>
</table>

(4) In subsection (1C)—

(a) omit the words from “the relevant land” to “and” (in the first place it occurs),
(b) in Step 1—

(i) for “Table A” substitute “the appropriate table”,
(ii) for “that Table” substitute “the appropriate table”,
(iii) at the end insert—

“The “appropriate table” is—

(a) Table A, if the relevant land consists entirely of residential property, and
(b) Table B, if the relevant land consists of or includes land that is not residential property.”

(5) Omit subsection (2).

(6) In subsection (3)—

(a) in the words before paragraph (a), for “subsections (1B) and (2)” substitute “subsection (1B)”, and
(b) in paragraph (b), omit, “subject as follows”.

(7) In subsection (4)—

(a) in the words before paragraph (a), for the words from “subsections (1C)” to “linked transactions” substitute “subsection (1C)”, and
(b) in paragraph (a) for “those” substitute “the linked”.

(8) Schedule 5 to the Finance Act 2003 (rules on calculating the amount of stamp duty land tax chargeable in respect of transactions for which the consideration consists of or includes rent) is amended in accordance with paragraphs (9) to (11).

(9) In paragraph 2(3) (calculation of tax chargeable in respect of consideration other than rent: general) chargeable transaction, section 55 (amount of tax chargeable in respect of a chargeable transaction) has effect with the modification in subsection (4) insert—

(10) In paragraph 9 (tax chargeable in respect of consideration other than rent: general), in sub-paragraph (1), omit “(but see paragraph 9A)”.

(11) Omit paragraph 9A (calculation of tax chargeable in respect of consideration other than rent: 0% band) and the cross-heading preceding it.

(12) The amendments made by this Resolution have effect in relation to any land transaction of which the effective date is, or is after, 17 March 2016.

(13) But those amendments do not have effect in relation to a transaction if the purchaser so elects and either—

(a) the transaction is effected in pursuance of a contract entered into and substantially performed before 17 March 2016, or
(b) the transaction is effected in pursuance of a contract entered into before that date and is not excluded by paragraph (15).

(14) An election under paragraph (13)—

(a) must be included in the land transaction return made in respect of the transaction or in an amendment of that return, and
(b) must comply with any requirements specified by the Commissioners for Her Majesty’s Revenue and Customs as to its form or the manner of its inclusion.

(15) A transaction effected in pursuance of a contract entered into before 17 March 2016 is excluded by this paragraph if—

(a) there is any variation of the contract, or assignment of rights under the contract, on or after 17 March 2016.

(b) the transaction is effected in consequence of the exercise on or after that date of any option, right of pre-emption or similar right, or

(c) on or after that date there is an assignment, subsale or other transaction relating to the whole or part of the subject-matter of the contract as a result of which a person other than the purchaser under the contract becomes entitled to call for a conveyance.

(16) In this Resolution—

“land transaction return”, in relation to a transaction, means the return under section 76 of FA 2003 in respect of that transaction;

“purchaser” has the same meaning as in Part 4 of that Act (see section 43(4) of that Act);

“substantially performed”, in relation to a contract, has the same meaning as in that Part (see section 44(5) of that Act).

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

46. STAMP DUTY LAND TAX (HIGHER RATES FOR ADDITIONAL DWELLINGS ETC)

Resolved,

That—

(1) The Finance Act 2003 is amended in accordance with paragraphs (2) to (4).

(2) In section 55 (amount of tax chargeable: general) after subsection (4) insert—

“(4A) Schedule 4ZA (higher rates for additional dwellings and dwellings purchased by companies) modifies this section as it applies for the purpose of determining the amount of tax chargeable in respect of certain transactions involving major interests in dwellings.”

(3) After Schedule 4 insert—

**SCHEDULE 4ZA**

STAMP DUTY LAND TAX: HIGHER RATES FOR ADDITIONAL DWELLINGS AND DWELLINGS PURCHASED BY COMPANIES

PART 1

HIGHER RATES

1 (1) In its application for the purpose of determining the amount of tax chargeable in respect of a chargeable transaction which is a higher rates transaction, section 55 (amount of tax chargeable: general) has effect with the modification in sub-paragraph (2).

(2) In subsection (1B) of section 55, for Table A substitute—

**Table A: Residential**

<table>
<thead>
<tr>
<th>Relevant consideration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>So much as does not exceed £125,000</td>
<td>3%</td>
</tr>
<tr>
<td>So much as exceeds £125,000 but does not exceed £250,000</td>
<td>5%</td>
</tr>
<tr>
<td>So much as exceeds £250,000 but does not exceed £925,000</td>
<td>8%</td>
</tr>
<tr>
<td>So much as exceeds £925,000 but does not exceed £1,500,000</td>
<td>13%</td>
</tr>
<tr>
<td>The remainder (if any)</td>
<td>15%</td>
</tr>
</tbody>
</table>
MEANING OF “HIGHER RATES TRANSACTION”

Meaning of “higher rates transaction” etc

2 (1) This paragraph explains how to determine whether a chargeable transaction is a “higher rates transaction” for the purposes of paragraph 1.

(2) In the case of a transaction where there is only one purchaser, determine whether the transaction falls within any of paragraphs 3 to 7; if it does fall within any of those paragraphs it is a “higher rates transaction” (otherwise it is not).

(3) In the case of a transaction where there are two or more purchasers—

(a) take one of the purchasers and determine, having regard to that purchaser only, whether the transaction falls within any of paragraphs 3 to 7, and

(b) do the same with each of the other purchasers.

If the transaction falls within any of those paragraphs when having regard to any one of the purchasers it is a “higher rates transaction” (otherwise it is not).

(4) For the purposes of this Schedule any term of years absolute or leasehold estate is not a “major interest” if its term does not exceed 7 years on the date of its grant.

Single dwelling transactions

3 (1) A chargeable transaction falls within this paragraph if—

(a) the purchaser is an individual,

(b) the main subject-matter of the transaction consists of a major interest in a single dwelling (“the purchased dwelling”), and

(c) Conditions A to D are met.

(2) Condition A is that the chargeable consideration for the transaction is £40,000 or more.

(3) Condition B is that on the effective date of the transaction the purchased dwelling—

(a) is not subject to a lease upon which the main subject-matter of the transaction is reversionary, or

(b) is subject to such a lease but the lease has an unexpired term of no more than 21 years.

(4) Condition C is that at the end of the day that is the effective date of the transaction—

(a) the purchaser has a major interest in a dwelling other than the purchased dwelling,

(b) that interest has a market value of £40,000 or more, and

(c) that interest is not reversionary on a lease which has an unexpired term of more than 21 years.

(5) Condition D is that the purchased dwelling is not a replacement for the purchaser’s only or main residence.

(6) For the purposes of sub-paragraph (5) the purchased dwelling is a replacement for the purchaser’s only or main residence if—

(a) on the effective date of the transaction (“the transaction concerned”) the purchaser intends the purchased dwelling to be the purchaser’s only or main residence,

(b) in another land transaction (“the previous transaction”) whose effective date was during the period of three years ending with the effective date of the transaction concerned, the purchaser or the purchaser’s spouse or civil partner at the time disposed of a major interest in another dwelling (“the sold dwelling”),

(c) at any time during that period of three years the sold dwelling was the purchaser’s only or main residence, and

(d) at no time during the period beginning with the effective date of the previous transaction and ending with the effective date of the transaction concerned has the purchaser or the purchaser’s spouse or civil partner acquired a major interest in any other dwelling with the intention of it being the purchaser’s only or main residence.

7 (1) For the purposes of sub-paragraph (5) the purchased dwelling may become a replacement for the purchaser’s only or main residence if—

(a) on the effective date of the transaction (“the transaction concerned”) the purchaser intended the purchased dwelling to be the purchaser’s only or main residence,

(b) in another land transaction whose effective date is during the period of three years beginning with the day after the effective date of the transaction concerned, the purchaser or the purchaser’s spouse or civil partner disposed of a major interest in another dwelling (“the sold dwelling”), and

(c) at any time during the period of three years ending with the effective date of the transaction concerned the sold dwelling was the purchaser’s only or main residence.

4 A chargeable transaction falls within this paragraph if—

(a) the purchaser is not an individual,

(b) the main subject-matter of the transaction consists of a major interest in a single dwelling, and

(c) Conditions A and B in paragraph 3 are met.

Multiple dwelling transactions

5 (1) A chargeable transaction falls within this paragraph if—

(a) the purchaser is an individual,

(b) the main subject-matter of the transaction consists of a major interest in two or more dwellings (“the purchased dwellings”), and

(c) Conditions A and B are met in respect of at least two of the purchased dwellings.

(2) Condition A is that the portion of the chargeable consideration for the transaction which is attributable on a just and reasonable basis to the purchased dwelling is £40,000 or more.

(3) Condition B is that on the effective date of the transaction the purchased dwelling—

(a) is not subject to a lease upon which the main subject-matter of the transaction is reversionary, or

(b) is subject to such a lease but the lease has an unexpired term of no more than 21 years.

6 (1) A chargeable transaction falls within this paragraph if—

(a) the purchaser is an individual,

(b) the main subject-matter of the transaction consists of a major interest in two or more dwellings (“the purchased dwellings”),

(c) Conditions A and B in paragraph 5 are met in respect of one of the purchased dwellings,

(d) the purchased dwelling in respect of which those conditions are met is not a replacement for the purchaser’s only or main residence, and

(e) at the end of the day that is the effective date of the transaction—

(i) the purchaser has a major interest in a dwelling other than one of the purchased dwellings,

(ii) that interest has a market value of £40,000 or more, and

(iii) that interest is not reversionary on a lease which has an unexpired term of more than 21 years.

(2) Sub-paragraphs (6) and (7) of paragraph 3 apply for the purposes of sub-paragraph (1)(d) of this paragraph as they apply for the purposes of sub-paragraph (5) of that paragraph.

7 A chargeable transaction falls within this paragraph if—

(a) the purchaser is not an individual,

(b) the main subject-matter of the transaction consists of a major interest in two or more dwellings (“the purchased dwellings”), and

(c) Conditions A and B in paragraph 5 are met in respect of at least one of the purchased dwellings.
Further provision in connection with paragraph 3(6) and (7)

8 (1) This paragraph applies where by reason of paragraph 3(7) a chargeable transaction ("the transaction concerned") ceases to be a higher rates transaction for the purposes of paragraph 1.

(2) The land transaction ("the subsequent transaction") by reference to which the condition in paragraph 3(7)(b) was met may not be taken into account for the purposes of paragraph 3(6)(b) in determining whether any other chargeable transaction is a higher rates transaction.

(3) A land transaction return in respect of the transaction concerned may be amended, to take account of its ceasing to be a higher rates transaction, at any time within whichever of the following periods expires later—

(a) the period of 3 months beginning within the effective date of the subsequent transaction, and

(b) the period of 12 months beginning with the filing date for the return.

(4) Where a land transaction return in respect of the transaction concerned is amended to take account of its ceasing to be a higher rates transaction (and not for any other reason), paragraph 6(2A) of Schedule 10 (notice of amendment of return to be accompanied by the contract for the transaction etc) does not apply in relation to the amendment.

Spouses and civil partners purchasing alone

9 (1) Sub-paragraph (2) applies in relation to a chargeable transaction if—

(a) the purchaser (or one of them) is married to or in a civil partnership on the effective date, or

(b) the purchaser and the purchaser's spouse or civil partner are living together on that date, and

(c) the purchaser's spouse or civil partner is not a purchaser in relation to the transaction.

(2) The transaction is to be treated as being a higher rates transaction for the purposes of paragraph 1 if it would have been a higher rates transaction had the purchaser's spouse or civil partner been a purchaser.

(3) Persons who are married to, or are civil partners of, each other are treated as living together for the purposes of this Schedule as being the purchaser, holding the major interest in one or more dwellings, if—

(a) being the purchaser in relation to a land transaction, or

(b) holding an interest in a dwelling, or

(c) having disposed of an interest in a dwelling.

(2) Where this paragraph applies—

(a) P and any spouse or civil partner of P are to be treated for the purposes of this Schedule as being the purchaser, holding the interest or (as the case may be) having disposed of the interest, and

(b) the child is not to be so treated.

(3) But sub-paragraph (2) (a) does not apply in relation to a spouse or civil partner of P if the two of them are not living together.

(4) Sub-paragraph (3) of paragraph 9 applies for the purposes of this paragraph as it applies for the purposes of that paragraph.

(5) "Child" means a person under the age of 18.

10 (1) This paragraph applies in relation to a land transaction if—

(a) the main subject-matter of the transaction consists of a major interest in one or more dwellings,

(b) the purchaser (or one of them) is acting as trustee of a settlement, and

(c) under the terms of the settlement a beneficiary will be entitled to—

(i) occupy the dwelling or dwellings for life, or

(ii) income earned in respect of the dwelling or dwellings.

(2) Sub-paragraph (3) also applies in relation to a land transaction if—

(a) the main subject-matter of the transaction consists of a term of years absolute in a dwelling, and

(b) the purchaser (or one of them) is acting as a trustee of a bare trust.

(3) Where this sub-paragraph applies in relation to a land transaction the beneficiary of the settlement or bare trust (rather than the trustee) is to be treated for the purposes of this Schedule as the purchaser (or as one of them).

(4) Paragraphs 3(3) and 4 of Schedule 16 (trustees to be treated as the purchaser) have effect subject to sub-paragraph (3).

11 (1) Sub-paragraph (3) applies where—

(a) a person is a beneficiary under a settlement, or

(b) a major interest in a dwelling forms part of the trust property, and

(c) under the terms of the settlement, the beneficiary is entitled to—

(i) occupy the dwelling for life, or

(ii) income earned in respect of the dwelling.

(2) Sub-paragraph (3) also applies where—

(a) a person is a beneficiary under a bare trust, and

(b) a term of years absolute in a dwelling forms part of the trust property.

(3) Where this sub-paragraph applies—

(a) the beneficiary is to be treated for the purposes of this Schedule as holding the interest in the dwelling, and

(b) if the trustee of the settlement or bare trust disposes of the interest, the beneficiary is to be treated for the purposes of this Schedule as having disposed of it.

12 (1) This paragraph applies where, by reason of paragraph 10 or 11 or paragraph 3(1) of Schedule 16, the child of a person ("P") would (but for this paragraph) be treated for the purposes of this Schedule as—

(a) being the purchaser in relation to a land transaction, or

(b) holding an interest in a dwelling, or

(c) having disposed of an interest in a dwelling.

(2) Where this paragraph applies—

(a) P and any spouse or civil partner of P are to be treated for the purposes of this Schedule as being the purchaser, holding the interest or (as the case may be) having disposed of the interest, and

(b) the child is not to be so treated.

(3) But sub-paragraph (2) (a) does not apply in relation to a spouse or civil partner of P if the two of them are not living together.

(4) Sub-paragraph (3) of paragraph 9 applies for the purposes of this paragraph as it applies for the purposes of that paragraph.

(5) "Child" means a person under the age of 18.

13 (1) This paragraph applies in relation to a land transaction if—

(a) the main subject-matter of the transaction consists of a major interest in one or more dwellings,

(b) the purchaser (or one of them) is acting as trustee of a settlement,

(c) that purchaser is an individual, and

(d) under the terms of the settlement a beneficiary is not entitled to—

(i) occupy the dwelling or dwellings for life, or

(ii) income earned in respect of the dwelling or dwellings.

(2) In determining whether the transaction falls within paragraph 4 or paragraph 7—

(a) if the purchaser mentioned in sub-paragraph (1) is the only purchaser, ignore paragraph (a) of those paragraphs, and

(b) if that purchaser is not the only purchaser, ignore paragraph (a) of those paragraphs when having regard to that purchaser.

Partnerships

14 (1) Sub-paragraph (2) applies in relation to a chargeable transaction whose subject-matter consists of a major interest in one or more dwellings if—

(a) the purchaser (or one of them) is a partner in a partnership, but

(b) the purchaser does not enter into the transaction for the purposes of the partnership.
(2) For the purposes of determining whether the transaction falls within paragraph 3 or 6 any major interest in any other dwelling that is held by or on behalf of the partnership for the purposes of a trade carried on by the partnership is not to be treated as held by or on behalf of the purchaser.

(3) Paragraph 2(1) (a) of Schedule 15 (chargeable interests held by partnerships treated as held by the partners) has effect subject to subparagraph (2).

Major interests in dwellings inherited jointly

15 (1) This paragraph applies whereby virtue of an inheritance—

(a) a person ("P") becomes jointly entitled with one or more other persons to a major interest in a dwelling, and

(b) P's beneficial share in the interest does not exceed 50% (see sub-paragraph (4)).

(2) P is not to be treated for the purposes of paragraph 3(4)(a) or 6(1)(e) as having the major interest at any time during the period of three years beginning with the date of the inheritance.

(3) But if at any time during that period of three years P becomes the only person beneficially entitled to the whole of the interest or P's beneficial share in the interest exceeds 50% P is, from that time, to be treated as having the major interest for the purposes of paragraph 3(4)(a) and 6(1)(e) (subject to any disposal by P).

(4) P's share in the interest exceeds 50% if—

(a) P is beneficially entitled as a tenant in common or coparcener to more than half the interest,

(b) P and P's spouse or civil partner taken together are beneficially entitled as tenants in common or coparceners to more than half the interest, or

(c) P and P's spouse or civil partner are beneficially entitled as joint tenants to the interest and there is no more than one other joint tenant who is so entitled.

(5) In this section "inheritance" means the acquisition of an interest in or towards satisfaction of an entitlement under or in relation to the will of a deceased person, or on the intestacy of a deceased person.

Dwellings outside England, Wales and Northern Ireland

16 (1) In the provisions of this Schedule specified in sub-paragraph (3), references to a "dwellings" include references to a dwelling situated in a country or territory outside England, Wales and Northern Ireland.

(2) In the application of those provision in relation to a dwelling situated in a country or territory outside England, Wales and Northern Ireland—

(a) references to a "major interest" in the dwelling are to an equivalent interest in the dwelling under the law of that country or territory,

(b) references to persons being beneficially entitled as joint tenants, tenants in common or coparceners to an interest in the dwelling are to persons having an equivalent entitlement to the interest in the dwelling under the law of that country or territory,

(c) references to a "land transaction" in relation to the dwelling are to the acquisition of an interest in the dwelling under the law of that country or territory,

(d) references to the "effective date" of a land transaction in relation to the dwelling are to the date on which the interest in the dwelling is acquired under the law of that country or territory,

(e) references to "inheritance" are to the acquisition of an interest from a deceased person's estate in accordance with the laws of that country or territory concerning the inheritance of property.

(3) The provisions of this Schedule referred to in sub-paragraphs (1) and (2) are—

(a) paragraph 3(4), 6(b), (c) and (d) and (7)(b) and (c),

(b) paragraph 6(1)(e),

(c) paragraph 11,

(d) paragraph 14(2),

(e) paragraph 15.

(4) Where the child of a person (P) has an interest in a dwelling which is situated in a country or territory outside England, Wales and Northern Ireland, P and any spouse or civil partner of P are to be treated for the purposes of this Schedule as having that interest.

(5) But sub-paragraph (4) does not apply in relation to a spouse or civil partner of P if the two of them are not living together.

(6) Sub-paragraph (3) of paragraph 9 applies for the purposes of subparagraph (5) of this paragraph as it applies for the purposes of that paragraph.

What counts as a dwelling

17 (1) This paragraph sets out rules for determining what counts as a dwelling for the purposes of this Schedule.

(2) A building or part of a building counts as a dwelling if—

(a) it is used or suitable for use as a single dwelling, or

(b) it is in the process of being constructed or adapted for such use.

(3) Land that is, or is to be, occupied or enjoyed with a dwelling as a garden or grounds (including any building or structure on that land) is taken to be part of that dwelling.

(4) Land that subsists, or is to subsist, for the benefit of a dwelling is taken to be part of that dwelling.

(5) The main subject-matter of a transaction is also taken to consist of or include an interest in a dwelling if—

(a) substantial performance of a contract constitutes the effective date of that transaction by virtue of a relevant deeming provision,

(b) the main subject-matter of the transaction consists of or includes an interest in a building, or a part of a building, that is to be constructed or adapted under the contract for use as a single dwelling, and

(c) construction or adaptation of the building, or part of a building, has not begun by the time the contract is substantially performed.

(6) In sub-paragraph (5)—

"contract" includes any agreement;

"relevant deeming provision" means any of sections 44 to 45A or paragraph 5(1) or (2) of Schedule 2A or paragraph 12A of Schedule 17A;

"substantially performed" has the same meaning as in section 44.

(7) A building or part of a building used for a purpose specified in section 116(2) or (3) is not used as a dwelling for the purposes of sub-paragraph (2) or (5).

(8) Where a building or part of a building is used for a purpose mentioned in sub-paragraph (7), no account is to be taken for the purposes of sub-paragraph (2) of its suitability for any other use.

(9) In paragraph 5 of Schedule 6B (relief for transfers involving multiple dwellings) after sub-paragraph (6) insert—

"(6A) In the application of sub-paragraph (1), account is to be taken of paragraph 1 of Schedule 42A if the relevant transaction is a higher rates transaction for the purposes of that paragraph."

(5) The amendments made by this Resolution have effect in relation to any land transaction of which the effective date is, or is after, 1 April 2016.

(6) But those amendments do not have effect in relation to a transaction—

(a) effected in pursuance of a contract entered into and substantially performed before 26 November 2015, or

(b) effected in pursuance of a contract entered into before that date and not excluded by paragraph (7).

(7) A transaction effected in pursuance of a contract entered into before 26 November 2015 is excluded by this paragraph if—
Budget Resolutions and Economic Situation 22 March 2016

47. SDLT HIGHER RATE (LAND PURCHASED FOR COMMERCIAL USE)

Resolved.

That—

(1) Schedule 4A to the Finance Act 2003 (SDLT: higher rate for certain transactions) is amended in accordance with paragraphs (2) to (4).

(2) In paragraph 5—

(a) in sub-paragraph (1)—

(i) after paragraph (a) insert—

(a) as business premises for the purposes of a qualifying property rental business (other than one which gives rise to income consisting wholly or mainly of excluded rents); 

(ii) for paragraph (b) substitute—

“(b) development or redevelopment and—

(i) resale in the course of a property development trade, or

(ii) exploitation falling within paragraph (a) or use falling within paragraph (aa) or (ab);”

(b) in sub-paragraph (2), for “the dwelling” substitute “a dwelling on the land”;

(c) in sub-paragraph (3), at the appropriate place insert—

“‘relievable trade’ means a trade that is run on a commercial basis and with a view to profit.”

(3) In paragraph 5G, in sub-paragraph (3)(c) for “the dwelling” substitute “any dwelling on the land”.

(4) In paragraph 6D(3)(b), for “the dwelling” substitute “any dwelling on the land concerned”.

(5) The amendments made by this Resolution have effect in relation to any land transaction of which the effective date is on or after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

48. SDLT HIGHER RATE (ACQUISITION UNDER HOME REVERSION PLAN)

Resolved.

That—

(1) Schedule 4A to the Finance Act 2003 (SDLT: higher rate for certain transactions) is amended as follows.

(2) After paragraph 5C insert—

“‘Acquisition under a regulated home reversion plan’

5CA (1) Paragraph 3 does not apply to a chargeable transaction if (and so far as) the purchaser—

(a) is an authorised plan provider, and

(b) acquires the subject-matter of the chargeable transaction as a plan provider.

(2) For the purposes of this paragraph the purchaser acquires the subject-matter of the chargeable transaction “as a plan provider” so far as the purchaser acquires it under a regulated home reversion plan which the purchaser enters into as plan provider.

(3) In this paragraph—

“authorised plan provider” means a person authorised under the Financial Services and Markets Act 2000 to carry on in the United Kingdom the regulated activity specified in article 63B(1) of the Regulated Activities Order (entering into regulated home reversion plan as plan provider);

the Regulated Activities Order means the Financial Services and Markets (Regulated Activities) Order 2001 (S.I. 2001/544);

‘regulated home reversion plan’ means an arrangement which is a regulated home reversion plan for the purposes of Chapter 15A of Part 2 of the Regulated Activities Order.

(4) In this section references to entering into a regulated home reversion plan “as plan provider” are to be interpreted as if the references were in the Regulated Activities Order.”

(3) After paragraph 5I insert—

“5IA (1) This paragraph applies where relief under paragraph 5CA (acquisition under a regulated home reversion plan) has been allowed in respect of a higher threshold interest forming the whole or part of the subject-matter of a chargeable transaction.

(2) The relief is withdrawn if at any time in the period of three years beginning with the effective date of the chargeable transaction the purchaser holds the higher threshold interest otherwise than for the purposes of the regulated home reversion plan as defined in paragraph 5CA.

(3) But sub-paragraph (2) does not apply if—

(a) after ceasing to hold the higher threshold interest for the purposes of the regulated home reversion plan, the purchaser sells the higher threshold interest without delay (except so far as delay is justified by commercial considerations or cannot be avoided), and

(b) at no time when the higher threshold interest is held by the purchaser as mentioned in sub-paragraph (2) is the dwelling (or any part of the dwelling) occupied by a non-qualifying individual.

(4) In this paragraph—

“the dwelling” means the dwelling to which the relief under paragraph 5CA relates;

“non-qualifying individual” is to be interpreted in accordance with paragraph 5A.

(4) The amendments made by this Resolution have effect in relation to any land transaction of which the effective date is on or after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

49. SDLT HIGHER RATE (PROPERTIES OCCUPIED BY CERTAIN EMPLOYEES)

Resolved.

That—

(1) Schedule 4A to the Finance Act 2003 (SDLT: higher rate for certain transactions) is amended as follows.
(2) In paragraph 5D (dwellings for occupation by certain employees etc)—
   (a) in sub-paragraph (1), for “trade” substitute “business”;
   (b) in sub-paragraph (2)(b) for “trade” substitute “business”;
   (c) for sub-paragraph (4) substitute —
      “(4) “Relievable business” means a trade or property rental business that is run on a commercial basis and with a view to profit.”
(3) The heading before paragraph 5D becomes “Dwellings for occupation by certain employees etc of a relievable business”.
(4) After paragraph 5E insert—
   “Acquisition by management company of flat for occupation by caretaker

5EA (1) Paragraph 3 does not apply to a chargeable transaction so far as its subject-matter consists of a higher threshold interest in or over a flat which—
   (a) is one of at least three flats contained in the same premises, and
   (b) is acquired by a tenants’ management company for the purpose of making the flat available for use as caretaker accommodation.

(2) For the purposes of this paragraph a tenants’ management company makes a flat available for use “as caretaker accommodation” if it makes it available to an individual for use as living accommodation in connection with the individual’s employment as caretaker of the premises.
(3) In relation to the acquisition of a flat, a company is a “tenants’ management company” if—
   (a) the tenants of two or more other flats contained in the premises are members of the company, and
   (b) the company owns, or it is intended that the company will acquire, the freehold of the premises;
   but a company which carries on a relievable business is not a tenants’ management company.

(4) In this paragraph “premises” means premises constituting the whole or part of a building.”
(5) After paragraph 5J insert—
   “5JA(1) This paragraph applies where relief under paragraph 5EA (acquisition by management company of flat for occupation by caretaker) has been allowed in respect of a higher threshold interest otherwise than for the purpose of making the flat available for use as caretaker accommodation.

(2) The relief is withdrawn if at any time in the period of three years beginning with the effective date of the chargeable transaction the purchaser holds the higher threshold interest otherwise than for the purpose of making the flat available for use as caretaker accommodation.
(3) For the purposes of this paragraph a tenants’ management company makes a flat available for use “as caretaker accommodation” if it makes it available to an individual for use as living accommodation in connection with the individual’s employment as caretaker of the premises.”

(6) In paragraph 5E (meaning of “qualifying employee”, “qualifying employee” etc)—
   (a) in sub-paragraph (1) for “trade” substitute “business”;
   (b) in sub-paragraph (2) for “qualifying trade” substitute “relievable business”;

(7) In paragraph 5I (withdrawal of relief under paragraph 5D), in sub-paragraph (3)—
   (a) in paragraph (a), for the words from “trade” to the end substitute “relievable business”;
   (b) in paragraph (c), for the words from “trade” to the end substitute “relievable business”.

(8) In paragraph 6G (withdrawal of relief under paragraph 5D in cases involving alternative finance arrangements), in sub-paragraph (4)—
   (a) in paragraph (a), for “qualifying trade” substitute “relievable business”;
   (b) in paragraph (c) for “trade” substitute “relievable business”.

(9) In paragraph 9 (interpretation), at the appropriate place insert—
   ““relievable business” has the meaning given by paragraph 5D(4).”
(10) The amendments made by this Resolution have effect in relation to any land transaction of which the effective date is on or after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

50. STAMP DUTY LAND TAX (CO-OWNERSHIP AUTHORISED CONTRACTUAL SCHEMES)

Resolved,
That provision may be made in connection with the stamp duty land tax treatment of co-ownership authorised contractual schemes.
And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

51. ATED (HOME REVERSION PLANS)

Resolved,
That—
(1) Part 3 of the Finance Act 2013 (annual tax on enveloped dwellings) is amended as follows.
(2) After section 144 insert—
   “144A Regulated home reversion plans

(1) A day in a chargeable period is relievable in relation to a single dwelling interest held by a person (“P”) who is an authorised plan provider if—
   (a) P has, as plan provider, entered into a regulated home reversion plan relating to the single dwelling interest, and
   (b) the occupation condition is met on that day.
(2) If no qualifying termination event has occurred, the “occupation condition” is that a person who was originally entitled to occupy the dwelling (or any part of it) under the regulated home reversion plan is still entitled to do so.
(3) If a qualifying termination event has occurred, the “occupation condition” is that—
   (a) the single dwelling interest is being held with the intention that it will be sold without delay (except so far as delay is justified by commercial considerations or cannot be avoided), and
   (b) no non-qualifying individual is permitted to occupy the dwelling (or any part of it).
(4) In this section—
   “authorised plan provider” means a person authorised under the Financial Services and Markets Act 2000 to carry on in the United Kingdom the regulated activity specified in article 63B(1) of the Regulated Activities Order (entering into regulated home reversion plan as plan provider);
   “qualifying termination event” is to be interpreted in accordance with article 63B of the Regulated Activities Order;
   “the Regulated Activities Order” means the Financial Services and Markets (Regulated Activities) Order 2001 (S.I. 2001/544);
“regulated home reversion plan” means an arrangement which is a regulated home reversion plan for the purposes of Chapter 15A of Part 2 of the Regulated Activities Order (but see also subsection (6)).

(5) In this section references to entering into a regulated home reversion plan “as plan provider” are to be interpreted as if the references were in the Regulated Activities Order (but see also subsection (6)).

(6) For the purposes of this section—
(a) an arrangement which P entered into before 6 April 2007 is treated for the purposes of this section as a regulated home reversion plan entered into by P as plan provider if that arrangement would have been so treated for the purposes of article 63B(1) of the Regulated Activities Order had P entered into that arrangement on the day mentioned in subsection (1);
(b) an arrangement in relation to which P acquired rights or obligations before 6 April 2007 is treated for the purposes of this section as a regulated home reversion plan entered into by P as plan provider if that arrangement would have been so treated for the purposes of article 63B(1) of the Regulated Activities Order had P acquired those rights or obligations on the day mentioned in subsection (1).

(7) Section 136 (meaning of “non-qualifying individual”) applies to this section as in relation to sections 133 and 135.

(3) In section 116 (dwelling in grounds of another dwelling), in the list in subsection (6), at the appropriate place insert—
“section 144A (regulated home reversion plans);”.

(4) In section 117 (dwellings in the same building), in the list in subsection (5), at the appropriate place insert—
“section 144A (regulated home reversion plans);”.

(5) In section 132 (effect of reliefs under sections 133 to 150), in the list in subsection (3), at the appropriate place insert—
“section 144A (regulated home reversion plans);”.

(6) In section 159A (relief declaration returns), in the table in subsection (9), at the appropriate place insert—
“144A (regulated home reversion plans) 5A”

(7) The amendments made by this Resolution have effect for chargeable periods beginning on after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

52. ATED (PROPERTIES OCCUPIED BY CERTAIN EMPLOYEES)

Resolved,

That—

(1) Part 3 of the Finance Act 2013 (annual tax on enveloped dwellings) is amended as follows.

(2) Section 145 (occupation by certain employees or partners) is amended in accordance with paragraphs (3) to (5).

(3) In subsection (1)—
(a) in paragraph (b), after “qualifying trade” insert “or qualifying property rental business”;
(b) in paragraph (d) for “trade” substitute “qualifying trade or qualifying property rental business”.

(4) After subsection (4) insert—
“(5) For the meaning of “qualifying property rental business” see section 133(3).”

(5) The heading of that section becomes “Occupation by employees or partners of a qualifying trade or property rental business”.

(6) In section 146 (meaning of “qualifying employee” and “qualifying partner” in section 145)—
(a) in subsection (1), after “trade” insert “or property rental business”;
(b) in subsection (2)—
(i) in the words before paragraph (a), after “qualifying trade” insert “or qualifying property rental business”, and
(ii) in paragraph (a)(i), after “trade” insert “or (as the case may be) property rental business”.

(7) After section 147 insert—
“147A Caretaker flat owned by management company

(1) A day in a chargeable period is relievable in relation to a single dwelling interest if the dwelling in question is a flat in relation to which the conditions in subsection (2) are met.

(2) The conditions are that on that day—
(a) a company (“the management company”) holds the single-dwelling interest for the purpose of making the flat available as caretaker accommodation,
(b) the flat is contained in premises which also contain two or more other flats,
(c) the tenants of at least two of the other flats in the premises are members of the management company,
(d) the management company owns the freehold of the premises, and
(e) the management company is not carrying on a trade or property rental business.

(3) For the purposes of subsection (2), the management company makes a flat available “as caretaker accommodation” if it makes it available to an individual for use as living accommodation in connection with the individual’s employment as caretaker of the premises.

(4) In this section “premises” means premises constituting the whole or part of a building.

(8) In section 116 (dwelling in grounds of another dwelling), in the list in subsection (6)—
(a) in the entry relating to section 145, for “certain employees or partners” substitute “employees or partners of a qualifying trade or property rental business”;
(b) at the appropriate place insert—
“section 147A (caretaker flat owned by management company);”.

(9) In section 117 (dwellings in the same building), in the list in subsection (5)—
(a) in the entry relating to section 145, for “certain employees or partners” substitute “employees or partners of a qualifying trade or property rental business”;
(b) at the appropriate place insert—
“section 147A (caretaker flat owned by management company);”.

(10) In section 132 (effect of reliefs under sections 133 to 150), in the list in subsection (3)—
(a) in the entry relating to section 145, for “certain employees or partners” substitute “employees or partners of a qualifying trade or property rental business”;
(b) at the appropriate place insert—
“section 147A (caretaker flat owned by management company);”.

(11) In section 159A (relief declaration returns), in the table in subsection (9), in the entry relating to section 145, for “(dwellings used for trade purposes: occupation by certain employees or partners)” substitute “or 147A (occupation by certain employees etc)”.

(12) The amendments made by this Resolution have effect for chargeable periods beginning on after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.
53. STAMP DUTY (CERTAIN TRANSFERS OF SECURITIES)

Resolved,

That the following provisions shall have effect for the period beginning with 23 March 2016 and ending 31 days after the earliest of the dates mentioned in section 50(2) of the Finance Act 1973—

(1) Part 3 of the Finance Act 1986 (stamp duty) is amended as follows.

(2) In section 67 (depository receipts)—

(a) in subsection (2), for the words from “1.5% of” to the end substitute “1.5% of—

(a) the amount or value of the consideration for the sale to which the instrument gives effect, or

(b) where subsection (2A) applies—

(i) the amount or value of the consideration for the sale to which the instrument gives effect, or

(ii) if higher, the value of the securities at the date the instrument is executed.”,

(b) after subsection (2) insert—

“(2A) This subsection applies where the instrument transferring the securities is executed pursuant to—

(a) the exercise of an option to buy or to sell the securities, and

(b) either—

(i) a term of the option which provides for the securities to be transferred to the person falling within subsection (6), (7) or (8), or

(ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”,

and

(c) in subsection (3), for “In any other case” substitute “If stamp duty is not chargeable on the instrument under Part 1 of Schedule 13 to the Finance Act 1999 (transfer on sale)”. 

(3) In section 69 (depository receipts: supplementary), in subsection (4), for “section 67(3)” substitute “section 67(2)(b)(i) and (3)”. 

(4) In section 70 (clearance services)—

(a) in subsection (2), for the words from “1.5% of” to the end substitute “1.5% of—

(a) the amount or value of the consideration for the sale to which the instrument gives effect, or

(b) where subsection (2A) applies—

(i) the amount or value of the consideration for the sale to which the instrument gives effect, or

(ii) if higher, the value of the securities at the date the instrument is executed.”,

(b) after subsection (2) insert—

“(2A) This subsection applies where the instrument transferring the securities is executed pursuant to—

(a) the exercise of an option to buy or to sell the securities, and

(b) either—

(i) a term of the option which provides for the securities to be transferred to the person falling within subsection (6), (7) or (8), or

(ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”

(2A) This subsection applies where the transfer of the securities is pursuant to—

(a) the exercise of an option to buy or to sell the securities, and

(b) either—

(i) a term of the option which provides for the securities to be transferred to the person falling within subsection (2) or (3), or

(ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”

(5) In section 72 (clearance services: supplementary), in subsection (2), for “section 70(3)” substitute “section 70(2)(b)(ii) and (3)”. 

(6) The amendments made by this Resolution have effect in relation to an instrument which transfers securities pursuant to the exercise of an option where—

(a) the option was granted on or after 25 November 2015, and

(b) the option was exercised on or after 23 March 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of section 50 of the Finance Act 1973.

54. STAMP DUTY RESERVE TAX (CERTAIN TRANSFERS OF SECURITIES)

Resolved,

That—

(1) Part 4 of the Finance Act 1986 (stamp duty reserve tax) is amended as follows.

(2) In section 93 (depository receipts)—

(a) in subsection (4)(b), for the words from “worth,” to the end substitute “worth—

(i) the amount or value of the consideration, or

(ii) where subsection (4)(A) applies, the amount or value of the consideration or, if higher, the value of the securities;”, and

(b) after subsection (4) insert—

“(4A) This subsection applies where the transfer of the securities is pursuant to—

(a) the exercise of an option to buy or to sell the securities, and

(b) either—

(i) a term of the option which provides for the securities to be transferred to A or (as the case may be) to the person whose business is or includes holding chargeable securities as nominee for A, or

(ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”

(3) In section 94 (depository receipts: supplementary), in subsection (4), for “section 93(4)(c)” substitute “section 93(4)(b)(ii) and (c)”. 

(4) In section 96 (clearance services)—

(a) in subsection (2)(b), for the words from “worth,” to the end substitute “worth—

(i) the amount or value of the consideration, or

(ii) where subsection (2A) applies, the amount or value of the consideration or, if higher, the value of the securities;”,

(b) after subsection (2) insert—

“(2A) This subsection applies where the transfer of the securities is pursuant to—

(a) the exercise of an option to buy or to sell the securities, and

(b) either—

(i) a term of the option which provides for the securities to be transferred to A or (as the case may be) to the person whose business is or includes holding chargeable securities as nominee for A, or

(ii) a direction, given by or on behalf of the person entitled or bound to acquire the securities pursuant to the exercise of the option, for the securities to be so transferred.”

(5) In section 100 (depository receipts: supplementary), in subsection (4), for “section 96(3)” substitute “section 96(2)(b) and (c)”. 

The amendments made by this Resolution have effect in relation to an instrument which transfers securities pursuant to the exercise of an option where—

(a) the option was granted on or after 25 November 2015, and

(b) the option was exercised on or after 23 March 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

55. REDUCTION IN RATE OF PETROLEUM REVENUE TAX

Resolved,

That—

(1) In section 1(2) of the Oil Taxation Act 1975 (rate of petroleum revenue tax) for “35” substitute “0”.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.
(2) In paragraph 17 of Schedule 2 to that Act (cap on interest on repayments of tax), in sub-paragraph (5)(b) omit the words from “if that” to the end.

(3) In paragraph 2 of Schedule 19 to the Finance Act 1982 (duty to pay instalments based on amount of tax payable in previous chargeable period), after subparagraph (4) insert—

“(4A) In sub-paragraph (1) the reference to any chargeable period for an oil field ending on or after 30th June 1983 does not include a chargeable period ending on 31st December 2015.”

(4) The amendment made by paragraph (1) has effect with respect to chargeable periods ending after 1 October 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

56. INSURANCE PREMIUM TAX (STANDARD RATE)

Question put,

That—

(1) In section 51(2)(b) of the Finance Act 1994 (standard rate of insurance premium tax), for “9.5 per cent” substitute “10 per cent”.

(2) The amendment made by paragraph (1) has effect in relation to a premium falling to be regarded for the purposes of Part 3 of the Finance Act 1994 as received under a taxable insurance contract by an insurer on or after 1 October 2016.

(3) The amendment made by paragraph (1) does not have effect in relation to a premium which—

(a) is in respect of a contract made before 1 October 2016, and

(b) falls to be regarded for the purposes of Part 3 of the Finance Act 1994 as received under the contract by the insurer before 1 February 2017 by virtue of regulations under section 68 of that Act (special accounting schemes).

(4) Paragraph (3) does not apply in relation to a premium which—

(a) is an additional premium under a contract, and

(b) falls to be regarded for the purposes of Part 3 of the Finance Act 1994 as received under the contract by the insurer on or after 1 October 2016 by virtue of regulations under section 68 of that Act, and

(c) is in respect of a risk which was not covered by the contract before that date.

(5) In the application of sections 67A to 67C of the Finance Act 1994 (announced increase in rate) in relation to the increase made by this Resolution—

(a) the announcement for the purposes of sections 67A(1) and 67B(1) is to be taken to have been made on 16 March 2016,

(b) the date of the change is 1 October 2016, and

(c) the concessionary date is 1 February 2017.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

The House divided: Ayes 307, Noes 62.

Division No. 224] [7.24 pm

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward

Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenbrow, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Campbell, Mr Gregory
Carmichael, Neil
Cartlidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Chope, Mr Christopher
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cox, Mr Geoffrey
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evernett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, rh Robert
Hall, Luke
Hammond, Stephen
Hancock, rh Matthew
Hans, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hermon, Lady
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollotbone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, rh Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Seema
Kennedy, Seema
Johnson, Boris
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kazczynski, Daniel
Kennedy, Seema

NOES

Bellingham, Sir Henry
Bebb, Guto
Barwell, Gavin
Baron, Mr John
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Bawden, Gavin
Bebb, Guto
Bellingham, Sir Henry

AYES 307, NOES 62.
Resolved,

That provision may be made about the rates of landfill tax.

58. CLIMATE CHANGE LEVY

Resolved,

That provision may be made about climate change levy.

59. AIR PASSENGER DUTY (RATES FROM 1 APRIL 2016)

Resolved,

That—

(1) In section 30 of the Finance Act 1994 (air passenger duty: rates of duty) in subsection (4A) (long haul rates of duty)—

(a) in paragraph (a), for “£71” substitute “£73”, and

(b) in paragraph (b), for “£142” substitute “£146”.

(2) The amendments made by this Resolution have effect in relation to the carriage of passengers beginning on or after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.
60. VEHICLE EXCISE DUTY (RATES FOR LIGHT PASSENGER VEHICLES ETC)

Resolved,
That—

(1) Schedule 1 to the Vehicle Excise and Registration Act 1994 (annual rates of duty) is amended as follows.

(2) In paragraph 1(2) (vehicle not covered elsewhere in Schedule with engine cylinder capacity exceeding 1,549cc), for “£230” substitute “£235”.

(3) In paragraph 1B (graduated rates of duty for light passenger vehicles)—

(a) for the tables substitute—

“TABLE 1
RATES PAYABLE ON FIRST VEHICLE LICENCE FOR VEHICLE

<table>
<thead>
<tr>
<th>CO₂ emissions figure</th>
<th>Rate</th>
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</tr>
</tbody>
</table>

TABLE 2
RATES PAYABLE ON ANY OTHER VEHICLE LICENCE FOR VEHICLE

<table>
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<tr>
<th>CO₂ emissions figure</th>
<th>Rate</th>
</tr>
</thead>
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<td>Not Exceeding g/km</td>
</tr>
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</tr>
</tbody>
</table>

(b) in the sentence immediately following the tables, for paragraphs (a) and (b) substitute—

“(a) in column (3), in the last two rows, “285” were substituted for “490” and “505”, and

(b) in column (4), in the last two rows, “295” were substituted for “500” and “515”.”

(4) In paragraph 1J (VED rates for light goods vehicles), in paragraph (a), for “£225” substitute “£230”.

(5) In paragraph 2(1) (VED rates for motorcycles)—

(a) in paragraph (b), for “£38” substitute “£39”,

(b) in paragraph (c), for “£59” substitute “£60”, and

(c) in paragraph (d), for “£81” substitute “£82”.

(6) The amendments made by this Resolution have effect in relation to licences taken out on or after 1 April 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

61. FUEL DUTY (AQUA METHANOL)

Resolved,
That provision may be made for and in connection with the charging of excise duty on liquid fuel consisting of a mixture of methanol and water.

62. TOBACCO PRODUCTS DUTY (RATES)

Resolved,
That—

(1) For the table in Schedule 1 to the Tobacco Products Duty Act 1979 substitute—

“TABLE

<table>
<thead>
<tr>
<th>Description of wine or made-wine</th>
<th>Rates of duty per hectolitre £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wine or made-wine of a strength not exceeding 4%</td>
<td>£85.60.</td>
</tr>
<tr>
<td>Wine or made-wine of a strength exceeding 4% but not exceeding 5.5%</td>
<td>£117.72</td>
</tr>
<tr>
<td>Wine or made-wine of a strength exceeding 5.5% but not exceeding 15% and not being sparkling</td>
<td>£277.84</td>
</tr>
<tr>
<td>Sparkling wine or sparkling made-wine of a strength exceeding 5.5% but less than 8.5%</td>
<td>£268.99</td>
</tr>
</tbody>
</table>

(2) The amendment made by this Resolution comes into force at 6pm on 16 March 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

63. ALCOHOLIC LIQUOR DUTIES (RATES)

Resolved,
That—

(1) The Alcoholic, Liquor Duties Act 1979 is amended as follows.

(2) In section 62(1A)(a) (rate of duty on sparkling cider of a strength exceeding 5.5%) for “£264.61” substitute “£268.99”.

(3) For Part 1 of the table in Schedule 1 substitute—

“PART 1
WINE OR MADE-WINE OF A STRENGTH NOT EXCEEDING 22%
Sparkling wine or sparkling made-wine of a strength of at least 8.5% but not exceeding 15%

Wine or made-wine of a strength exceeding 15% but not exceeding 22%

(4) The amendments made by this Resolution come into force on 21 March 2016.

And it is declared that it is expedient in the public interest that this Resolution should have statutory effect under the provisions of the Provisional Collection of Taxes Act 1968.

64. GENERAL ANTI-ABUSE RULE

Resolved,
That provision may be made for and in connection with amending Part 5 of the Finance Act 2013.

65. SERIAL TAX AVOIDANCE (RESTRICTION OF RELIEFS)

Resolved,
That provision may be made restricting reliefs in cases where arrangements relating to tax have been defeated.

66. TIME LIMIT FOR SELF ASSESSMENTS

Resolved,
That provision may be made imposing a time limit for making and delivering a self assessment in a return under section 8 or 8A of the Taxes Management Act 1970.

67. CLAIMS FOR TAX ADVANTAGES CONSTITUTING STATE AID

Resolved,
That provision may be made about information to be given when making a claim for a relief or other tax advantage constituting state aid.

68. BODIES CARRYING ON INSURANCE-RELATED ACTIVITIES

Resolved,
That provision may be made for and in connection with the treatment for taxation purposes of—
(a) bodies carrying on activities relating to insurance,
(b) investors in such bodies, and
(c) transactions involving such bodies.

69. RELIEF FROM TAX (INCIDENTAL AND CONSEQUENTIAL CHARGES)

Resolved,
That it is expedient to authorise any incidental or consequential charges to any duty or tax (including charges having retrospective effect) that may arise from provisions designed in general to afford relief from taxation.

PROCEDURE (FUTURE TAXATION)

Question put,
That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may contain the following provisions taking effect in a future year—
(a) provision about the basic rate limit for the purposes of income tax,
(b) provision about personal allowances for the purposes of income tax,
(c) provision restructuring income tax rates,
(d) provision about taxable benefits in respect of cars,
(e) provision about the tax treatment of payments from sporting testimonials which recognise the service of individuals who are or have been employed as professional sportspeople,
(f) provision about the standard lifetime allowance under Part 4 of the Finance Act 2004,
(g) provision for the purposes of income tax about finance-related expenses in connection with property businesses,
(h) provision for corporation tax to be charged for the financial year 2017,
(i) provision about the rate of corporation tax for the financial year 2020,
(j) provision for and in connection with the abolition of relief under Chapter 7 of Part 13 of the Corporation Tax Act 2009,
(k) provision for a relief, in the form of a lower rate of capital gains tax, in respect of disposals of certain ordinary shares in unlisted companies,
(l) provision about inheritance tax,
(m) provision for and in connection with the imposition of a new tax in respect of payments of earnings to or for the benefit of employed earners,
(n) provision about climate change levy, and
(o) provision amending the description of vehicles which are exempt vehicles for the purposes of the Vehicle Excise and Registration Act 1994.

The House divided: Ayes 297, Noes 62.
Howlett, Ben
Howell, John
Hopkins, Kris
Hollobone, Mr Philip
Hollingbery, George
Hoare, Simon
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, Mr Jeremy
James, Margot
Javid, Rah Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenknys, Andrea
Jennick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Keddy, Seema
Knight, Mr Sir Greg
Knight, Julian
Kwartaeng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, Mr Oliver
Lewis, Alkndon
Lewis, Dr Julian
Lidington, Mr David
Lilley, Mr Peter
Loughton, Tim
Lunley, Karen
Mackinlay, Craig
Mackintosh, David
Malthouse, Kit
Mann, Scott
Maynard, Paul
McCARTNEY, Jason
McCARTNEY, Karl
McLaughlin, Mr Patrick
McPartland, Stephen
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, Anne
Mitchell, Dr Mr Andrew
Mordaunt, Penny
Morgan, Mr Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, David
Murray, Mrs Sherylly
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Ofor, Dr Matthew
Opperman, Guy
Osborne, Mr George
Paisley, Ian
Parish, Neil
Patel, Mr Priti
Paton, Mr Owen
Pawsey, Mark
Penning, Mr Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Philp, Chris
Pickles, Miss Shirley
Pinder, Sir Eric
Pincher, Christopher
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gav
Robinson, Mary
Rudd, Mr Amber
Rutley, David
Sandbach, Antoinette
Scully, Mr Paul
Selous, Andrew
Shannon, Jim
Shapps, Mr Grant
Sharma, Akond
Simpson, Mr Sir Keith
Smith, Chloé
Smith, Henry
Smith, Julian
Smith, Royston
Soames, Mr Sir Nicholas
Solloway, Amanda
Soubry, Mrs Anna
Spelman, Mr Mrs Caroline
Spencer, Mr
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mr
Sturdy, Julian
Sunak, Rishi
Swayne, Mr Sir Desmond

Gray, Neil
Hendry, Drew
Hosie, Stewart
Kerevan, George
Kerr, Calum
Kimhan, Danny
Law, Chris
Lucas, Caroline
MacNeil, Mr Angus
McNally, Mr John
McCaig, Callum
McDonald, Steward Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McGary, Natalie
McLaughlin, Anne
Monaghan, Carol
Monaghan, Mr David
Mullin, Roger
Newlands, Gavin
Nicolson, John
O'Hara, Brenda
Oswald, Kirsten
Paterson, Steven

Ahmed-Sheikh, Ms Tasmina
Akrless, Richard
Arkland, Hannah
Black, Mhairi
Blackford, Ian
Blackman, Kirsty
Boswell, Philip
Browne, Deidre
Brown, Alan
Cameron, Dr Lisa
Chapman, Douglas
Cherry, Joanna
Cowan, Ronnie
Crawley, Angela
Day, Martyn
Docherty-Hughes, Martin
Donaldson, Stuart Blair
Durkan, Mark
Elliott, Tom
Fenner, Margaret
Gethins, Stephen
Gibson, Patricia
Grady, Patrick
Grant, Peter

Swire, Mr Hugo
Symes, Mr Robert
Thomas, Derek
Throup, Maggie
Timms, Edward
Tothill, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Truss, Mrs Elizabeth
Tugendhat, Tim
Turner, Sir Andrew
Tyrie, Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shai
Vickers, Martin
Villiers, Mr Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Craig
Williams, Mr Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Wright, Mr Jeremy
Zahawi, Nadhim

Tellers for the Ayes:
Sarah Newton and
Simon Kirby

NOES

Gray, Neil
Hendry, Drew
Hosie, Stewart
Kerevan, George
Kerr, Calum
Kimhan, Danny
Law, Chris
Lucas, Caroline
MacNeil, Mr Angus
McNally, Mr John
McCaig, Callum
McDonald, Steward Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McGary, Natalie
McLaughlin, Anne
Monaghan, Carol
Monaghan, Mr David
Mullin, Roger
Newlands, Gavin
Nicolson, John
O'Hara, Brenda
Oswald, Kirsten
Paterson, Steven
provision for the approval of persons carrying on certain Finance Bills, any Finance Bill of the present Session may make provision for the purpose of protecting public revenues against losses in connection with the use of arrangements which are or are part of a large business, and (a) provision requiring publication of tax strategies by bodies which are or are part of a large business, and (b) provision for imposing special measures on such bodies where there has been persistent unco-operative behaviour in relation to tax matters.

PROCEDURE (RAW TOBACCO APPROVAL SCHEME)

Resolved.

That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may make provision for the approval of persons carrying on certain activities in relation to raw tobacco.

PROCEDURE (INFORMATION POWERS IN CONNECTION WITH TAX ADVANTAGES CONSTITUTING STATE AID)

Resolved.

That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may make provision conferring on HMRC powers enabling them to acquire, disclose or publish information connected with the grant of reliefs or other tax advantages constituting state aid.

FINANCE (MONEY)

Queen's recommendation signified.

Resolved.

That, for the purposes of any Act of the present Session relating to finance, it is expedient to authorise the payment out of money provided by Parliament of expenditure incurred by the Treasury in connection with the expenses of, or payments to members of, the Office of Tax Simplification.

Mr Peter Lilley (Hitchin and Harpenden) (Con): On a point of order, Mr Speaker. You, above all, will be aware that the power of this House historically derives from its right to levy taxation, a right in respect of value added tax that it handed over to others 40 years ago. Can you confirm that although the Government have not contested two amendments altering rates of VAT, those changes will be nugatory, despite having the unanimous support of this House, unless all 28 member states agree, as the Government hope they will, to accord to this House the rare privilege of being able to determine two rates of VAT on important, but tiny, items? Can you therefore advise whether the House should be enormously grateful for the possibility that we will regain this small power to affect some taxation? Or should we make it a rule of the House that should we ever want to exercise powers of taxation in future, we announce a referendum before each Finance Bill?

Mr Speaker: I am extremely grateful to the right hon. Gentleman for his point of order. I know, or at least I feel confident, that he will not take it amiss if I suggest, on the basis both of the content of his point of order and of the manner of its delivery, that he was more interested in what he had to say to me than in anything that I might have to say to him. What I would say to him. What I would say to the right hon. Gentleman, who is very deeply versed in these matters, is that I can comment on the matter of fact, which is that the House has agreed to the two amendments, a point not in dispute between or us or a matter of any doubt in the Chamber, but I do not feel able to comment upon effect—what it will or will not be. However, I have a sense that his point of order was something of a warm-up, and I have a feeling that to this matter he, and doubtless others, will soon, possibly at greater length, return—[Interruption] Some mischievous soul says, “Hope not.” I think the hope is in vain.

Ordered.

That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, the Prime Minister, Mr Chancellor of the Exchequer, Secretary Sajid Javid, Secretary Nicky Morgan, Secretary Greg Clark, Greg Hands, Damian Hinds, Harriet Baldwin and Mr David Gauke bring in the Bill.
[Mr Speaker]

FINANCE (No.2) BILL

Presentation and First Reading

Mr David Gauke accordingly presented a Bill to grant certain duties, to alter other duties, and to amend the law relating to the National Debt and the Public Revenue, and to make further provision in connection with finance.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 155) with explanatory notes (Bill 155-EN).

Business without Debate

DELEGATED LEGISLATION

Mr Speaker: With the leave of the House, we shall take motions 3 to 7 together.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

FAMILY LAW

That the draft Child Support (Deduction of Orders and Fees) (Amendment and Modification) Regulations 2016, which were laid before this House on 8 February, be approved.

PENSIONS

That the draft Automatic Enrolment (Earnings Trigger and Qualifying Earnings Band) Order 2016, which was laid before this House on 1 February, be approved.

COMPANIES

That the draft Companies (Address of Registered Office) Regulations 2016, which were laid before this House on 8 February, be approved.

That the draft Registrar of Companies and Applications for Striking Off (Amendment) Regulations 2016, which were laid before this House on 8 February, be approved.

INSOLVENCY

That the draft Enterprise and Regulatory Reform Act 2013 (Consequential Amendments) (Bankruptcy) and the Small Business, Enterprise and Employment Act 2015 (Consequential Amendments) Regulations 2016, which were laid before this House on 22 February, be approved.—(Julian Smith.)

Question agreed to.

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Tuesday 12 April—

(1) notwithstanding sub-paragraph (2)(c), as applied by paragraph (4), of Standing Order No. 14 (Arrangement of public business), the backbench business set down for consideration may be entered upon at any hour, may be proceeded with, though opposed, for three hours, and then lapse if not previously disposed of; and

(2) notwithstanding the provisions of Standing Order No. 20 (Time for taking private business), the private business set down by the Chairman of Ways and Means may be entered upon at any hour (whether before, at or after 4.00pm) and may then be proceeded with, though opposed, for three hours, after which the Speaker shall interrupt the business.—(Julian Smith.)

HIGH SPEED RAIL (LONDON – WEST MIDLANDS) BILL

Ordered,

That, at the sitting on Wednesday 23rd March, the following provisions shall apply to proceedings on the High Speed Rail (London – West Midlands) Bill:

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

2. (1) The proceedings shall (so far as not previously concluded) be brought to a conclusion at the times specified in the second column of the Table.

Table

<table>
<thead>
<tr>
<th>Proceedings</th>
<th>Time for conclusion of proceedings</th>
</tr>
</thead>
<tbody>
<tr>
<td>New clauses, new schedules and amendments relating to economic and financial issues including compensation and railway ownership</td>
<td>One hour after the commencement of proceedings on Consideration</td>
</tr>
<tr>
<td>New clauses, new schedules and amendments relating to the route and environmental issues; remaining proceedings on Consideration</td>
<td>Two hours after the commencement of proceedings on Consideration</td>
</tr>
</tbody>
</table>

(3) Proceedings on Third Reading and proceedings on the Motion in the name of Secretary Patrick McLoughlin relating to carry-over (No. 3) shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of proceedings on Consideration.

2. (1) This paragraph applies for the purpose of bringing proceedings to a conclusion in accordance with paragraph 1.

2. In relation to proceedings on Consideration and Third Reading, the Speaker shall put the following Questions in the same order as they would fall to be put if this Order did not apply—

(a) any Question already proposed from the Chair;

(b) any Question necessary to bring to a decision a Question so proposed;

(c) any Question on any amendment, new clause or new schedule selected by the Speaker for separate decision;

(d) the Question on any amendment moved or Motion made by a Minister of the Crown;

(e) any other Question necessary for the disposal of the business to be concluded.

3. On a motion made for a new clause or a new schedule, the Speaker shall put only the Question that the clause or schedule be added to the Bill.

4. In relation to proceedings on the Motion mentioned in paragraph 1(3), the Speaker shall put forthwith the Questions necessary to dispose of the proceedings.

3. Standing Order No. 15(1) (Exempted business) shall apply so far as necessary to proceedings to which this Order applies.

4. Standing Order No. 41A (Deferred divisions) shall not apply in relation to proceedings on the Motion mentioned in paragraph 1(3).—(Julian Smith.)

Mr Speaker: Just before I call the hon. Member for Rossendale and Darwen (Jake Berry), I appeal to Members who are leaving the Chamber, perhaps unaccountably, to do so quickly and quietly so that the hon. Gentleman can make his case and be afforded a decent hearing.
Breast Ironing

Motion made, and Question proposed, That this House do now adjourn.—(Julian Smith.)

8.2 pm

Jake Berry (Rossendale and Darwen) (Con): I will start with three letters: FGM. Thanks to the tireless campaigning of charities such as Daughters of Eve and Dahlia, we now know that those letters are an abbreviation for: the abhorrent practice of female genital mutilation.

For any colleague who still struggles to understand FGM, I cannot put it in clearer or more stark terms than those used by my hon. Friend the Member for Twickenham (Dr Mathias) in her excellent contribution to the recent International Women’s Day debate:

“the equivalent of female genital mutilation in a man would be the removal of the head of the penis and of a third of the shaft.”

—[Official Report, 8 March 2016; Vol. 607, c. 233.]

FGM was hidden from us for many years, and while this practice did not originate in Britain, we have come to know and tackle it here in the UK. FGM was first legislated on by the UK Government in 1985, at which point the Prohibition of Female Circumcision Act 1985 made the practice of FGM illegal. In 2003, it became an offence to take a girl abroad for the purpose of FGM. Finally, the Serious Crime Act 2015 took further measures to create a robust legal framework to deal with this abhorrent practice. Thanks to a 30-year journey of revealing and legislating on this barbaric practice, it is now widely recognised. I am ashamed to say, however, that in that 30-year journey, there has not been a single prosecution here in the UK.

It is against the perspective of this lengthy struggle that I wish to raise the issue of breast ironing. It is perhaps unsurprising that so few people have heard of it. Breast ironing—or breast flattening, as it is often referred to—is believed to have originated in Cameroon but is also found in Nigeria, the Republic of Guinea, South Africa, Chad, Togo, Benin, Birmingham and London. It is the practice of pounding the developing breasts of young girls with objects heated over coals or on a stove, and it tends to be performed on girls from about the age of 10 up until the end of puberty. Hot stones, hammers and spatulas are used twice a day for several weeks or months to stop or delay, and in some cases permanently destroy, the natural development of the breast.

Girls subjected to this abuse are told by the perpetrators that it is necessary to continue with this abhorrent practice until it no longer hurts. This gives us some idea of the unimaginable pain and suffering they are subjected to. Breast ironing exposes girls to numerous health issues, such as cancer, abscesses, itching, discharge of milk, infection and asymmetry of the breasts. Girls who undergo breast ironing can expect to experience an increased prevalence of breast cysts, breast infections, severe fever, tissue damage and even the complete disappearance of one or both breasts.

Mr Deputy Speaker, you are probably sitting there, like many other right hon. and hon. Members, thinking, “Why would anyone do this to a young woman or girl?”. Breast flattening, or ironing, is carried out by the perpetrators in the belief that it makes girls less sexually attractive to men; in the certainty that mutilation of the breasts will protect young girls from sexual harassment, rape or early forced marriage; and with the confidence that the breasts of young girls can develop only if they think about sex, if a man touches their breasts, if a girl watches pornography or even if a girl visits a nightclub.

Dr Philippa Whitford (Central Ayrshire) (SNP): Is it not also the case that some parents believe they can prevent puberty from happening altogether by carrying out breast ironing?

Jake Berry: That is the point, but it is a mistaken belief, and one that has no place in any society, let alone ours here in Britain.

The words “culture”, “tradition” or “religion” come up when people try to explain this absurdly harmful practice, but as in the case of FGM, these words are just a thinly veiled excuse for a ritualised form of child abuse.

Jim Shannon (Strangford) (DUP): The hon. Gentleman brought this issue to the House on International Women’s Day. That evening I sponsored an event on domestic violence that was attended by more than 100 people. I had not heard about breast ironing until that day, but FGM and breast ironing, and their prevalence in our society, including here in London, were raised that night. Does he agree that we need zero tolerance when it comes to this practice?

Jake Berry: I will come to that. I hope that the Minister will say what steps we can take to send the message out loud and clear from this House of Commons that the practice is completely unacceptable, whether it happens in London, Birmingham or any other city, or whether young girls are being taken to Cameroon, Nigeria or elsewhere for it to be done over the school holidays. No one should think that they can get away with it in this country without fear of prosecution.

Kit Malthouse (North West Hampshire) (Con): I applaud what my hon. Friend says. I was responsible for bringing in the first ever anti-violence against women and girls strategy in London, which looked at some of these issues. The police did something like a cultural cringe when dealing with some of these problems until I highlighted to the commissioner the fact that if little boys were appearing across London on a systematic basis with their little finger missing, we would be doing something about it. I pointed out that because this involved girls, was possibly invisible and had this cultural overlay, the police felt that they should stand off from it. Pleasingly, that is no longer the case, but I hope that my hon. Friend agrees that we could do much more to make the unacceptability of these practices widespread.

Jake Berry: I agree absolutely. This idea that puberty, the natural development of a woman’s adult body and the natural journey to maturity can be violated as part of some mistaken or bizarre belief system has no place in our society.

As with FGM, the practice of breast ironing is hidden because it is most often carried out by a family member. A recent UN report revealed that 58% of the perpetrators of breast ironing are the girl’s own mother. Although awareness of FGM is probably at an all-time high, the practice of breast ironing will remain hidden unless we
in this House speak out about it wherever we can. Breast ironing has been identified by the UN as one of the five most under-reported crimes relating to gender-based violence. That is why this debate is so important.

I said that this practice of breast ironing has been found in Birmingham and London. However, because of the hidden nature of this abuse, it is hard to prove the extent of its prevalence in the UK. In the words of Margaret Nyuydzewira, founder of the UK-based pressure group, CAME:

“Breast ironing is a practice that happens in the privacy of women’s homes; it’s hard to see who is doing it, and people are not willing to talk about it. It’s like female genital mutilation: you know it’s happening but you are not going to see it”.

Despite the secrecy around breast ironing, the anti-FGM campaigner and co-founder of Daughters of Eve, Leyla Hussein, recently revealed that she had met a woman in the UK who had undergone breast ironing. Recent press coverage has said that it is endemic and experts believe that the custom is being practised among the several thousand Cameroonians now living in the UK.

CAME has estimated that up to 1,000 girls in the UK have been subjected to breast ironing and that an unknown number have been subjected to it abroad. It highlighted to me one case reported to the police in Birmingham where no further action was taken, as it was put down to being part of someone’s culture rather than a crime.

Hannah Bardell (Livingston) (SNP): Will the hon. Gentleman give way?

Jake Berry: I am sorry, but I will not, because I must make some progress.

The Mayor of London’s harmful practices taskforce, on which my hon. Friend the Member for North West Hampshire (Kit Malthouse) served, described breast ironing as an emerging issue here in the UK. It is precisely the lack of hard facts and figures that has led me to seek this debate on breast ironing and the Government’s response.

It has also led me to do something else. I wrote to every police force in the UK and every local authority in the UK to ask what they were doing about this issue. The police forces that wrote back to me showed real concern. They know that this is a worrying crime and they have a worrying lack of knowledge of it. Some 72% of the police forces that responded either failed to answer a question about breast ironing or admitted that they had never heard of it, while 38% said they wanted more guidance. This demonstrates a lack of understanding among our police forces about breast ironing and the signs that reveal that it is happening. Although some police forces, including West Mercia, Merseyside, Thames Valley and Hertfordshire, are taking encouraging steps to raise awareness, I hope that the Minister will consider issuing guidance from the Department to ensure that this best practice is spread and that those who do not have the information on breast ironing can be enlightened.

I also wrote to representatives of all the local authority children’s services departments. Of those who responded, 23% volunteered the information that they had never undertaken any training in this area, and 65% said that they would like more guidance. Departments in Greater Manchester, Leicester and the City of London are already taking action, but, like the police forces, all the children’s departments in our local authorities want more information. On their own admission, the police and local authorities need further training in dealing with this practice and bringing criminals to prosecution. If we fail to give them the tools that they require to identify and understand the victims of this crime, they will never be able to tackle it.

I understand that there is currently no stand-alone crime of breast ironing in the United Kingdom, and that police and prosecutors have to rely on the existing pool of criminal offences that are available to them. I believe that, as with female genital mutilation, that is not an adequate protection for young women and girls in our country. I pay tribute to the Minister for her work on the Bill that became the Serious Crime Act 2015, which, among other things, provided anonymity for victims of FGM, created a new civil protection order, created a new offence of failing to protect a girl from FGM, provided for statutory guidance, and imposed a duty to report on public sector professionals such as teachers, social workers and doctors. I believe that all those protections should be considered in relation to the crime of breast ironing. I hope that the Minister will consider the creation of a stand-alone offence, and will also extend the protections in the 2015 Act to breast ironing.

As I hope I have demonstrated, this crime is not given the recognition that it needs to be given in our communities here in the United Kingdom. One of the main barriers that I have been able to cite this evening is a lack of awareness among all Government agencies, including police, local authorities and schools. The very people who should be keeping these girls safe do not know what to look for, and, more important, do not know where to look. I ask the Minister to undertake to ensure that the Department gives guidance to those Government agencies on how to spot the girls who are at risk. I also ask her to request the Department to make a thorough study of the prevalence of breast ironing in the UK. If we are to tackle this crime, we must find out where it is taking place and how many people are victims of it.

Yesterday, a colleague asked me why I, as a man, had chosen to speak about breast ironing. The answer is simple. If we in the House of Commons fail to act, if we fail to speak out about this horrendous and abhorrent crime, it is we who are letting young girls and women down here in our country. Unless we speak out and raise the profile of breast ironing, the hidden suffering of young teenage girls will always remain hidden.

8.18 pm

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): I congratulate my hon. Friend the Member for Rossendale and Darwen (Jake Berry) on securing a debate about an important issue on which he has previously been campaigning. He should be assured that the fact that the subject is on the Order Paper has really made people sit up and listen today. I had to explain to a number of colleagues what this evening’s Adjournment debate was about, and the utter horror on each and every face when they understood is testimony to the importance of the debate and the fact that my hon. Friend has secured it.

One of my hon. Friend’s final points related to men raising these matters. These are not just women’s issues. This is violence against women and girls—some of it is
perpetrated by men and some by women—but we need men to speak out and make it clear that these practices are unacceptable. The excuse given for FGM, breast ironing and other so-called honour-based violence is that men require it, and that it has to happen to women so that men will accept them. That is simply not true, and men need to speak out and make it clear that that is not the case. I congratulate my hon. Friend and the other men who have spoken in the debate, as well as the women who have contributed. It is important that we all speak on this matter.

I want to make it absolutely clear that breast ironing is not just an abhorrent practice; it is illegal. It is child abuse, and no political or cultural sensitivities should ever be used as an excuse for us to stop tackling it. As my hon. Friend has noted, there are parallels between breast ironing and other harmful practices such as FGM. One such parallel is the fact that these practices are often hidden crimes, which makes it difficult for us to estimate their prevalence. We want to find the victims of these crimes and we want to stop the crimes happening, but we will be able to do that only if people and communities are brave enough to speak out and say that the practice is unacceptable. It is also the responsibility of the police proactively to look for these crimes and to devise and implement measures to increase the confidence of victims to report them and to give evidence.

**Dr Whitford:** As this practice is predominantly carried out during puberty when the girls are at school, should we not be educating them about it within the school system in the United Kingdom? Would that not encourage them to come forward?

**Karen Bradley:** The hon. Lady is absolutely right. I work closely with Ministers in the Department for Education to ensure that guidance material is available to enable schools to teach people about this. I will say more about that shortly. However, I know that certain professionals might feel reticent about the subject. They might feel that cultural sensitivities are involved or that there are political reasons why they should not go there. That is simply not the case, however, and we need to give those professionals the confidence to know that this is something they should be looking for, to know what the signs are and to take action. That is what we all need to do.

**Kit Malthouse:** I completely agree with the Minister. I wonder whether her Department, or indeed the police, might look at the French experience, which has involved a significant number of prosecutions and convictions, particularly for FGM but also for other harmful cultural practices. My hon. Friend the Member for Rossendale and Darwen (Jake Berry) made the point that one of the difficulties that the police sometimes face from a cultural point of view is that the perpetrator is often a family member. So we may well be prosecuting granny and putting her in prison, but even that is no excuse, and we need to lock some of these people up, if only to send a signal.

**Karen Bradley:** Let me address the point about convictions. My hon. Friend makes the point that although FGM was first made a crime in 1985, the Crown Prosecution Service did not receive a single referral of a case that it might have been able to take to prosecution before 2010. That is why the organisations and community groups that work on this are very important, and we have to work with them at a community level. What my hon. Friend says is true: victims of FGM might have to give evidence in court against a family member.

We are sometimes asked why we cannot just go ahead and get a conviction, if we know that a crime has happened. Well, there are plenty of unsolved murders. There might be a body, and we might know that someone has been murdered, but we cannot necessarily get the evidence we need. This is about equipping the police, law enforcement agencies and other professionals with the tools that they need to gather the necessary evidence, information and intelligence. Like my hon. Friend, I want to see a conviction for this. We have had a successful conviction for forced marriage, and I want to see a conviction for FGM, but we all have to acknowledge and respect the difficulties involved in getting such a conviction.

It is important to remember that a conviction is in many ways a failure—a crime has happened. The more that we can do to prevent the crime from happening in the first place and to make it clear that the practice is illegal and therefore should not happen, the better the result will be. Where this crime does occur, we want to ensure that the law enforcement response is as robust as possible.

I want to discuss with my hon. Friend his thoughts about legislation, but let me be clear that breast ironing is against the law today. Although there are no specific offences, the police have a range of other offences at their disposal to deal with any cases that they encounter, including common assault, actual bodily harm or grievous bodily harm, child cruelty and causing or allowing a child to suffer serious physical harm. The Crown Prosecution Service takes seriously the effective prosecution of all forms of honour-based violence. In 2014-15, 225 defendants were prosecuted in cases flagged as having an honour-based violence component, a rise from 206 in the previous year, with 129 convictions—the highest ever recorded. However, it is true that we want more convictions. This debate can send a message to law enforcement and the CPS that we want the offence to get more attention.

In December, Her Majesty’s inspectorate of constabulary published its review of the police response to honour-based violence. The review found some areas of good practice, but also raised serious concerns about the police’s handling of such issues. I stress again that honour-based violence is a crime. The so-called honour-based context—there is no honour in any of these crimes—does not prevent it from being a crime. HMIC’s report showed that the police were not bringing to bear some offences, such as domestic abuse or child abuse. We are working closely with HMIC, considering the report’s findings, and working with police forces, the national policing lead and the College of Policing to ensure that we get the right guidance. That means further work and training to help increase the understanding of crimes such as breast ironing.

On mandatory reporting, my hon. Friend talked about the measures that we introduced in the Serious Crime Act 2015 regarding FGM, which we know are working.
I had an email from my county council in Staffordshire only today saying that an FGM protection order had been put on a baby. It is absolutely fantastic that the orders are being used in practice and preventing this dreadful crime from taking place. We placed a mandatory reporting duty on professionals who are aware of FGM cases involving girls aged under 18. We are also committed to consulting on a mandatory reporting duty for all child abuse, and that consultation will start shortly. The consultation is broad and wide ranging. We are looking at various measures, including a mandatory duty to report all forms of child abuse. We will consider all responses, and I encourage anybody who is listening to this debate to make sure that they feed into that consultation.

Before I wrap up, let me mention the work that we are doing internationally. We know that cases of breast ironing have been documented in Cameroon and other parts of Africa. In Cameroon, the British High Commission has been working closely with the Minister of Women’s Empowerment and the Family in co-ordination with local religious leaders on campaigns to raise awareness and to support a community-led change to end breast ironing.

My hon. Friend will know that last year the Prime Minister appointed my noble friend Baroness Verma as ministerial champion for tackling violence against women and girls overseas. I work closely with her to ensure that we are doing all that we can not only in this country, but in countries where we know that there is a high prevalence, or a higher prevalence, of such practice. We need to tackle harmful practice overseas. I have met some fantastic charities that work with communities and stand up and say that this practice is wrong. They also try to get villages and tribes to say that it is wrong, because if they do that, the next village will follow. Fantastic work is being done.

There is always more that we can do. I am conscious of time, so I will finish by thanking my hon. Friend for securing this debate and commending the work that is being done by many organisations, particularly CAME women and Girls Development Organisation, to bring hidden practices, such as breast ironing, to the fore.

My hon. Friend has done a great service. He has raised awareness of this practice in a way that one is able to do in this Chamber. Sometimes we underestimate the power an Adjournment debate in this place to raise awareness of an issue. Let me reiterate that what we are talking about is illegal. It is a crime and it is not acceptable. I want to assure the House that the Government fully understand that and are absolutely committed to putting a stop to it.

Question put and agreed to.

8.30 pm

House adjourned.
Will the Secretary of State discuss with Front-Bench colleagues a regional strategy for smaller airports—at Prestwick, people fly in over Royal Troon—and, while the Chancellor is in a listening mood, will they consider a VAT reduction for rural tourism, which would help many constituencies across the UK?

Mr Speaker: Presumably with a view to people then playing golf.

Dr Whitford: But they need to come here first.

Mr Speaker: Indeed they do, as the hon. Lady pertinently observes from a sedentary position.

David Mundell: I would be very happy to meet the hon. Lady to discuss those issues further. I am also very interested in pursuing the proposed Ayrshire regional growth deal, which, in promoting tourism in that part of Scotland, will have golf at its heart.

Alberto Costa (South Leicestershire) (Con): May I add my contribution on this topic by saying that it was with pleasure, last week, that I saw the Secretary of State sharing a platform with the First Minister, who I am sure raised the topic we are discussing? Will my right hon. Friend confirm that that is an example of the two Governments working together in the interests of the people of Scotland?

David Mundell: Mr Speaker, you will be pleased to hear that the First Minister and I met and shared a platform in St Andrews, which is of course the world home of golf. On sport, as on any matter, Scotland of course does best when Scotland’s two Governments work together.

Angus Robertson (Moray) (SNP): This is the first opportunity in Parliament to put on the record our total revulsion at and condemnation of the terrorist atrocities in Brussels, as well as our solidarity with everybody affected. We join the Secretary of State for Scotland in that.

The promotion of the Ryder cup in Scotland was a huge achievement for the Scottish Government and the then First Minister, my right hon. Friend the Member for Gordon (Alex Salmond). Today is the last sitting day of the Scottish Parliament. Given that he is standing down from Holyrood, may I pay tribute to my right hon. Friend for his remarkable tenure as an MSP and as First Minister, and pay tribute to all other MSPs from every party in Scotland who are retiring? Does the Secretary of State agree that there is much that can be built on following the success of the Ryder cup? How does he plan to contribute to that?

Mr Speaker: I am sure that that was a courteous tribute, but I hope the right hon. Gentleman will not object if I say that the first part of his question was way off the fairway.

David Mundell: Securing the Ryder cup to be held in Scotland was a significant event. I agree that the former First Minister of Scotland has made a remarkable contribution to Scottish politics, although the right hon. Member for Moray (Angus Robertson) and I will probably differ on the detail of that. What the former...
First Minister and many MSPs who are standing down—I also pay tribute to them—have done, and what we all need to do, is promote Scotland together, because that is when we get the best results for Scotland.

Angus Robertson: I will try to remain on the fairway, Mr Speaker.

Tourism is one of Scotland’s most important industries, and golf and whisky are key drivers for people visiting the country. Does the Secretary of State welcome local initiatives better to promote iconic Scottish regions and locations, such as Speyside? What encouragement would he give to public and private sector partners in making the most of Scotland’s world-class potential as a tourism draw?

David Mundell: I am aware of the initiatives to promote Speyside, having recently visited the right hon. Gentleman’s picturesque constituency, and I wish them well. Such opportunities reach their full potential only with significant public and private sector partners playing a full part, and I look forward to hearing about progress from Speyside and other regions of Scotland that are making the most of that potential.

North Sea Oil and Gas

2. Stuart Andrew (Pudsey) (Con): What discussions he has had with representatives of the North Sea oil and gas industry on UK Government support for that sector.

The Financial Secretary to the Treasury (Mr David Gauke): Ministers and officials have meetings with a wide variety of organisations in the public and private sectors, including the oil and gas industry. Last week, the Chancellor announced a further package of reforms to support jobs and investment in the oil and gas sector. That will help the industry respond to the challenging commercial conditions caused by the steep fall in oil prices.

Stuart Andrew: The excellent Budget package for the oil and gas industry has certainly been welcomed by that industry. Is that another example showing that when Scotland’s two Governments work together they can get the best outcome for Scotland in the United Kingdom—something that an independent Scotland could never have achieved?

Mr Gauke: My hon. Friend makes an extremely good point. The United Kingdom is able to absorb the shocks of the volatile oil price, and take steps to ensure that our oil and gas sector is as strong as it can be, given the low oil prices.

Kirsty Blackman (Aberdeen North) (SNP): Will the Minister and his Front-Bench colleagues commit to taking action to ensure that companies in the oil and gas sector have appropriate access to finance at this time?

Mr Gauke: The Government do all they can to support businesses the length and breadth of the United Kingdom in all sectors. My point is that we are able to take action and support the oil and gas sector because we are the United Kingdom. Had Scotland become independent, it would be facing a very substantial loss of revenue and have great difficulties absorbing that.

Government’s Welfare Programme

3. Ms Tasmina Ahmed-Sheik (Ochil and South Perthshire) (SNP): What recent discussions he has had with the Secretary of State for Work and Pensions on the effects of the Government’s welfare programme on social and economic inequalities in Scotland.

The Minister for Employment (Priti Patel): I meet my right hon. Friend the Secretary of State for Scotland and counterpart Ministers in the Scottish Government on a regular basis to discuss devolution of welfare programmes to the Scottish Government.

Ms Ahmed-Sheikh: Last week’s Budget saw one of the most iniquitous measures proposed by this Government, which was to cut the personal independence payment for 40,000 disabled people in Scotland. When did the Secretary of State for Scotland, and Ministers, first realise that that was the wrong thing to do? Was it around the Cabinet table, during the Budget statement or on Sunday when the Prime Minister was forced to backtrack?

Priti Patel: The Government’s position on PIP and disability reforms is clear, and was announced by my right hon. Friends the Secretary of State for Work and Pensions and the Chancellor.

Stewart Malcolm McDonald (Glasgow South) (SNP): Will the Secretary of State tell the House and the people of Scotland when he realised that those cuts were wrong, or was he planning a resignation over the weekend?

Priti Patel: As I have said, the Government’s position has been made abundantly clear. If the hon. Gentleman missed the statement by the Secretary of State for Work and Pensions on Monday, I will be more than happy to share it with him again.

Ian Murray (Edinburgh South) (Lab): I start by echoing the comments of the Secretary of State and the leader of the Scottish National party, and pass on my heartfelt condolences to all those involved in the events in Brussels. We will defeat terrorism, but, as the Secretary of State said, it will take solidarity and resolve.

Last night, the House passed a Budget that was unprecedented. It contained a £4.4 billion black hole after the Chancellor was forced to reverse his decision to cut personal independence payments. The Government’s long-term economic plan is turning into a long-term economic scam. These savage cuts, following the £1,500 a year reduction in the employment and support allowance work-related activity group, affect over 60,000 Scots. Those cuts would have gone through had it not been for the resignation of the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith). Will the Minister guarantee that, when the Chancellor returns with revised public spending, no cuts will fall on the disabled and the most vulnerable?

Priti Patel: I thank the hon. Gentleman for his comments. I welcome his comments with regard to my right hon. Friend the Member for Chingford and Woodford Green...
David Mundell: I will resist the temptation to give the hon. Lady a lecture on the Scottish Labour party’s woes and the fact that it has not been a credible opposition to the SNP in Scotland. This Government are very, very clear on our proposals to increase the wages of the poorest in society by the introduction of the national living wage.

13. [904213] John Stevenson (Carlisle) (Con): Local government clearly has a role to play in economic development. Does the Secretary of State agree that it is important that the Scottish Parliament also devolves power to local government? Might it look to England for a lead—on elected mayors, for example?

David Mundell: I very much take my hon. Friend’s comments. When I spoke with the First Minister of Scotland at the Scottish Council for Development and Industry forum last week, I was particularly encouraged by what she said about her support for city deals. I hope that the city deals we see emerging in Scotland will not just include financial packages but go on to include greater devolution within Scotland.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): People in my constituency are extremely concerned about the perceived impact on the local economy and local jobs of the proposed closure of HMRC sites. What impact assessment is being made of these closures on the local economy and jobs?

David Mundell: Initial proposals have been set out for the future shape of HMRC. We hear repeatedly in the House about the wish to make HMRC more efficient and effective, but no steps will be taken in the hon. Lady’s constituency or elsewhere without full consultation with all those involved.

EU Membership

5. Stephen Gethins (North East Fife) (SNP): What recent discussions he has had with Ministers of the Scottish Government on UK membership of the EU.

The Secretary of State for Scotland (David Mundell): As the First Minister and I both confirmed last week when we shared a platform in St Andrews, in the hon. Gentleman’s own constituency, the official position of both the UK and Scottish Governments is that the UK is better off in a reformed EU.

Stephen Gethins: First, may I associate myself with the remarks about Brussels, having spent many happy years in that wonderful city? Secondly, the Secretary of State will be aware of the benefits that EU membership has brought us, such as paternal rights and holiday entitlement. Does he agree that we should focus on those benefits, not a rerun of “Project Fear”?

David Mundell: I do not know whether the hon. Gentleman saw the details of my speech yesterday, in which I made a positive case setting out the benefits to Scotland of our remaining in the EU, but I look forward to sharing platforms over the coming weeks with him and his colleagues to make that case.

Priti Patel: I reiterate that the Government’s position is fundamentally clear: there will be no further changes to disability payments. The hon. Gentleman will have realised that last night the Budget was passed by the House. That was right and proper. He, of all people, should recognise that the Government are delivering on the Smith commission and devolving powers to the Scottish Government. We look forward to working with the Scottish Government on welfare reform and the delivery of employment and support programmes for the benefit and the betterment of the Scottish people.

Economic Trends

4. Karen Lumley (Redditch) (Con): What recent discussions he has had with business groups on economic trends in Scotland. [904203]

The Secretary of State for Scotland (David Mundell): I regularly meet a wide range of business organisations to discuss economic issues in Scotland. As I alluded to, last week I shared a platform with the First Minister of Scotland at the annual forum of the Scottish Council for Development and Industry, where we discussed the important issue of productivity.

Karen Lumley: Given that businesses in Redditch have welcomed the devolution deal for Birmingham, what representations have business groups in Scotland made to my right hon. Friend about city deals there?

David Mundell: I have been particularly delighted at the welcome from business groups in Scotland for the announcement yesterday of the Inverness and Highland city deal. The Scottish Government, UK Government and Highland Council will deliver a £315 million package. I welcome in particular the early-day motion from the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) and his colleagues. I pay tribute to him for his part in bringing the deal about.

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Philip Davies (Shipley) (Con): Given that we have a £62 billion a year trade deficit with the EU, does the Secretary of State think that, were we to leave the EU, the Prime Minister would have the ability to negotiate a free trade deal with the EU?

David Mundell: My position is clear: I believe that Scotland and the UK are better off in the EU under the reformed arrangement that the Prime Minister has already negotiated.

14. [904214] Douglas Chapman (Dunfermline and West Fife) (SNP): Will the right hon. Gentleman recognise that a recent survey confirmed that the Scottish Government were one of the most trusted Governments in Europe? Does he look forward to the re-election of Nicola Sturgeon and her team so that we can continue being the most trusted Government in Europe, including beyond 23 June?

David Mundell: I want to ensure that Nicola Sturgeon and her team are held properly to account in the Scottish Parliament, which is why I am encouraging people to vote for Ruth Davidson and the Scottish Conservatives.

CCS Funding (Peterhead)

6. Clive Lewis (Norwich South) (Lab): What discussions he has had with the Secretary of State for Energy and Climate Change and Ministers of the Scottish Government on withdrawal of funding for the carbon capture and storage scheme at Peterhead. [904205]

The Secretary of State for Scotland (David Mundell): I have regular discussions with the Secretary of State for Energy and Climate Change and Ministers of the Scottish Government on a number of important energy issues affecting Scotland. The most recent was last night.

Clive Lewis: The Government’s own advisers on energy and climate change have warned that the cost of meeting our climate change targets could double without Peterhead and CCS. Given that the Government are having a good run on U-turns when it comes to saving the Chancellor, perhaps they would also like to make a U-turn when it comes to saving the planet—something that people feel is far more worth while.

David Mundell: We are looking carefully at all options in developing our approach to CCS, informed by Lord Oxburgh’s CCS advisory group. In parallel, the Government continue to engage with the CCS industry—including Shell, which is leading the proposed Peterhead project.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): At the time of the announcement of £1 billion of funding for the CCS scheme at Peterhead, the Energy Secretary was forced to deny that it was a bribe prior to the independence referendum. Now that the withdrawal of this supposedly ring-fenced capital investment exposes it as just that, will the Secretary of State take this opportunity to apologise today to the people of Scotland?

David Mundell: If anybody should apologise to the people of Scotland, it is the hon. Lady and her friends for suggesting that oil tomorrow would have a price of $103 a barrel. What is clear in relation to CCS is that the costs are high and must come down. We have not ruled CCS out, and we are committed to working with the industry to bring forward innovative ideas for reducing the cost of this potentially important industry.

Wayne David (Caerphilly) (Lab): I am reluctant to refer to the Budget because we cannot be absolutely sure what is in and what is out. For example, the Chancellor’s support for the oil and gas industry is welcome, but it does not take us very far forward. Unfortunately, it appears that the Government here in London are taking their cue from the Government in Holyrood. There, the SNP Government recently axed £10 million of tax breaks for renewable firms, yet they like to see themselves as a green Administration. Are we not seeing two Governments who are confused, pursuing contradictory policies, and not knowing whether they are coming or going?

David Mundell: I can point out one distinct difference between this Government and any Labour Scottish Government, or indeed SNP Scottish Government—and that is that we are not putting up tax for ordinary people as both those parties propose. We have made it very clear that the door is not closed on CCS, but the costs must come down.

Scotland Bill (Fiscal Powers)

7. Nigel Huddleston (Mid Worcestershire) (Con): What discussions he has had with the Scottish Government on commencement of the fiscal powers in the Scotland Bill. [904206]

The Financial Secretary to the Treasury (Mr David Gauke): The UK and Scottish Governments have met 10 times under the Joint Exchequer Committee since the election last year. These discussions resulted last month in the agreement of a new fiscal framework for the Scottish Government. Agreement on the fiscal framework enables us to deliver on the vow we made to the Scottish people and delivers one of the most powerful and accountable devolved Parliaments in the world, with the economic and national security that comes from being part of the UK.

Nigel Huddleston: Does the Minister agree that it would be bad news for Scotland if it became the highest taxed part of the United Kingdom? Does he agree with Ruth Davidson MSP that Scottish taxpayers should not have to pay any more in tax than fellow Britons in England, Wales and Northern Ireland?

Mr Gauke: The Scottish people have essentially three choices in their elections. Two of them—voting Labour or SNP—would involve paying more in income tax.

Gavin Newlands (Paisley and Renfrewshire North) (SNP): Does the Minister agree with me about the Chancellor’s reckless, last-minute intervention to tweak the fiscal framework after it had been agreed by the Treasury and the Scottish Government? Is the Minister aware that the Chancellor’s brinkmanship intentions endangered the framework at the very last moment?
Mr Gauke: The answer is no. An agreement has been reached. We are pleased that we have that agreement, and now it is for the Scottish Government to be held accountable by the Scottish people.

Budget Measures: Scotland

8. Deidre Brock (Edinburgh North and Leith) (SNP): What discussions he has had with the Chancellor of the Exchequer on the effect on Scotland of measures announced in the Budget.

The Financial Secretary to the Treasury (Mr David Gauke): The Chancellor has delivered a budget that delivers for Scotland. This will be the last Budget where a UK Chancellor sets out income tax rates and thresholds for Scottish earners. The changes to the income tax personal allowance will benefit 2.6 million taxpayers in Scotland. The Budget delivers on our plans to build a stronger Scottish economy as part of the UK and put the next generation first.

Deidre Brock: I congratulate the Minister on finding the Chancellor to have those discussions—earlier this week, we thought he had gone walkabout! The Budget had £1 billion-worth of cuts to the Scottish budget and £650 million-worth of cuts to the English NHS. Given the volte-face on social security cuts, does he think he could persuade the Chancellor to reverse Scotland’s cuts and put in a good word for the English NHS as well?

Mr Gauke: Let me remind the House that there were three asks from the SNP: a freeze in whisky fuel duty, a freeze in fuel duty, and help for the oil and gas industry. That is exactly what the Chancellor delivered.

12. Alan Brown (Kilmarnock and Loudoun) (SNP): Did the Secretary of State discuss with the Chancellor the merits of an £8.5 billion corporation tax cut and a £6 billion giveaway in capital gains and inheritance tax versus those of a proposed £4 billion cut in payments to the disabled, and how that would affect people in Scotland, or did he sit there and do what he was telt yet again?

Mr Gauke: I remind the hon. Gentleman that 73,000 businesses in Scotland will benefit from the cut in corporation tax. Is he saying that he opposes that?

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. Sir Peter Bottomley (Worthing West) (Con): If he will list his official engagements for Wednesday 23 March.

The Prime Minister (Mr David Cameron): Adrian Ismay, a Belfast prison officer, died last week as a result of injuries caused by a bomb placed under his vehicle. A murder investigation is under way, and one man has been charged in connection with the attack, but we should today offer our condolences to the family and friends of Mr Ismay.

Let me also update the House on yesterday’s terrorist attacks in Brussels. Details are still emerging, but our understanding is that at least 34 people were killed and many others injured. Daesh claimed responsibility for the attacks, which follow the horrific suicide bombing that they carried out in Istanbul on 19 March. We are aware of four British nationals who were injured in the attack, and we are concerned about one missing British national.

We face a common terrorist threat, and I am sure that the whole House will join me in expressing our full solidarity with the people of Belgium following these terrible attacks. I spoke to the Belgian Prime Minister, Charles Michel, yesterday to pass on our condolences. Our police and agencies are doing everything they can to support the investigation. In this country, we have increased police patrols and border screening. My right hon. Friend the Home Secretary will make a statement later setting out all the steps that we are taking.

Britain and Belgium share the same values of liberty and democracy. The terrorists want to destroy everything that our two great countries stand for, but we will never let them.

Mr Speaker, this morning I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall have further such meetings later today.

Sir Peter Bottomley: Bombers, everywhere and every time, aim for publicity, public reaction, and disunity. Can we disappoint them by uniting for hope, not hate?

The Prime Minister: My hon. Friend is absolutely right to say that. These people packed their explosives with nails in order to kill as many innocent people, including women and children, as they possibly could. We should unite in condemnation of them, and we should stand with the people and the Government of Belgium and with all countries that are being afflicted by this appalling terrorist menace, and say that they shall never win.

Jeremy Corbyn (Islington North) (Lab): I support the words that have just been said by the hon. Member for Worthing West (Sir Peter Bottomley) and the Prime Minister, in solidarity with the people of Belgium and the victims of the horrific attacks that have taken place in Brussels, and also in Ankara, in the last few days. We pay respect and tribute to all their families and friends, and we pay enormous respect to the emergency services of all denominations for the huge amount of work that they have done to try to save life. We must defend our security and values in the face of such terrorist outrages, and refuse to be drawn into a cycle of violence and hatred. We take pride in our societies of diverse faiths, races and creeds, and will not allow those who seek to divide us to succeed.

My right hon. Friend the Member for Leigh (Andy Burnham) will respond, on behalf of the Labour party, to the statement that the Home Secretary will make at 12.30 pm.
I also join the Prime Minister in sending my deepest condolences to Mr Ismay’s wife, Sharon, and his three daughters. The people of Northern Ireland made a profound choice to follow the path of peace when they widely adopted the Good Friday agreement. The actions of an unrepresentative few should not be allowed to change a course that is supported by the overwhelming majority of people in Northern Ireland.

Let me now raise a different subject altogether. Last week, I received a letter from Adrian. He wrote: “I’m disabled and I live in constant fear of my benefits being reassessed and stopped…and being forced onto the streets”.

Will the Prime Minister do what the Chancellor failed to do yesterday, and apologise to those who went through such anguish and upset while there was a threat of cuts to their personal independence payments?

**The Prime Minister:** Let me first thank the right hon. Gentleman for what he said about the terrorist attacks in Belgium, and about Northern Ireland and the fact that we have achieved so much peace and progress in that valuable part of our United Kingdom.

Turning to the issue of disability benefits, as I said in this House on Monday, when you are faced with having to take very many very difficult decisions—including many spending reductions—as we were after becoming the Government in 2010, you do not always get every decision right. I am the first to accept and admit that, and on every occasion that that happens it is very important that you learn the lessons, but as we do so, we will continue to increase spending on disability benefits, which will be more than £46 billion a year by the end of this Parliament, compared with £42 billion when I became Prime Minister.

**Jeremy Corbyn:** Government figures published only this morning show that the number of people with disabilities and who are homeless is now up by 39% since 2010, and that 300,000 more disabled people are living in absolute poverty. That is why people like Adrian are very worried. There has been big disarray in the Cabinet over the last few days, so can the Prime Minister now absolutely and categorically rule out any further cuts to welfare spending in the lifetime of this Parliament? Simply: yes or no?

**The Prime Minister:** Let me respond to all the points that the right hon. Gentleman has just made. First, he talked about the number of people in poverty. We have actually seen poverty fall during this Parliament. The second thing he referred to was the regrettable rise in homelessness, with figures out today, but homelessness is still 58% below the peak that it reached under Labour. That is important. He talked about the number of disabled people. This is a Government committed to supporting the disabled, but it is worth making the point that in the last two years an extra 293,000 disabled people have got into work. We want to continue to close the disability gap, as we have set out in our manifesto.

As for the question about further welfare reductions, let me repeat the statement that the new Welfare Secretary made on Monday and that the Chancellor made on Tuesday. I am happy to make it again. I dealt with these issues on Monday. I turned up and gave the answers even though the Leader of the Opposition had not asked the questions. We are very clear that we are not planning additional welfare savings other than the ones that we set out in our manifesto and that are in train.

**Jeremy Corbyn:** My question was actually about the poverty of people with disabilities, which the Prime Minister did not answer. In his failure to explain how he would fill the hole in his Budget left by the change of heart on personal independence payments, the Chancellor said:

“We can afford to absorb such changes”.—[Official Report, 22 March 2016; Vol. 607, c. 1394.]

If it is so easy to absorb changes of this nature, why did the Chancellor and the Prime Minister ever announce them in the first place? Will the Prime Minister now listen and learn, and withdraw the £30 per week cut to disabled employment and support allowance claimants that his Government are pursuing?

**The Prime Minister:** The changes to employment and support allowance have been through both Houses of Parliament. It is important to note that employment and support allowance for the most disabled—that is, those in the support group—is up by almost £650 a year under this Government. We have increased the higher rate of attendance allowance, we have increased carers allowance, and we have increased the enhanced rate of PIP because we believe that a strong economy should support the most disabled people in our country, and that is exactly what we have legislated to do.

If the right hon. Gentleman wants to get on to discussing black holes, I say bring on the argument. We inherited an 11% budget deficit from the Labour party, and under this team of Ministers and this Chancellor of the Exchequer we have cut that deficit by two thirds since we became the Government. From Labour, all we have had is more proposals for more spending, more welfare, more taxes and more debt—all the things that got us into the biggest mess with the biggest black hole in the first place.

**Jeremy Corbyn:** If it is all so fine and dandy, the question has to be asked: why did the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) feel it necessary to resign as Work and Pensions Secretary, complaining that the cuts being announced were to fit arbitrary fiscal targets? He said that they were “distinctly political rather than in the national economic interest”. In the initial announcement, he proposed cuts to PIPs then changed his mind. Is not the right hon. Member for Chingford and Woodford Green right when he says that this was a political decision rather than one made in the interests of people in this country?

**The Prime Minister:** I believe that after seven or eight years of economic growth it is right to be targeting a surplus, because a responsible Government put aside money for a rainy day. I do not want to be part of a Government that do not have the courage to pay off our debts and leave them instead to our children and grandchildren. That is the truth. What is dressed up as compassion from the party opposite just means putting off difficult decisions and asking our children to pay the debts that we were not prepared to pay ourselves. [Interruption.] I do not know why the shadow Leader of the House, the hon. Member for Wallasey (Ms Eagle),
is shouting at me. We have a very interesting document today: the spreadsheet showing which Labour MPs are on which side. The hon. Lady is shouting, but it says here—[Interruption.] No, no, it says she is “neutral but not hostile”. On the other hand, the Opposition Chief Whip is being a bit quiet. There are five categories. We have “core” support—[Interruption.] I’ve got all day, Mr Speaker. We have “core” support—I think you can include me in that lot very strongly. We have “core plus”. The Opposition Chief Whip is being a bit quiet because she is in “hostile”. And I thought I had problems!

Jeremy Corbyn: Let me invite the Prime Minister to leave the theatre and return to reality. The reality is that he has presided over a Budget that unravelled in two days and now contains a £4.4 billion black hole. He may wish to consult the Chancellor on yet another change of heart on this matter. Will he now consult the Chancellor and tell the country who is going to pay for the black hole? Will it be through cuts or tax rises? Where will the cuts fall? Where will the tax rises take place, as £4.4 billion has to be found from somewhere?

The Prime Minister: Suddenly the king of fiscal rectitude speaks. The right hon. Gentleman may have noticed that the Budget passed last night. It is a Budget that cuts the deficit in every year of this Parliament. It is a Budget that delivers a surplus by the end of this Parliament. None of that is going to change. He talks about this Budget—[Interruption.] The “hostile” shout, but the “neutral but not hostile” have to be quiet, I think. I want to know: hands up, who is “core plus”?

I will tell you what this Budget did. It took a million people out of income tax. It saw more money for our schools. It helped the poorest people in our country to save. It cut taxes for small businesses. It cut taxes for the self-employed. It made our economy stronger. It made our country fairer. It is a Budget that will help this country do better.

Jeremy Corbyn: The truth is that it was a Budget that fell apart in two days. The truth is that many people with disabilities went through the most unbelievable levels of stress and trauma after the PIP announcement was made. There are many people who are still going through stress and trauma in our society. There are still—[Interruption.] I am not sure that the Government Members who are shouting so loudly have any idea what it is like to try to balance a budget at home when you do not have enough money coming in, the rent is going up and the children need clothes.

Mr Speaker: Order. There is too much shouting on both sides of the House. Stop it. The public are bored stiff by it. The right hon. Gentleman will finish his question and we will have an answer. There will be no shouting from Members of any grouping. That is the message.

Jeremy Corbyn: The Budget has to mean something for everybody in our society, however poor and however precarious their lives are. This Budget downgraded growth, downgraded wage growth and downgraded investment. The Chancellor has failed on debt targets and failed on deficit targets, as the official figures have shown. The fiscal rule is quite simply failing. The Treasury Committee scrutinised the Government’s fiscal rule and could not find any credible economist who backed it. Can the Prime Minister find anybody who backs a policy and a Budget with a big hole in it which downgrades every single forecast the Government set themselves before the Budget was made?

The Prime Minister: The right hon. Gentleman is just a bit late, because the Budget passed through this House with large majorities on every single vote. Let me remind him: this Government are spending more on the disabled than in any year under the last Labour Government. We are spending more on the most disabled, including the most disabled children in our country. We have got more disabled people into work than ever happened under Labour. What we see with this Budget is the background of an economy that is growing, where employment is at a record high, investment is rising and businesses are creating jobs in Britain, which is the envy of other European economies. It is because we have a strong economy that we are able to provide this support. That is what we see: Britain getting stronger and the Labour party a threat to the economic security of every family in our country.

Q2. [904276] Mike Freer (Finchley and Golders Green) (Con): I am sure the Prime Minister is as appalled as I am that incidents involving anti-Semitism are on the rise. Does he agree that all organisations, public and private, should root out anti-Semitism, without hesitation?

The Prime Minister: I completely agree with my hon. Friend; anti-Semitism is an absolute cancer in our societies and we should know that when it grows it is the signal of many even worse things happening to ethnic groups and different groups all over our country. There is, sadly, a growth of anti-Semitism in our country and we see it in attacks on Jewish people and Jewish students—it absolutely has to be stamped out. We should all, whatever organisation we are responsible for, make sure that happens. I have to say that we do see a growth in support for segregation and indeed for anti-Semitism in part of the Labour party, and I say to its leader that it is his party and he should sort it out. [Interruption.]

Mr Speaker: Order. This sort of gesticulation across the Chamber is way below the level and the dignity of senior Members on the Front Bench on either side. It is terribly tedious—cut it out.

Angus Robertson (Moray) (SNP): When terrorists attack Brussels or Paris or London or Glasgow, we are as one in our condemnation of the atrocities, as we equally condemn the killings of Yazidis, of Kurds, of Syrians and of Iraqis by Daesh and others extremists. We owe a huge debt of gratitude to those who work here and abroad to protect us in the face of the ongoing terrorist threat, so will the Prime Minister confirm that absolutely everything is being done to help the Belgian authorities and the people of Belgium in the wake of the Brussels attacks?

The Prime Minister: I can certainly confirm that. In my conversations with the Belgian Prime Minister I made a number of offers of policing and intelligence assistance that we could give, particularly on high-end, expert and technical capabilities. There are already some intelligence officers embedded with the Belgian authorities
and there is strong police-to-police co-operation. Clearly, the Belgians are coping with an unprecedented situation in their country. We stand ready to do anything more we can and we are also, clearly, examining all the capabilities and things that we have here to see what more we can do to safeguard our own country.

Angus Robertson: A defining characteristic of a democratic society is our trust in our institutions and democratic oversight by parliamentarians of those who work so hard to keep us safe. We have that oversight with our police and with our security services, but we do not yet have it with UK special forces under the Intelligence and Security Committee or the Defence Committee. Will the Prime Minister address that?

The Prime Minister: I am afraid that I just part company with the right hon. Gentleman on that one. We have put in place some of the most extensive oversight arrangements for our intelligence and security services. Our services do a remarkable job, and the police are regularly called to account both locally and nationally. The work that our special forces do is vital for our country. Like everyone else in this country, they are subject to international law, but I do not propose to change the arrangements under which these incredibly brave men work.

Q6. [904280] David T. C. Davies (Monmouth) (Con): In England, this Government have delivered better GCSEs, better A-levels and a better chance of getting into university than Labour has in Wales. Does my right hon. Friend agree that Labour Members have no right to criticise our education policies when their own Education Minister in Wales has had to issue a public apology for the failure of his own?

The Prime Minister: My hon. Friend makes an important point. What we have seen in England—and we should praise the teachers who have worked so hard to deliver those results—is a result of rigour in standards, independence in our schools and accountability for results. When we look at Wales, we do not see those things in place, so I urge the Welsh Assembly Government to look at that, and I urge the Welsh people, when they have a choice at the coming elections, to ensure that they vote for parties that put education reform, education standards, education rigour and education accountability first.

Q3. [904277] Mr Alistair Carmichael (Orkney and Shetland) (LD): In 1992, the oil tanker Braer ran aground off the south coast of Shetland. It was carrying 85,000 tonnes of Gulf Faks crude, which then spilled into the sea and on to our shoreline. It caused economic and environmental devastation. Since the Donaldson report into that disaster, we have had an emergency tug stationed in the Northern Isles. It is our protection against ever being blighted in that way again. The Maritime Coastguard Agency now wants to take that tug away. There will be no finance for it after September. Will the Prime Minister look again at that decision, and repeat the undertaking that he made to the people of Shetland in 2014 that he will not leave them exposed in that way again?

The Prime Minister: The right hon. Gentleman makes a very important point. My understanding is that the one tug that has been sustained off the coast of Scotland has played an important role in the past. The cost is between £2 million to £3 million a year. It is currently used very sparingly, so it is right to look at the right way to deliver the service in the future. Alternative options would clearly take time to develop and implement, which is why we have announced that this will be funded until 30 September 2016, and we will have to make a decision on provision in due course. I will keep him in touch with those developments.

Q7. [904281] Amanda Milling (Cannock Chase) (Con): We believe in doing the right thing—which is why it is absolutely right that the proceeds of crime are returned to the local communities that have been the victims of crime. Staffordshire’s police and crime commissioner, Matthew Ellis, is calling on community groups in Cannock Chase to apply for grants from his commissioner’s proceeds of crime fund. Does my right hon. Friend agree that that shows that our excellent Conservative police and crime commissioner is delivering real value for the people of Staffordshire?

The Prime Minister: My hon. Friend makes an important point. Police and crime commissioners have really bedded in properly as a means of bringing our police to account. The Home Affairs Committee, an all-party Committee, reported recently that those PCCs provide greater clarity of leadership for policing and are increasingly recognised by the public as accountable for the strategic direction of their police force. That is an important reform, and when PCCs bring forward ideas such as using the proceeds of crime in the way that she suggests they should be rewarded at the ballot box.

Q4. [904278] Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): The list of Ministers and advisers who have resigned after the Prime Minister expressed his full confidence in them is extensive, so may I ask him this: does he still have full confidence in the Chancellor?

The Prime Minister: Of course, and I will tell the hon. Gentleman why. The Chancellor is the one who, as part of a team, has delivered the fastest growing economy in the G7. We have 2.4 million more people in work; inflation that is virtually zero; wages that are growing; and an economy that is getting stronger.

Q8. [904282] Mr Peter Bone (Wellingborough) (Con): The House of Commons Library confirms that this year our net contribution to the EU will increase by more than £2.6 billion—I think it is actually £2,627 million. Should that money be spent on supporting people in Bulgaria and Romania, or should it be spent in this country, supporting our vulnerable and disabled people?

The Prime Minister: I say to my hon. Friend that our net contribution accounts for just over one penny in every pound paid in taxes, so as we enter this vital debate we have to work out whether we believe that that sort of investment—one penny out of every pound—is worth the jobs and the investment, the growth and the security, and the safety and the solidarity that we get through working with our partners. I will be on the side that thinks it is, and clearly he will be on the side that thinks it is not, but we should have a polite and reasonable debate as we go through this. What I will say, which I
am sure he will welcome, is that we have limited our contributions to the EU budget because we set an overall EU budget that is falling over the next six years. The reason our contribution varies is that part of it is determined by the success of a country’s economy and—to return to the questions I have just been answering—because our economy has been growing faster than others in Europe, we will make a slightly larger contribution than we otherwise would.

Q5. [904279] Dr Rupa Huq (Ealing Central and Acton) (Lab): Not only has my constituent Susan Sutovic suffered the death of her son, but the unexplained circumstances of his death have led to a 12-year battle with the authorities in Belgrade, where this happened in 2004. The UK coroner has now ruled that the death was murder. Will the Prime Minister or Foreign Secretary meet the family and do what can be done to get a proper investigation, to resolve the questions that remain and to achieve justice for Petar?

The Prime Minister: I am not aware of the case the hon. Lady raises, but obviously it is important that her constituent gets proper resolution. I shall make sure she has a meeting with Foreign Office Ministers to discuss it.

Q9. [904283] Michael Tomlinson (Mid Dorset and North Poole) (Con): JPMorgan Chase, Sunseeker, Cobham, Lush and many other local businesses are supporting the inaugural Mid Dorset and North Poole apprenticeships and jobs fair. If he happens to be free on 15 April, I know the Prime Minister would be warmly welcomed at Queen Elizabeth’s school in Wimborne. I know that he will welcome the news that unemployment in my constituency is down by more than 60%, but will he ensure that we are not complacent and that we secure the vital infrastructure needed to get good-quality jobs in Dorset and across the south-west?

The Prime Minister: My hon. Friend is absolutely right. One of the reasons we have managed to get our unemployment rate down to about 5% and 2.4 million more of our fellow countrymen and women into work is that businesses have recovered using apprenticeships. Events such as the one in his constituency will play a part in reaching our 3 million target for apprenticeships in this Parliament.

Q10. [904284] Patrick Grady (Glasgow North) (SNP): Academics, civil society and the Scottish Government have all condemned the Government’s anti-lobbying clause in new grant agreements. How can the Prime Minister promote transparency, democracy and freedom of speech overseas when that clause is clamping down on those principles here in the UK?

The Prime Minister: I would answer simply that I want taxpayers’ and charities’ money to go to good causes, rather than to lobbying Ministers and MPs and spent here. That is what they should be spending the money on. It is worth making the point that we are only one day away from what would have been separation day for Scotland. Had that happened, there would not be money for charities—there would not be money for anything.

Q13. [904287] Andrew Stephenson (Pendle) (Con): Pubs are the beating heart of many communities across the UK. Will the Prime Minister join me in welcoming the support given to our pubs in successive Budgets by joining me for a duty-frozen pint in the Crown Hotel in Colne, and tell the House what more he can do to support this vital part of our economy?

The Prime Minister: I thank my hon. Friend for his kind invitation. In Budget after Budget, we have seen this Government supporting the pub industry, which is such an important part of our economy and particularly of rural communities. I can make an announcement today that, subject to the usual conditions, we will be extending pub opening hours on 10 and 11 June this year, to mark Her Majesty the Queen’s 90th birthday. I am sure that that will be welcomed across the House.

Q11. [904285] Richard Arkless (Dumfries and Galloway) (SNP): If I compare my constituency with the Prime Minister’s and the Chancellor’s, I find that I have four times the number of youths unemployed, more than double the disabled claimant count and an average weekly wage that is 20% less. Are those the reasons why the Prime Minister and the Chancellor never understood and never had the compassion to realise, as everybody else did, that the disabled cuts were so obviously wrong? I give the Prime Minister one more opportunity: will he apologise to my constituents, who have been scared witless over the past week?

The Prime Minister: Obviously, there remain challenges in the hon. Gentleman’s constituency, but the claimant count is down by 16% in the past year alone, the claimant count has fallen by 50% since 2010, and the youth claimant count that he specifically mentioned has fallen by 12% in the past year. That has been delivered because we have a strong economy, businesses want to invest in our country, we are supporting apprenticeships, and we are making sure that that growth is delivering for people. In just two weeks’ time, the national living wage will come in, giving the poorest people in our country a £900 a year pay rise, and that will be tax-free because we are lifting the tax threshold in our country.

David Tredinnick (Bosworth) (Con): Is my right hon. Friend aware of the remarks this morning by the Foreign Minister of Russia, Sergei Lavrov—that we should put aside our differences and that terrorists should not be allowed to run the show? Does my right hon. Friend agree that we would be stronger if we could work together, but to do that we will have to have a better understanding of Russia’s security needs?

The Prime Minister: Of course, we want to work with everyone we can to combat terrorism, but particularly when it comes to what is happening in Syria it is vitally important that the Russians stop any attacks and do not restart any attacks against moderate Sunnis and moderate Syrian opposition, which clearly have to form a part of that country. We cannot in the end defeat terrorism simply through the use of guns and missiles. We defeat terrorism through governance and good working democracies, because in that way people can see their own interests being represented by the countries in which they live.
Q12. [904286] Rushanara Ali (Bethnal Green and Bow) (Lab): The former Work and Pensions Secretary described the cuts to personal independence payments for the disabled as divisive, unfair and against the national interest. The Chancellor’s U-turn suggests that he now agrees. Can the Prime Minister explain how on earth he allowed this to happen in the first place?

The Prime Minister: It is good to have an intervention from someone who, I think, is “neutral but not hostile”. If the hon. Lady keeps going, she could join “core group plus”, with the rest of us. She would be very welcome in “core group plus.” Let me tell her what this Government have done: they have increased spending on disability benefits, and seen 293,000 more disabled people into work in the past two years and 2.4 million more people in work. That is bringing the country together, because we have a growing economy that is delivering a fairer society.

Suella Fernandes (Fareham) (Con): My right hon. Friend will have seen the recent OECD report on literacy and numeracy in England. Based on data from 2012, it ranked our teenagers bottom out of 23 developed countries for basic maths and reading—a damning indictment of 13 years of Labour’s education policy.—[Interruption.]

Mr Speaker: Order. The hon. Lady is entitled to ask her question, and the same goes for every other Member.

Suella Fernandes: Thank you, Mr Speaker. Does that not show why a more rigorous curriculum and more autonomy for schools to succeed are vital to turn around the life chances of the next generation?

The Prime Minister: My hon. Friend makes an important point, which is that it is worth while benchmarking our education system against those of other advanced countries. What we have seen in recent years is that the competition is very tough. When we look at the countries that are succeeding, whether it is the Republic of Korea or Finland, we see that they have well-paid teachers, proper accountability systems for results and rigour in terms of discipline, and that is exactly what we are introducing in our country with the new curriculum coming in right now.

Q14. [904288] Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): The women of this country are tired of waiting—waiting for equal pay, waiting for an end to maternity and pregnancy discrimination, and waiting for a fair deal for WASPI pensioners. It is 2016. How much longer?

The Prime Minister: The hon. Lady is right to raise these issues. It is good that the pay gap is now at an historic low. It has almost evaporated for under-40s but there is more to be done in the public sector and in the private sector to bring that about. On pensions, we have introduced a pensions system which will benefit many, many women in years to come, because we have a single-tier pension without a means test, uprated by prices, earnings or 2.5%. We were able to do that only because we raised the pension age, saving over the long term something like half a trillion pounds—a difficult decision but the right one, because it means that we can look our pensioners in the eye, knowing that they are getting dignity and security in old age.

Mike Wood (Dudley South) (Con): Two hundred and sixty thousand new apprenticeships have been created since the election, but the whole public sector needs to play its part if we are to meet the 3 million target to which the Prime Minister has referred. Will he ensure that every part of the public sector invests in training our young people so that we have the skills the country needs?

The Prime Minister: My hon. Friend is absolutely right to raise that. Getting 3 million apprentices trained during this Parliament is a very stretching target. We will have to see those large companies that have really put their shoulder to the wheel on this agenda continue to do so, but there are two sectors where we need to do better. One is the public sector; we need more public sector organisations to get behind apprenticeships. We also need to make it simple and attractive for small businesses to start training apprentices again. That is absolutely what the Minister for Skills, my hon. Friend the Member for Grantham and Stamford (Nick Boles), is doing with the skills agenda. We all need to work very hard to deliver this by the end of the Parliament.

Q15. [904289] Mr Douglas Carswell (Clacton) (UKIP): If the United Kingdom votes to leave the European Union in June, does the Prime Minister believe that the EU institutions will respond vindictively?

The Prime Minister: It is a very difficult question to answer. We should not be naïve, were we to vote to leave, in believing that other countries would automatically cut us some sort of sweetheart deal. Just take one industry as an example: farming. Our farmers know now that they have duty-free, quota-free and tax-free access to a market of 500 million people. Were we to leave, could we really guarantee that French, Italian or Spanish farmers would not put pressure on their Governments to give us a less good deal? I do not think that we could. That is one of the many reasons why I think we are safer, more secure and better off in a reformed European Union.

John Stevenson (Carlisle) (Con): In April 2015 the Prime Minister said that there should be a new Carlisle principle to ensure that other parts of the UK do not lose out as a result of Scottish devolution. Can he confirm that that principle will apply, who will review the position, when it will report, and who it will report to?

The Prime Minister: My hon. Friend is absolutely right. It is particularly important for constituencies, such as his, that are close to the border, to make sure that decisions that are made, quite sensibly and rightly, by the devolved Parliaments and Assemblies do not disadvantage the rest of the United Kingdom. That was the principle set out, and the Chancellor will report regularly on that as he updates the House on his fiscal plans.

Stephen Kinnock (Aberavon) (Lab): I trust that the Prime Minister will be aware that there is a critical meeting of the board of Tata in Mumbai on Tuesday. I will be flying out to Mumbai with the general secretary of the Community union to make the case for British steel. That meeting will decide the future of the Port Talbot
steelworks in my constituency. Will the Prime Minister join me in exhorting Tata to stand with that plan and secure the future of the Port Talbot steelworks?

**The Prime Minister:** I absolutely give the hon. Gentleman my backing on that. A team of Ministers met yesterday to discuss all the things that we can do to get behind the steel industry at this vital time. It is an extremely difficult market situation, with massive global overcapacity and the huge fall in steel prices, but there are areas where we have taken action already and we will continue to look at what more we can do: state aid compensation so that we can secure the energy costs; greater flexibility over EU emissions regulations. We have done a huge amount in terms of public procurement, which I think can make a big difference to our steel industries. We are doing all those things and more, and we are making sure that Tata and others understand how valuable we believe this industry is to the UK and that the Government, within the limits we have, want to be very supportive and very helpful.
Brussels Terrorist Attacks

12.40 pm

The Secretary of State for the Home Department (Mrs Theresa May): With permission, Mr Speaker, I would like to make a statement about the terrorist attacks in Brussels, our response and the threat we face from terrorism in the United Kingdom.

The cold-blooded attacks in Brussels yesterday morning have shocked and sickened people around the world. Fourteen people were murdered and 106 wounded when two bombs exploded at Brussels airport. A further attack at Maelbeek metro station an hour later killed 20 people and wounded more than 100 others. As the Prime Minister has just said, four British nationals are among the injured and we are concerned about one missing British national. Their families have been informed and they are receiving regular consular assistance. We are working urgently to confirm whether any other British nationals have been caught up in these attacks. The investigation into the attacks is still ongoing. These figures may change, and it will take some time for a fuller picture to emerge, but we know that Daesh has claimed responsibility.

These were ordinary people simply going about their daily lives—families going on holiday, tourists visiting the city, workers making their way to their offices. They have been attacked in the most brutal and cowardly way, and I am sure the whole House will want to join me in sending our thoughts and prayers to the victims, their families and those who have been affected by these events. [HON. MEMBERS: “Hear, hear.”]

In Belgium, the authorities have increased that country’s terrorist threat level to four, the highest level available, meaning that the threat is serious and imminent. Yesterday, I spoke to my Belgian counterpart, Jan Jambon, to offer my condolences and to make it clear that the UK stands ready to provide any support that is needed. Belgium is a friend and an ally, and we work closely together on security matters. Following the attacks in Paris last November, we deployed police and intelligence service resources to Belgium to support the ensuing investigation, which last week resulted in the arrest of Salah Abdelsalam.

This is the 14th attack in Europe since the start of 2015. In January last year, gunmen killed 17 people at the offices of Charlie Hebdo and a Jewish supermarket in Paris; in February, two people were shot dead at a synagogue and a cafe in Copenhagen; in August, an attack was prevented on a Thalys train en route to Paris; and in November, 130 people were killed, and many more were injured, in a series of concerted attacks in Paris. There have been further attacks in other parts of the world, including in Bangladesh, Saudi Arabia, Lebanon, Kuwait, Egypt and Tunisia, where 30 British holidaymakers were murdered. More recently, a suicide bomber killed at least five people and injured more than 30 in an attack in the heart of Istanbul. And there continues to be a threat from Northern Ireland-related terrorism. The murder of prison officer Adrian Ismay, who died on 15 March, is a stark reminder of the many forms of terrorism we face.

In the UK, the threat from international terrorism, which is determined by the independent joint terrorism analysis centre, remains at severe, meaning that an attack is highly likely. In the last 18 months, the police and the security services have disrupted seven terrorist plots to attack the UK. All were either linked to, or inspired by, Daesh and its propaganda. We know, too, that Daesh has a dedicated external operations structure in Syria which is planning mass-casualty attacks around the world.

Following yesterday’s attacks in Belgium, the Government took precautionary steps to maintain the security of people in this country. This morning, the Prime Minister chaired a second meeting of COBRA, where we reviewed those measures and the support we are offering to our partners in Europe. Border Force has intensified checks at our border controls in Belgium and France, increased the number of officers present at ports and introduced enhanced searching of inbound tourist vehicles. Further measures include security checks on some flights and specialist search dogs at certain ports. The police also took the decision to increase their presence at specific locations, including transport hubs, to protect the public and to provide reassurance. In London, the Metropolitan police have deployed additional officers on the transport network. I can, however, tell the House that neither deployment is in response to specific intelligence.

As I have informed the House on previous occasions, since 2010 the Government have undertaken significant work to bolster our response to the threat we face from terrorism. Last year, the Counter-Terrorism and Security Act 2015 provided new powers to deal specifically with the problem of foreign fighters and to prevent radicalisation. We extended our ability to refuse airlines the authority to carry people to the UK who pose a risk, and we introduced a new power to temporarily seize the passports of those suspected of travelling to engage in terrorism. That power has now been used on more than 20 occasions, and in some cases has led to longer-term disruptive action such as the use of the royal prerogative to permanently cancel a British passport.

A week ago, the House debated the Second Reading of the Investigatory Powers Bill, which will ensure that the police and the security and intelligence agencies have the powers they need to keep people safe in a digital age. Through our Prevent and intervention programmes, we are working to safeguard people at risk and to challenge the twisted narratives that support terrorism. That includes working with community groups to provide support to deliver counter-narrative campaigns. Our Channel programme works with vulnerable people and provides them with support to lead them away from radicalisation, and, as we announced as part of strategic defence and security review in November last year, this year we will be updating our counter-terrorism strategy, Contest. In addition, we have protected the counter-terrorism policing budget. Over the next five years, we will invest an extra £2.5 billion in a bigger, more capable global security and intelligence network. That will include employing more than 1,900 additional staff at MI5, MI6 and GCHQ, and strengthening our network of counter-terrorism experts in the middle east, north Africa, south Asia and sub-Saharan Africa.

Together, those measures amount to a significant strengthening of our domestic response, but, as the threat continues to adapt and morph, we must build on our joint work with our international partners. As this House is aware, the UK enjoys the longest lasting
security relationship in the world, through the “Five Eyes”; with our allies the United States, Australia, Canada and New Zealand. That relationship allows us to share information, best practice and vital intelligence to disrupt terrorist activity, prevent the movement of foreign fighters and stop messages of hate spreading.

Following the attacks in Paris last November, our security and intelligence agencies have strengthened co-operation with their counterparts across Europe, including through the counter-terrorism group, which brings together the heads of all domestic intelligence agencies of EU member states, Norway and Switzerland. Through that forum, the UK has been working to improve co-operation and co-ordination in response to the terrorist threat and to exchange operational intelligence. We are also working bilaterally to increase aviation security in third countries. As I told the five country ministerial in February, defeating terrorism requires a global response, and we will not succeed by acting in isolation.

The United Kingdom has intelligence and security services that are the envy of the world, and some of the most enduring international security relationships. Together with our allies around the world, we must act with greater urgency and joint resolve than we have before. We must continue, as we already do, to share intelligence with our partners, be proactive in offering our expertise to help others, and encourage them to do likewise. We must organise our own efforts more effectively to support vulnerable states, and improve their ability to respond to the threat from terrorism. And we must do more to counter the poisonous and repugnant narrative peddled by Daesh and expose it for what it is—a perversion of Islam, built on fear and lies.

This is the third statement to the House that I have given following a terrorist attack in just over a year. Each horrendous attack brings pain and suffering to the victims and their loved ones. Each time the terrorists attack they mean to divide us. But each time they fail.

Today, all around the world, people of all faiths and nationalities are standing in solidarity with Belgium, just as they stood together after the other appalling attacks. In the UK, people of all backgrounds and communities—Muslim, Sikh, Jewish, Hindu and Christian, and people of no faith—are united in our resolve to defeat terrorism. The terrorists sought to strike at the heart of Europe. They seek to attack our values and people. And we will not succeed. These attacks occurred away from the shores of the UK, but we should not forget that our own threat level remains at severe, which means that an attack is highly likely. We will remain vigilant. The police and security services will continue in their dedication to keep people safe, and the public should remain alert. Together, we will defeat the terrorists. This is the challenge of our generation, and it is a challenge we will win. I commend the statement to the House.

12.50 pm

Andy Burnham (Leigh) (Lab): The Opposition support everything that the Home Secretary has said, and we assure her of our continued full support in confronting this threat. Today, our thoughts are with the families of those killed or injured, with the family of the British person who is missing and with the people of Brussels. We think of all the people who have suffered in all the attacks that the Home Secretary mentioned, including those last week in Istanbul and Ankara. This was more than an attack on Belgium. It was an attack on the heart of Europe and on all of Europe—a statement of intent from the terrorists, which must be met with a raised and renewed determination to defeat them.

First, let me start with the immediate advice to UK citizens. We welcome the support that is being provided to those caught up in the chaos, but as we approach Easter many families may have travel plans that include travelling to, or through, Belgium. Will the Government consider issuing more detailed travel guidance to them so that they can make informed decisions based on the best available information?

Secondly, on international collaboration, can the Home Secretary say more about the nature of the immediate support that has been provided to Belgium? People will have seen reports suggesting that the suspects were linked to the attacks in Paris and known to Belgian police. That raises the question of whether the Belgian authorities have sufficient capability to deal with the extent of the problem. Is there more that can be done to support them on a longer-term basis? More broadly, given the global nature of the threat, the Home Secretary was entirely right to talk about our collaboration with all European partners.

Thirdly, on border security, we are learning more about the extent of terror networks in Belgium. As we do, it raises questions about travel between the UK and Belgium. Britain has extensive air, sea and rail borders with Belgium. We welcome the immediate steps taken yesterday to strengthen the presence at our borders, but is there now a case for a longer-term review?

Border Force operates juxtaposed controls at six locations in France. However, in respect of Belgium, juxtaposed controls apply only on Eurostar and not at ferry terminals. Will the Home Secretary immediately initiate a review of our borders with Belgium, with a view to strengthening them? She knows of the concerns that I have raised before about UK terror suspects on police bail who have fled the country through sea ports, and we propose to table an amendment to the Policing and Crime Bill to close that loophole. Will she today give a commitment to work with us on that?

More broadly on borders, I have serious concerns about further cuts that are coming following the spending review. Border Force has faced years of cuts and is already stretched to the limit. The new financial year starts in a week’s time, but I notice that the Home Office is still to publish a 2016-17 budget for Border Force. Will the Home Secretary correct that today, so that there can be a debate about whether that budget is enough? Surely now is the time to strengthen our borders, not to cut them.

Fourthly, on UK preparedness, we know that seven terror plots have been foiled here in the last 12 months, and we thank all those in the police and security services who are working to keep us safe, but we must keep our own arrangements under review. The public will want reassurance about our ability to cope with a Paris or Brussels-style attack—multiple, simultaneous incidents designed to cause maximum fear and confusion. We know that plans are in hand to improve firearms capability in London, and we welcome those, but there is concern about the ability of cities outside London to cope.
A Home Office report on firearms capability published in July 2015 found that the number of armed officers had fallen by 15% since 2008, including a fall of 27% in Greater Manchester and 25% in Merseyside.

There was a report in The Observer late last year that Scotland Yard had briefed the Home Secretary on its fears about the lack of capacity in regional forces to respond to terror attacks. Is that true, and can she say more about it? Has she reviewed the ability of all major cities to respond, and can she provide assurance today that if there were to be a Paris or Brussels-style attack outside London, our police and fire services would have the necessary capability to respond?

In conclusion, while we think of the Belgian people today, we remember, too, that many victims of attacks around the world are Muslims, which suggests that this terror is not about Islam. We also know that, at moments such as this, great anxiety will be felt in the British Muslim community, with fears of reprisal attacks, rising Islamophobia and hate crime. Does the Home Secretary recognise those concerns, and will she today send an unequivocal message to anyone who seeks to promote division or hate on the back of these attacks that they will be dealt with severely? Will she condemn the ill-informed comments made on UK television today by Donald Trump and take this opportunity to distance the UK Government from them? They play into the hands of the terrorists. They are intended to drive a wedge between the Muslim community and the rest of society, who are united in revulsion at what happened yesterday.

Daesh called the innocent people who died and were injured “crusaders”. They were nothing of the sort. They were ordinary, innocent people of all faiths and none, living side by side in one of Europe’s great cities. This is a moment not for division, but for maximum unity among peoples of all faiths and none—a moment to reject those who preach Islamophobia, anti-Semitism and all forms of extremism. Let the unanimous message of Muslim leaders and others today that they will continue to work with them to ensure that everything we do is about uniting our communities, not dividing them.

Mrs May: I thank the right hon. Gentleman for his comments and the tone that he adopted. He is absolutely right. Everybody in this House condemns the terrorist attacks, and we will stand against anybody who seeks to divide our communities.

The right hon. Gentleman raised a number of issues. On travel guidance, the Foreign and Commonwealth Office has updated its website, and it will continue to do so. It will monitor the situation and update the travel advice on the website as necessary. I say to those who are travelling this weekend that because we have extra checks in place, particularly at the channel ports, people may experience delays that they otherwise would not have done. People should try to make sure that they have ample time when they are travelling this weekend.

In relation to immediate support for Belgium, as I said, following the Paris attack last November, we had already given support to the Belgian Government in both policing and the intelligence services. We are building on that, and we have made some specific offers—both the Prime Minister to Prime Minister Michel, and myself to Interior Minister Jambon—of areas where we believe we have expertise that could be of benefit to the Belgians. We look forward to working with them on that.

On the issue of the borders with Belgium, the Immigration Minister has already had some discussions, prior to the attack, with Belgian Ministers about how Border Force operates at certain ports and how we can enhance and increase our ability to act in those areas. Border Force is a more flexible organisation now. It is able to draw on resource more easily from around the country when it needs to surge capacity in certain ports, and that is exactly what it has been doing.

On the question of firearms capability, the uplift that we announced in firearms capability is not just about London. It is about looking at the firearms capability of police forces across England and Wales. The programme that is being put in place by the police covers not just London but other areas and other cities. It looks, crucially, at where there is felt to be most need to uplift firearms capability. We are looking at uplifting the armed response vehicles and the trained counter-terrorism specialist firearms officers.

In relation to working with other emergency services, one of the measures that we have introduced—we started this work a couple of years ago; it has been brought to fruition but it continues—is the joint emergency services programme, which brings ambulance, fire and police together at incidents to enable them to work with better communication and in a more co-ordinated fashion.

The right hon. Gentleman was absolutely right to raise the issue of those in the Muslim community in the United Kingdom. The Transport and Home Office Minister, my noble Friend Lord Ahmad, has spoken to a number of imams and other faith leaders today about these issues. There are many people in the Muslim community in the United Kingdom who are, once again, standing up and condemning the atrocities that have taken place in Brussels.

The right hon. Gentleman referred to the comments that Donald Trump has made today. I understand that he said Muslims were not coming forward in the United Kingdom to report matters of concern. This is absolutely not the case: he is just plain wrong. As I understand it, that has been confirmed this morning by Deputy Assistant Commissioner Neil Basu of the Metropolitan police. People in Muslim communities around the United Kingdom are as concerned as everybody else in the UK about both the attacks that have taken place and about the perversion of Islam underlying the ideology that has led to violence. We are working with them and we will continue to work with them to ensure that everything we do is about uniting our communities, not dividing them.

Mr Dominic Grieve (Beaconsfield) (Con): I share entirely the Home Secretary’s sentiments in commenting on this appalling attack. In explaining the level of security co-operation that we can achieve with Belgium, and indeed with other European countries, my right hon. Friend rightly drew attention to the co-operation that can be achieved through European Union mechanisms. Does she agree with me it is somewhat strange that there have recently been suggestions that those mechanisms...
in some way endanger our security? Does she agree that, in fact, they greatly enhance it and provide a means by which such co-operation can be improved?

Mrs May: I thank my right hon. and learned Friend for his comments, with which I agree. A number of mechanisms that we are part of within the European Union enhance our security. As I said in my statement, we need to co-operate on a global basis to defeat these terrorists. Co-operation with other countries, such as within the “Five Eyes” community, is important as well, but we can use mechanisms within the European Union that are of benefit to our security.

Joanna Cherry (Edinburgh South West) (SNP): I welcome the tone of the Home Secretary’s statement, and I thank her for notice of it. I wish to associate myself and the Scottish National party with the comments of the Home Secretary and others in condemning outright these appalling and devastating attacks in Brussels. Our thoughts are with everyone affected in Brussels and across the globe. Like many other hon. Members of the House, I have spent time in the beautiful city of Brussels over the years, and I have friends and colleagues there. My heart goes out to its many diverse citizens. In addition, we must not forget those affected by the outrages in Turkey. I add the condolences of SNP Members to those of the rest of the House to all those across Europe who have lost loved ones in these terrible atrocities. Our thoughts and prayers are with all those affected, most particularly the family of the missing 7th April terrorist.

I wish to associate myself with the comments of the shadow Home Secretary and others about the gratitude we across the House feel to all those, whether the police or the intelligence services, who strive to keep us safe in the United Kingdom. I wish to reiterate the comments of Scotland’s First Minister that these terrorists must not succeed and that we must “unite as a community” to defeat such threats across the United Kingdom and across Europe.

The Scottish National party is committed to protecting the people of Scotland and to keeping our communities safe. While we are aware of the challenges we face from increasingly sophisticated criminals and terrorists, the Government in Scotland have committed to work with the UK Government to defeat these threats against the freedoms we value so dearly. I note that although the UK threat level has not been changed, and we are reassured that there is no specific threat in Scotland, the Scottish Government have taken swift action to place police patrols at airports and rail stations to increase reassurance.

The frightening statement from Daesh promising further attacks and saying that “what is coming is worse and more bitter” is the point at which I turn to the Home Secretary for reassurance. People right across the UK will be sitting at home worried for their families and their communities. What reassurances can the Home Secretary give the House about how safe we are in the United Kingdom?

What action is her Department taking to ensure that we are protected from and capable of dealing with a future attempted attack? I note that the Home Secretary referred during her statement to the fact that all seven plots that have been disrupted in the UK were either linked to, or inspired by, Daesh propaganda. Does she accept the importance of undermining Daesh’s propaganda capabilities, particularly online, and what is she doing to address that?

Finally, as I have said many times in the House—I think others have acknowledged this—what is of the utmost importance when faced with such serious criminal and terrorist attacks is to ensure that our response is proportionate, targeted and effective. The terrorists aim to instil fear, to divide us and to destroy our freedoms and civil liberties, but we must not give into that narrative. We must ensure that, whatever additional measures are taken to keep our communities safe, they remain united. I am very reassured by what the Home Secretary said about remaining united with our Muslim brothers and sisters in Britain. I associate myself with what the shadow Home Secretary said, and I invite the Home Secretary to condemn Donald Trump’s comments on British media today. Will she assure me that she will keep the importance of our having a united community across the UK at the core of her efforts in fighting terrorism?

Mrs May: The hon. and learned Lady refers specifically to the issue of threat and to safety and security across the whole of the United Kingdom. As I have said and as she will know, the threat level from international terrorism is not set by Ministers; it is set independently by the joint terrorism analysis centre. It has maintained the threat level at severe, which means that an attack is highly likely. Against that background, as I also said in my statement, the police have increased their presence at certain key locations, notably at certain transport hubs, and we have increased the action taken by Border Force at various ports, and that is right. We will obviously keep those levels of activity under observation and monitor them according to the nature of the threat that we see.

It is for us all to be vigilant. I think the public should be alert, not alarmed. We do everything that we can to keep the public safe and secure. Underlying that, however, is of course the need for us to ensure that in particular our intelligence services—our security and intelligence agencies—are able to access the intelligence that enables plots to be disrupted. That means having the powers that we believe are right for them to have to be able to do that role.

The hon. and learned Lady talked about the counter-narrative. It is absolutely right that, as part of the work we do, we should deal with the poisonous ideology that is leading people to violence. That work is being done. We do such work through the counter-terrorism internet referral unit to ensure that pieces are taken down from the internet. The speed at which that happens—the number of items taken down—is now something like 1,000 pieces a week. That has increased significantly in the past year or so. We led on the establishment of an internet referral unit at Europol, which is now enabling that capability to be available not just in the United Kingdom, but across the European Union.

Damian Green (Ashford) (Con): One of the most effective weapons that the police and security services have in fighting Daesh terrorism is a constant flow of...
information and intelligence from within the various Muslim communities in this country. Will the Home Secretary assure the House that she and the Government will continue to make every effort to ensure that, in all those communities, there remains the instinct and habit of co-operation with the police and the security services so that this vital flow of information is maintained?

Mrs May: My right hon. Friend is right to refer to this as a “vital flow of information”, which it is. From time to time, we look at how to make sure that opportunities are available for people to come forward in a variety of different ways with information that they feel is important. For example, the Metropolitan police have on occasion undertaken campaigns to encourage people to come forward with information. We did that, in particular, in relation to people who might be travelling to Syria. We of course continue look at how to make sure that every opportunity is available for people in Muslim communities and others who feel they have concerns that they need to express to government in various forms to do so. As my right hon. Friend says, that intelligence is absolutely vital.

Keith Vaz (Leicester East) (Lab): I commend the Home Secretary’s statement and the unity of all parties in support of what she has said. She was right to protect the counter-terrorism budget last November. At least two of the Paris attackers had gone to Syria to fight and then returned to Europe, and 800 British citizens have now gone abroad, and 400 have returned. I accept her assurances about the borders between our countries and other EU countries, but my concern is the EU’s external border, because anecdotal evidence suggests that those people come from Turkey into Greece. Will she assure the House that the Greek Government are given all the support they need to track people when they return to Europe in the first place? Once people get inside Europe, the Schengen agreement means that they can travel anywhere they like, so that external border is critical.

Mrs May: The right hon. Gentleman is right to say that the external border is important, which is why within the European Union we have been arguing with others for a strengthening of that border. He will also be aware that this issue pertains to the migration crisis in Europe and, at the European Council last week and at the previous meeting, decisions were taken about enhancing our ability to strengthen that border. We have already given significant support to Greece regarding the way it deals with people coming across the border, and we are looking to enhance that support. We stand ready with others to ensure that the work at that border is appropriate and does what is necessary to identify people and ensure that those who should be returned to Turkey are returned. The right hon. Gentleman also referred to the Schengen border free zone, and the United Kingdom has its own border at which we are able further to check people who are coming into the UK.

Sir Edward Leigh (Gainsborough) (Con): Will the Home Secretary acknowledge that this issue is now the existential threat of our times and our people are in danger, and that now—as in the 1,000 years of our island history—the channel is our best bulwark. Given that thanks to the Schengen agreement, dozens of jihadists can access all parts of Europe with European passports, will she institute checks on all vehicles entering the United Kingdom from continental ports, and will all the passports of people entering our airports or ports be checked against intelligence sources, whether or not they are European passports?

Mrs May: As I indicated in my statement, Border Force has increased its checks at certain ports. However, I think there is a misunderstanding in my hon. Friend’s question, because we have checks at our borders and we are able to check people’s passports when they come through. That is an important part of our structure in the UK and our security, and we will retain it.

Mr George Howarth (Knowsley) (Lab): Does the Home Secretary agree that groups such as Daesh no longer distinguish between the near enemy and the far enemy, and that the twisted ideology that she referred to considers European values such as religious freedom, human rights and democracy as an offence against God?

Mrs May: The right hon. Gentleman is right to say that Daesh is indiscriminate in whom it chooses to attack. Its terrorist attacks have taken place not only in Europe and Turkey and the countries I referred to, but nearer to its base in Syria and Iraq, where many Muslims have died as a result. It is indiscriminate in the people it attacks, and it is attacking our fundamental values which, as he says, include those of democracy, freedom of religion, and law and order, and which underpin our society. That is why it is so important for our society to say once again that we will not let the terrorists defeat us, and I welcome all the comments made around the Chamber that go out from this House today.

Victoria Atkins (Louth and Horncastle) (Con): On a recent visit to Europol, the Home Affairs Committee viewed one of the horrific videos on the internet created by Daesh, and the propaganda that it uses to recruit people to its hideous cause. Does my right hon. Friend agree that the security services and police need modern, digital powers, including bulk powers, to destroy those criminals and keep us safe?

Mrs May: My hon. Friend is absolutely right, and those powers are necessary for our police and security services. That is why we will be putting the Investigatory Powers Bill through the House, because it includes powers to ensure that those whose job it is to keep us safe have what they need to do that job.

Mr Pat McFadden (Wolverhampton South East) (Lab): The first duty of a Government or any political leader is to protect their citizens. The global list of atrocities that the Home Secretary cited shows that this is a worldwide jihadist ideology, the fight against which we cannot opt out of in the hope that if we leave them alone, they will leave us alone. I implore her to make this battle not just one of critical public safety, but also about the values that my right hon. Friend the Member for Knowsley
(Mr Howarth) spoke about, such as democracy, human rights, equality between men and women, and the freedoms that we enjoy in this country and in others.

Mrs May: I absolutely agree with the right hon. Gentleman. This is not something that we can walk away from, and we cannot say that if we do nothing we will be safe and secure. We must fight this ideology and these terrorists, and ensure that the values that underpin our society, which the terrorists are attacking and trying to destroy, are maintained. That is one reason why the Government have looked not just at counter-terrorism, but also at our counter-extremism strategy. We want to work with communities across the United Kingdom to promote the values that underpin what makes this country such a great place to live in—values that are shared across the United Kingdom and across all communities.

Crispin Blunt (Reigate) (Con): The Home Secretary referred to the fact that Daesh has a dedicated external operational structure in Syria that is planning mass casualty attacks around the world. It is self-evident that it is much easier for Daesh to progress those attacks against us if it controls an area of territory from which to project that force. Now that there is a cessation of hostilities in Syria, does the Home Secretary agree that it is our priority to assist those Syrian forces that have ceased hostilities to recover the territory now controlled by ISIL-Daesh in Syria?

Mrs May: My hon. Friend is right to say that the fight against this brutal terrorist group is not just about what we are able to do for our security or with our partners, but also about what happens in Iraq and Syria, and the action being taken against Daesh there. It is important that a solution is brought to the conflict in Syria, which is why the Government are considering not just protection and security in the UK and intelligence sharing, but also the action that it is necessary to take in Iraq and Syria, and the diplomatic efforts to bring about that political solution and stability.

Mr Gregory Campbell (East Londonderry) (DUP): On behalf of my right hon. and hon. Friends I wish to stand with the Home Secretary, and the people of Northern Ireland will wish to stand with the people of Belgium at this time, given that we endured three decades of this type of terror. The Home Secretary referred to Adrian Ismay who was murdered last week, and she will know about the necessity of cross-border co-operation on the only land border between the United Kingdom and the Irish Republic. What levels of increased co-operation will there be to prevent any further ingress by international terrorists who may use the Irish Republic as a base from which to launch attacks on the United Kingdom?

Mrs May: We are working closely with the Irish Government to look at areas where it is possible for us to work more closely to enhance our collective security across Ireland and the United Kingdom. We are able to use security measures relating to cross-border arrangements between the Republic of Ireland, Northern Ireland and other parts of the United Kingdom to help with that security, but we talk to the Irish Government about how we can enhance our co-operation to ensure we keep both the Republic of Ireland and the United Kingdom as safe and secure as we can.

Mr David Jones (Clwyd West) (Con): My right hon. Friend will be aware that Holyhead is the second-busiest ferry port in the country and, as such, is a significant point of entry from within the common travel area. Is she entirely satisfied that security arrangements at Holyhead—in particular, checks on vehicles and foot passengers—are adequate to address the terrorist threat as she perceives it?

Mrs May: The extent to which Border Force operates checks at various ports is constantly kept under review in relation to threat and perceived risk. My right hon. Friend refers to the common travel area. That is precisely one of the issues we have been working on with the Irish Government to see how we can enhance our collective external border security to ensure that internal border security within the common travel area is improved.

Mr Ben Bradshaw (Exeter) (Lab): Our unique intelligence capability helped to first identify that it was terrorists who brought down the Russian plane in Egypt, at a time when that was being denied by the Russians themselves. Will the right hon. Lady assure the House that there are no unnecessary obstacles to our sharing such vital information in a timely fashion with our European partners and allies to help them fight this scourge?

Mrs May: I can assure the right hon. Gentleman that we are not only sharing information and intelligence with our European partners but encouraging European member states and others to share intelligence so we can build that collective picture. The terrorists know no boundaries and no borders. We need to work together to ensure we can deal with them.

Dr Andrew Murrison (South West Wiltshire) (Con): In issuing travel advice to the public, which they rely on to make an informed choice, will the Home Secretary ensure that we have safety first, but that we do not allow terrorists to close down our way of life and are mindful of the impact of that advice on partner nations? I am thinking in particular of North Africa in recent times and of the impact that advice has had on Tunisia, specifically.

Mrs May: My hon. Friend is right to point that out. The attack in Tunisia saw the murder of so many British holidaymakers. Action on travel advice was then taken, working with the Tunisian Government. If people do not travel, that will of course have an impact on a country’s economy. I assure him that, in looking at travel advice and in issuing guidance on travel, the Foreign and Commonwealth Office considers a range of issues, but of course what must come first is our desire to ensure the security and safety of British citizens.

Tom Brake (Carshalton and Wallington) (LD): I echo the Home Secretary's condolences. Belgium and Brussels have suffered a severe blow and we stand in solidarity with them. I would also like to echo what she said about the Muslim communities here. The Ahmadiyya Muslim Community and the British Muslim Council of Britain, for instance, have been very quick and forthright in
condemning the attacks. After Paris, the Metropolitan police said they would be recruiting an extra 600 armed police officers. Is the Home Secretary able to give us a progress report on that, and does the programme now need to be accelerated?

Mrs May: I think there is absolute unanimity around this House in our condemnation of these terrible attacks. There are two elements to the upgrade of the Metropolitan police’s armed response. I think that the 600 figure to which the right hon. Gentleman refers is not the recruitment of new firearms officers but the training of existing officers in certain parts of the Metropolitan police. As I understand it, that training is under way. The uplift in armed response vehicles across the country, which I referred to earlier, is also under way.

Lucy Frazer (South East Cambridgeshire) (Con): The events yesterday underlined the fact that this is an international threat that requires an international response. We are making every effort to strengthen our domestic capability in the Investigatory Powers Bill. Will the Home Secretary assure the House that, in talking to international partners, she will ensure that the Bill can be practically and swiftly enforced elsewhere?

Mrs May: I am very happy to give my hon. Friend that reassurance. One key issue in the Bill is the ability to issue lawful warrants against communication and internet service providers who are located elsewhere, in particular the United States of America. We continue in the Bill to assert the territorial jurisdiction that we and previous Governments have always asserted in relation to those powers, and we are discussing with the US Government the possibility of an agreement that will ensure a very solid basis on which such exchange of information can take place.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Is the Home Secretary satisfied with security at international airports with flights to the UK?

Mrs May: We have a programme, working with the Department for Transport, to look at airports across the world and assess what security arrangements are necessary. There are occasions when we ask airports to increase their security arrangements. That is a regular programme. Obviously, when a particular incident takes place, such as the attack in Tunisia, we provide a very particular focus on the security available there, not just in tourist resorts but in airports as well.

David Rutley (Macclesfield) (Con): I welcome my right hon. Friend’s statement and the cross-party condemnation of the terrible acts that have taken place in Belgium. Sadly, these determined terrorists have very sophisticated digital communication capability. What support is my right hon. Friend receiving from internet service providers and other related businesses to help to support the battle against these extremists?

Mrs May: Our interaction with internet service providers is of various types. Obviously, there is the question of access to intercept on the issue of a lawful warrant. As I referred to in my answer to my hon. and learned Friend the Member for South East Cambridgeshire (Lucy Frazer), we are looking at an agreement with the United States of America in particular on that. Internet service providers have also been involved in our work to look at how we can ensure the vile propaganda put out by Daesh and other terrorist groups can be taken down from the internet, and how companies can use their own terms and conditions to ensure that that propaganda is not there to infiltrate the minds of those who could be radicalised.

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I add my party’s deepest sympathy with Brussels and all the people who suffered there yesterday. Can the Home Secretary reassure soccer fans travelling from Wales and other UK nations to this summer’s UEFA European Championship that every step will be taken to ensure their safety at football stadiums?

Mrs May: There is a very well used method of co-operation with other countries when they are hosting major events, such as European football. The police have already been discussing with their counterparts what arrangements are in place. We will of course continue to monitor those arrangements. We want people to be able to go and enjoy the football, have a good time and have confidence in their security.

Michael Fabricant (Lichfield) (Con): My right hon. Friend has rightly identified the importance of digital and signals intelligence. She will be aware of the recent conflict, if that is the word, between Apple and the FBI over the San Bernardino terrorist attack. What steps is she taking to talk with companies such as Apple, Samsung and Blackberry to try to make them co-operate for the safety of all our people in the United Kingdom and elsewhere?

Mrs May: We have regular meetings, both at official and ministerial level, with a variety of internet and communication service providers to discuss their interaction with the Investigatory Powers Bill and the powers our law enforcement and security agency services in accessing this information. My hon. Friend is absolutely right that this is important. As more and more people are communicating across the internet, we need to ensure that powers in this area are available to our agencies and the police. That is exactly what we are doing in the Investigatory Powers Bill.

Derek Twigg (Halton) (Lab): I thank the Home Secretary for her statement. It became clear following the Paris attacks that there were deficiencies in intelligence and policing linked to what was happening in Belgium. Is she happy that we have learned the lessons of those failures and that they have been carried forward to the intelligence services in this country?

Mrs May: The intelligence services in this country obviously look at any attack that takes place elsewhere in the world and at the information available to see what lessons we need to learn. The key has been the increase in co-operation and intelligence sharing off the back of these attacks. It is important we learn lessons when things happen. Of course, because of the attacks we have sadly suffered in the past, the UK has developed,
particularly post 7/7, ways of dealing with these issues, and we are working and sharing our experience with others.

Rehman Chishti (Gillingham and Rainham) (Con): I welcome the Home Secretary’s statement and all that she has said. Does she agree with the comments from the Archbishop of Canterbury in Davos that Europe needs to regain the capacity to use theological language to counter terrorism? She is absolutely right that we have to take down the poisoned propaganda online. What steps are being taken to work with faith communities to put up a counter-narrative online?

Mrs May: I was not aware of the Archbishop of Canterbury’s comments, but I think he is right. It is important that theological arguments are used to counter this narrative, which is a perverted theology and ideology, and that is exactly what is happening. The Home Office works with people in communities, and, as I am sure my hon. Friend is aware, there are many imams who put on the internet and elsewhere a counter-theology to ensure that this perversion of Islam does not win through.

Dan Jarvis (Barnsley Central) (Lab): I thank the Home Secretary for her statement. She will know that the key to defeating this evil is to understand, disrupt and defeat its terror networks, and a key element of that is its funding. Can she assure the House that she is working closely with colleagues in the Treasury and the Home Office to target the funds that finance this murderous activity?

Mrs May: Yes, we are doing that. We are looking to see what more we can do to enhance our ability to deal with terrorists’ funding. The UN came together last year, when Finance Ministers from 70 countries met for the first time, to look at the financing of serious crime and terrorism and to see what more we can do to enhance our ability to deal with them.

Oliver Dowden (Hertsmere) (Con): We are all shocked and saddened by the attacks in Brussels, but understandably members of the Jewish community in my constituency are particularly concerned about the risks facing them. Will the Home Secretary update the House on her assessment of those risks and the steps the Government are taking to deal with them?

Mrs May: I understand my hon. Friend’s comments. The Jewish community in the UK has seen an increase in the number of anti-Semitic incidents over the last couple of years. That is a great cause of concern for us, and the Government are working in several ways to ensure a proper response to those incidents and to send out the message collectively—it is important that the House sends it, as the Prime Minister has done in the last few days—that we condemn anti-Semitic incidents. The Jewish members of our community are as much a part of our British community as are the Muslim, Hindu, Sikh and Christian members and those members who are of no faith. We are one community and must do everything we can to stop these terrible anti-Semitic incidents.

John Woodcock (Barrow and Furness) (Lab/Co-op): Further to an earlier question, does the Home Secretary accept that the best people to make the point that Daesh is perverting the true faith of Islam are not herself, the Prime Minister or any non-Muslims, but any and all Muslim groups here and abroad who reject violent jihadism? Is she prepared to make the sometimes difficult calls to empower and back groups here and potentially regimes abroad who do that, even if they might not accord with all the liberal, secular and democratic values we rightly hold dear in this place?

Mrs May: The Government work with those who wish to send that message to counter the narrative of the perverted Islam that comes from the ideology that underpins this terrorism. We do that through a variety of community groups in the UK. As I indicated in response to my hon. Friend the Member for Gillingham and Rainham (Rehman Chishti), many imams in the UK and around the world—I have met some of them—are actively working to spread a different theological message. That is important work.

Bob Blackman (Harrow East) (Con): My right hon. Friend will be aware that sadly many British citizens have joined ISIL in Syria and that many have returned. They represent a terrorist risk and might poison other people’s minds. What assurance can she give the House that they will be apprehended to ensure they do not represent a threat to our security?

Mrs May: We gave extra powers to the police and the authorities in the Counter-Terrorism and Security Act 2015. Over and above that, when somebody returns, we...
make sure they are looked at case by case. For some people, certain interventions will be necessary and will be put in place, but that will be determined case by case.

Mr Khalid Mahmood (Birmingham, Perry Barr) (Lab): Regrettably, I stand again to condemn barbaric attacks, this time in Brussels and Turkey, and to say that these people are not of my faith and should not be considered by anybody to be linked to my faith.

I congratulate the Home Secretary on the budget for the intelligence and security services, but will she also look seriously at the issues with Border Force—in particular, people with e-passports who are validated but not checked properly to see where they have been? Will she reconsider the funding for local policing, particularly for community support officers and local police officers? They contribute hugely to tackling radicalisation and dealing with the intelligence they come across. Finally, will she look at the issues of hate crime affecting all communities and ensure that local authorities and police can deal with them?

Mrs May: On hate crime, the hon. Gentleman is absolutely right. It is an issue we have taken up with the police. By looking at how we record hate crime, we hope to build a better picture of exactly what is happening. I commend him for the resolute stand he has consistently taken. This is sadly not the first time he has stood up in the Chamber, following an attack, to say they do not take place in his name. That message is echoed throughout Muslim communities in the UK. On e-passports, obviously e-gates have security capabilities, and we look at the number of Border Force staff available to support those going through them, but, in themselves, the e-gates are part of our security resilience at the border.

Huw Merriman (Bexhill and Battle) (Con): I pass on my sympathy for, and solidarity with, all those in Belgium who have suffered from what happened. The Government have published their “Stay Safe” principles to help the public and guide them in the event of attacks in this country, particularly those in mass transit. Can more be done by the rail operators and airline companies to ensure that the message is prominently displayed? Although the message is bleak, we would all be the better for reading it.

Mrs May: My hon. Friend has made an interesting suggestion, which I will take up with the Secretary of State for Transport. We will look at the issue.

Steve McCabe (Birmingham, Selly Oak) (Lab): It is believed that Abdelhamid Abaaoud, who was responsible for the Paris attacks, comes from the Molenbeek district of Brussels. I understand that he was able to visit Birmingham last October. Can the Home Secretary confirm that he did visit the UK? Does she know who accompanied him? Can she rule out that it was anyone associated with the present atrocity?

Mrs May: The hon. Gentleman asks me to refer to people who were involved in the current atrocity that has taken place in Brussels. This is obviously an ongoing investigation, and we are working very closely with the Belgian authorities to ascertain as much information as possible about the individuals involved.

Jason McCartney (Colne Valley) (Con): Local media in west Yorkshire this lunchtime are reporting that the family of one of my constituents believe that he is the Daesh terrorist pictured online and responsible for a recent suicide bombing in Iraq, which is claimed to have killed and injured over a dozen people. It is clear that local families have deep concerns about the radicalisation of family members. How can we support those families and tackle terrorism together?

Mrs May: My hon. Friend has raised a very important point. It is precisely the need to ensure that people do not move down the path of radicalisation that underpins the Prevent strategy and the use of the Channel programme. Through them, at local level, we want to support those who have concerns about what might be happening within their family or community. We want to ensure that where somebody is at risk of radicalisation, action can be taken to ensure that the individual does not follow that path. I believe it is important that we have put the Prevent duty on a statutory basis, which strengthens our ability to act within communities. I ask anyone who has any concerns about a member of their family or any other individual to contact the authorities at local level so that appropriate support and help can be given.

Tom Elliott (Fermanagh and South Tyrone) (UUP): I would like to associate my party with the Home Secretary’s comments about the terrorist attacks in Belgium and also those about the murder of Adrian Ismay, a prison officer, in Belfast. Does the Home Secretary believe that the European convention on human rights provides any protection, or any additional protection that is not required, to those living under our jurisdiction who may be intent on carrying out terrorist activity?

Mrs May: The hon. Gentleman may know that I have had my own interactions with the European convention on human rights, when the European Court of Human Rights has been used to try to prevent me from deporting people from the United Kingdom. In certain key cases, we were able to ensure the deportation or extradition of individuals who we believed were a danger here in the UK. The operation of the European Court of Human Rights and the European convention on human rights should indeed be looked at, which is why the Government are looking at introducing our own Human Rights Act and possibly a Bill of Rights, which will interact with the ECHR.

Henry Smith (Crawley) (Con): An important section of the UK border exists in my constituency at Gatwick airport. I seek my right hon. Friend’s assurances that Border Force has been strengthened at that location, particularly given that it money, so much more has been done in the vast Schengen area. We need to ensure that terrorists who might have made it into Europe cannot then make it into the British Isles.

Mrs May: Yes. Border Force has looked across airports and sea ports to see where it needs to enhance the checks that it provides. It is very conscious of the fact
that the coming weekend is a particularly busy one for Gatwick at the start of a holiday period. It will take action accordingly.

**Jim Shannon** (Strangford) (DUP): I thank the Home Secretary for her statement and commend her for her courage and fortitude at this very difficult time. At this stage of the investigation, it would seem that those who activated the bombs in that murderous attack in Brussels airport did so before they got through security. Is there any intention to upgrade or have spot checks, for instance, outside the present security system? It is quite clear that something more needs to be done.

**Mrs May:** The hon. Gentleman raises an interesting point, on which there has been some commentary in the media. The practical problem is that if security is instigated at an earlier stage, a crowd is simply created in a different place. That is why that suggestion will not necessarily solve the issue of removing the ability to mount an attack on a large number of people. As I have said, the police presence and the visible security presence at certain airports has been increased, but I do not think that the hon. Gentleman’s proposal would necessarily remove the opportunity for terrorists to attack a large number of people.

**Matt Warman** (Boston and Skegness) (Con): The appalling events in Brussels highlight the vital work done by our security services to keep us all safe. In the recent debate on the Investigatory Powers Bill, all parties adopted a conciliatory tone. Will my right hon. Friend join me in welcoming that tone and does she share my hope that in the course of the Committee stage we can arrive at a Bill that all parties can support?

**Mrs May:** Yes, I hope that we can achieve that. We responded to the reports of three parliamentary Committees and revised the Bill accordingly. The Bill before Committee has had those revisions made to it. Both the Minister for Security, my right hon. Friend the Member for South Holland and The Deepings (Mr Hayes), and the Solicitor General, my hon. and learned Friend the Solicitor General, my hon. and learned Friend the Member for South Swindon (Robert Buckland), will take the Bill through Committee.

Given the tone adopted in the debate and in the interventions today, I think we could see a constructive process taking place in Committee so that we will shortly have a Bill on the statute book that delivers the safety and security that the people of this country need.

**Clive Efford** (Eltham) (Lab): We need urgently to increase our number of armed officers so that we can rapidly respond to the sort of incident that tragically happened in Brussels. It would be a shame if that were delayed in any way by the need of police forces to take decisions about competing demands on their resources. Can the Home Secretary give an assurance that she is confident that the police have the resources they need to rapidly increase the number of armed police officers, as they are requesting?

**Mrs May:** Yes, because we have made extra money available for the upgrade in armed response.

**Kevin Foster** (Torbay) (Con): I welcome the tenor of the statement, and it is clear that reason and resolve, rather than prejudice and bigotry, should define our response. What discussions about firearms capability has my right hon. Friend had with the Ministry of Defence in respect of the availability of military support for civilian law enforcement, particularly outside the major metropolitan areas?

**Mrs May:** Arrangements are in place for military assistance to the civil power, which can be operated in certain circumstances. Following the attacks in Paris of January last year, we looked at enhancing the capability of the military to support the police, if a multiple attack were to take place. Those arrangements are in place so that there is greater ability for the police to call on the military at an earlier stage if necessary.

**Stuart C. McDonald** (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): The Secretary of State has provided some welcome reassurance about the work under way to track and disrupt the movement of terrorists. Will she tell us specifically about any work under way, both here and across Europe, to disrupt the flow of weapons and explosives? That work is also crucial to our safety.

**Mrs May:** Yes. We have been very clear that we need to see more being done within the European environment and across Europe on firearms. I am pleased to say that, following representations, the European Commission has produced a new draft directive on firearms. I am very clear that we should ban dangerous semi-automatic weapons. That discussion is taking place, but we are clearly pushing for greater ability across the EU to deal with the movement of firearms.

**Mike Wood** (Dudley South) (Con): I worked in Brussels for seven years, and my thoughts are naturally with friends and former colleagues in Belgium, as well as with the families of those who were murdered and maimed yesterday morning. Effective security co-operation with other European Union countries is obviously vital, but will my right hon. Friend also consider how we can effectively exchange appropriate security information with allies through membership of other international organisations, such as NATO and the Organisation for Security and Co-operation in Europe?

**Mrs May:** My hon. Friend is right. We need to ensure that we use every available opportunity, when appropriate, to exchange security information, support and intelligence, and to work together. That is why, as I said earlier, we have the “Five Eyes” co-operation, which is very important to the United Kingdom. We work within the European Union, but other organisations are involved as well. As I said to an Opposition Member earlier, in the United Nations there has also been a greater understanding of some of the measures that need to be taken.
Points of Order

1.50 pm

Mrs Cheryl Gillan (Chesham and Amersham) (Con): On a point of order, Mr Speaker. I should like your advice on a Select Committee report that was published only this morning, but which, I am afraid, relates specifically to some of the business that is before the House today.

The Public Administration and Constitutional Affairs Committee has reported on an investigation into a complaint against HS2 Ltd that was upheld by the ombudsman, who fined HS2. The Committee received and published a large body of evidence that is highly critical of HS2 Ltd. Following its investigation, the Committee has declared that the “culture of defensive communication and misinformation within” HS2 “is not acceptable. Unless those responsible for delivering HS2 understand that first and foremost they serve the public, and take action to reflect this, then they will continue to be vulnerable to the criticism that they have disregard for members of the public who are impacted by” HS2.

The report was published only this morning, so it has obviously been impossible to table amendments to the High Speed Rail (London – West Midlands) Bill, with which we shall be dealing later today, in respect of the report and that poor communication and disregard for people affected by HS2. Can you advise me, Mr Speaker, whether it would still be possible, in the House, to call for a separate debate on the report, and to look into the continuing disrespectful behaviour of HS2 Ltd and its management?

Mr Speaker: I am grateful to the right hon. Lady for her point of order, to which my response is twofold. First, as I am sure she will be aware—this will not satisfy her, but I say it as a matter of fact—the report to which she has referred is tagged to the Third Reading debate on the Bill. That is to say, it is highly germane to that debate.

Secondly, the right hon. Lady asked me whether she could call for, or seek by one means or another, a separate debate on the report. The answer is that most certainly she can seek such a debate, and she may well be successful in obtaining such a debate—I do not, at this point, know—but that, of course, will not assist her in terms of the business scheduled for today. The matters that are up for debate in the House today will naturally proceed, and must, in terms of good order, do so. Nevertheless, the right hon. Lady, who is a wily operator, has made her point in her own way, and it is clearly on the record. That seems to bring—

Geoffrey Clifton-Brown (The Cotswolds) (Con) rose—

Mr Speaker: —a warm smile to the visage of the hon. Member for The Cotswolds, from whom we shall now hear.

Michael Fabricant (Lichfield) (Con): And whose birthday it is.

Mr Speaker: Whose birthday, allegedly, it is. It is always useful to have a bit of information. I wish the hon. Member for The Cotswolds a happy birthday, and I look forward to hearing his point of order.

Geoffrey Clifton-Brown: On a point of order, Mr Speaker—and thank you for your good wishes. As you will know, I very rarely make points of order in the House, but on this occasion I must seek your advice on how I might lobby the business managers about the inadequacy of the time that has been provided for the Report and Third Reading debates on the Bill today.

Millions of people up and down the line are affected by this large and highly complex project, and by the Bill. I do not think that three hours for Report and Third Reading is sufficient to give Members of Parliament an opportunity to make representations on this complex project on behalf of their constituents, let alone members of the Select Committee, some of whom—although not I—spent 160 working days sitting in the Select Committee. Some might give the House the benefit of their wisdom by suggesting how the hybrid Select Committee procedure could be improved.

Mr Speaker: First, let me acknowledge and pay tribute to the extremely selfless and conscientious work that the hon. Gentleman and others did on the Committee, under the distinguished and stoical chairmanship of the hon. Member for Poole (Mr Syms). Secondly, I would say to the hon. Gentleman that if the Government Chief Whip was here, he would have heard the hon. Gentleman’s point of order, but he is not, so he has not. That said, I feel sure that the thrust of it will be conveyed to the Chief Whip ere long.

Mrs Caroline Spelman (Meriden) (Con) rose—

Mr Speaker: Of course I will come to the right hon. Lady, and will treat her with the very greatest respect.

As Members know, and as others attending to our proceedings need to be aware, these are not matters for the Chair. Members are ventilating their very real sense of grievance and unhappiness, but these are matters for the business managers to determine. They make their own judgments. People operate—if I can put it in this way—at their own level in regard to what they judge to be the proper treatment of business and of the thoughts on these matters of Members, including minorities of Members. Those are not judgments that I can second-guess. We all have our own views, but I think that I should properly leave it there.

Mrs Spelman: On a point of order, Mr Speaker. You will know that I, too, rarely make a point of order in the House.

I am grateful to you, Mr Speaker, for understanding the frustration that we feel, as Members representing the affected constituencies. The fact is that, given that roughly 50 amendments have been tabled, if we were to put our amendments to the vote in the time available—one hour for the first group and two hours for the second—there would be no time for us even to discuss them.

A great deal of work, and a great deal of excellent assistance from the Clerks, has gone into creating amendments that I believe would ameliorate the consequences of the Bill. Will you urge your good offices, Mr Speaker? When you speak to the Lord Speaker, will you draw her attention to the fact that, although amendments were tabled, we had very little opportunity to debate them and press them to a vote?
Mr Speaker: That was an extremely well chosen and thoughtful point of order. I acknowledge that, as the right hon. Lady said, she very rarely raises points of order; her seriousness of purpose is, I think, respected in all parts of the House.

I will indeed convey that sentiment to the Lord Speaker. I think that the unhappiness is well known. It is a matter of fact that, among those affected, there will be very real consternation about this. That the individuals affected are a minority of the electorate is not in doubt, but they will be very unhappy about it, and that is not something that should be blithely dismissed by the Executive branch of our political system.

There will be those who think, “All that you do is get the business through and that is all that matters”, and who are quite hard-headed and perhaps even a bit cynical, but people ought to have regard to the views and interests of minorities. They might, on a particular issue, one day be in that position themselves; they will then want the very protection that the right hon. Members for Meriden and for Chesham and Amersham, and the hon. Member for The Cotswolds, are seeking. I will certainly relay the concern to the Lord Speaker.

Mr Dominic Grieve (Beaconsfield) (Con): On a point of order, Mr Speaker. It was always my understanding that if one wished to add one’s name to amendments, as long as one did it the day before the day on which the Order Paper was to be published, that was sufficient. So I was a little surprised, on reading today’s Order Paper, to see that, despite the personal visit that I made yesterday to the Private Bill Office—no one suggested to me that I was too late to add my signature to a number of the amendments—my name does not appear at all. I wondered whether that was a matter on which you could shed any light, Mr Speaker.

Mr Speaker: We have been extremely well served, as always, by our Clerks, who do their business with great commitment and prowess, and I have just been advised on this matter. That advice is that I will cause the matter to be investigated. The truth is that, off the top of my head, I have absolutely no idea why the right hon. and learned Gentleman’s name has not been added to those amendments. One would assume that in the ordinary course of events it would be, so I am rather taken aback. His understanding of the normal practice is, as usual, quite correct. Let us have the matter looked into, but I hope that it will be trumpeted to the good people of the Beaconsfield constituency that he sought to have his name added to the amendments, and the work in progress is that he may yet succeed in that mission.

Mrs Gillan: On a point of order, Mr Speaker. I hope that I am not trying your patience, or that of the House, too much by raising a further point of order. I want your advice on this matter for the benefit not only of those in the House but of the people outside who watch these proceedings. It might be of interest to know that when the Channel Tunnel Bill went through the House in 1987, its Report stage was not guillotined and lasted from 7 pm until 1.50 am. Only after that did its Third Reading debate begin. Mr Speaker, could you confirm that, according to the timetable motion on the Order Paper, if any Member chose to press an amendment in the first or second group to a vote, that vote would eat into the time allowed for Members to debate these matters? Our constituents are not going to understand why Members do not press these amendments to the vote, but the Government have engineered this so that if we do so, we will have no time to debate the Bill. There might be Members present who wish to have their amendments voted on, but if they press their amendments to a vote, they will rob Members on both sides of the House who are affected by the Bill of the opportunity to speak. As you have pointed out, Mr Speaker, this affects only a very small minority because both the main parties in the House are being whipped to vote for the Bill.

Mr Speaker: The right hon. Lady’s interpretation is correct. I always think that it is important for our proceedings to be intelligible to people beyond this place, so let it be stated on the record that these exchanges have not eaten into the time available for debate at all. They have obliged the right hon. Member for North Norfolk (Norman Lamb), who is about to present his ten-minute rule Bill, to wait patiently before being able to speak to it, but they have done so from or taken time out of the debate on the High Speed Rail (London – West Midlands) Bill. I am afraid that the right hon. Lady is correct to say that if Members seek a Division on a particular amendment, that will eat away at the remaining time available for debate. A lot of people will feel that that is a regrettable state of affairs, to put it mildly. I note what she has said about the precedent of the Channel Tunnel Bill. The Secretary of State is not in his place, although he might very well be here for Third Reading. As far as I am aware, he is a person of robust constitution and perfectly capable of staying in the Chamber for an appreciable period to debate matters of important public policy. I have never had any reason to suppose that his conscientious Parliamentary Under-Secretary of State—[Interruption.] His Minister of State, indeed. No discourtesy was intended to the hon. Gentleman. I have never had reason to suppose that the Minister of State was incapable of strenuous parliamentary endeavour over an extended period.

The Minister of State, Department for Transport (Mr Robert Goodwill) rose—

Mr Speaker: Perhaps the Minister is going to add to that point now.

Mr Goodwill: Further to that point of order, Mr Speaker. I should like to point out that last night’s Business of the House motion was not objected to. On the matter of Members having had their say on the Bill, the Select Committee sat for 160 days, which was more than 700 hours. It heard 1,600 petitions, and 21 Members of this House appeared before it a total of 36 times. Indeed, my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan) herself attended three times, for a total of two hours and 10 minutes.

Mr Speaker: That is a matter of indisputable fact, and I thank the Minister of State for taking the opportunity to make that point. So far as last night is concerned, it is also a matter of fact that the motion was not objected to. The Business of the House motion appertaining to this matter was of course objected to on Monday
evening by the right hon. Member for Chesham and Amersham. Had it been objected to last night, there would have been a requirement for a debate today on Members’ concerns, which would have eaten into the available time. The absence of an objection last night and the fact that I have just mentioned are obviously causally linked.

Mrs Gillan: Further to that point of order, Mr Speaker, and to the courteous contribution from the Dispatch Box by the Minister of State, I would like to confirm that I did object to the sittings motion, but in discussions with the business managers I was informed that if I objected on the second night, the matter would have come back today and eaten into our debating time. That would of course have been completely self-defeating. I think the point was made on the first day when the objection was made, and the Minister should really understand the procedure in that sense.

Mr Speaker: The right hon. Lady has put the matter fairly and squarely on the record. I am always happy to hear points of order and to do my best to respond to them, but I think it is fair to say that for now we have exhausted that terrain. We should move on to the ever-patient right hon. Member for North Norfolk.
them to do just that. On top of that, we criminalise tens of thousands of people every year for the use of cannabis, blighting their careers, damaging their life chances and restricting their ability to travel. Many people with mental ill health resort to cannabis as a relief from the pain they suffer, and then we criminalise them. What a cruel, unjust policy that is. We criminalise multiple sclerosis sufferers and many others who use cannabis to relieve pain, so I strongly support the “End Our Pain” campaign.

There is real hypocrisy here. While those people are knocked back by criminal convictions, others, usually the more privileged, go on to build successful careers. How many members of the Government have smoked cannabis while maintaining their support for the conviction of their fellow citizens? The Prime Minister was a reformer. It has also been reported that he and others were caught smoking cannabis at Eton. He has gone on to do quite well. Having signed up to a Select Committee on Home Affairs report in 2002 calling for the then Labour Government to initiate a discussion of alternative ways, including the possibility of legalisation and regulation, to tackle the global drugs dilemma, he retreated once elected Conservative leader and now seems implacably opposed to reform. Why has the Prime Minister changed his mind? Why continue to allow our fellow citizens to be put at risk, with the possibility of criminal conviction, for doing exactly what he did?

My party, the Liberal Democrats, commissioned an independent expert panel to advise on a more rational approach. The panel was made up of leading experts and included a retired chief constable of Cambridgeshire, Tom Lloyd, and the serving chief constable of Durham, Mike Barton. They know better than anyone the drain on police time caused by dealing with drug possession offences. The report, published on 8 March, is rational, wise and balanced. It points to a different approach, and the Bill seeks to implement that approach.

The proposed framework is based on the primary goal of protecting and enhancing public health and community safety, with a particular focus on the health and wellbeing of vulnerable and marginalised groups. It is guided by evidence and deliberately cautious and proposes regular reviews. It sets out plans to establish a cannabis regulatory authority. Producers and products and sales would be licensed. Cannabis would be sold through licensed outlets. There would be mandatory provision of health advice to consumers at the point of sale. Cannabis would be sold in plain packaging. There would be a minimum age of 18 for the purchase and consumption of cannabis. Critically, there would be controls on potency, with a minimum requirement of 4% cannabidiol, which is important for reducing the risk of dependence, psychosis and memory loss. Of course, no such safeguards are available on the existing criminal-controlled market.

The expectation is that sales could raise up to £1 billion in tax. There would be significant savings of police time, enabling them to focus on serious and violent crime. Limited amounts of home growing for personal use would be permitted, with an enforceable limit of plants per household. The scheme would also permit small-scale licensed production for membership-based cannabis social clubs similar to those that have existed for years in Spain. They would have to be operated on a not-for-profit basis and would be subject to conditions, including limiting the size of clubs to fewer than 100 adult members and limiting per-member production and supply. It would remain a serious criminal offence to drive while impaired by cannabis.

I understand why many people’s first instinct might be to fear the consequences of legalising cannabis, yet thinking through the disastrous consequences of maintaining prohibition of this drug—the profiting of criminals, the health risks resulting from people not knowing what they are buying, the criminalising of so many people, including those with mental ill health and multiple sclerosis—leads to the recognition that a new, more rational approach is desperately needed.

Question put and agreed to.

Ordered,

That Norman Lamb, Tim Farron, Mr Nick Clegg, Tom Brake, Mr Alistair Carmichael, Caroline Lucas, Paul Flynn, Michael Fabricant, Crispin Blunt and Mr Peter Lilley present the Bill.

Norman Lamb accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 22 April, and to be printed (Bill 156).
High Speed Rail (London – West Midlands) Bill


Consideration of Bill, as amended in the Select Committee, not amended in the Public Bill Committee

New Clause 19

VOCATIONAL QUALIFICATIONS

'(1) The Secretary of State must prepare a report on vocational qualifications obtained in each financial year in connection with HS2 construction.

(2) Each such report must contain an account of vocational qualifications gained by individuals employed in constructing the network referred to in section 1(1), in preparing for such construction, and in connected and ancillary activities, broken down by type of qualification and activity.

(3) Each such report must contain an overall assessment of the costs of vocational training for relevant qualifications and by whom such costs were incurred.

(4) In this section, “financial year” means—

(a) the period beginning with the day on which this Act is passed and ending;

(b) each subsequent period of 12 months.

(5) The Secretary of State must lay each report under this section before Parliament as soon as is reasonably practicable after the end of the financial year to which it relates.”—(Mr Goodwill.)

Brought up, and read the First time.

2.16 pm

The Minister of State, Department for Transport (Mr Robert Goodwill): I beg to move, That the clause be read a Second time.

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

New clause 1—Reimbursement of local authorities for expenses and lost business rate revenue resulting from HS2—

'(1) The Secretary of State for Communities and Local Government and the Secretary of State for Transport shall conduct an assessment of costs incurred by local authorities that arise directly and indirectly from the construction and future operation of HS2, including staff costs, and shall ensure that such additional funding as is required to reimburse local authorities for those costs is made available.

(2) To the extent that such additional funding is not made available through service level agreements, the Secretary of State for Transport shall make the additional funding available through other means of local authority funding within six months of the end of the relevant financial year.

(3) The Secretary of State for Communities and Local Government shall appoint an independent auditor to assess the extent of any shortfall in local authority revenue attributable to closure of or movement of businesses and consequential diminution in business rates.

(4) The Secretary of State for Transport shall establish a mechanism whereby any such shortfall shall be made good within six months of the end of the relevant financial year.’

This new clause is intended to give statutory enforceability to the Department for Transport’s intention to reimburse local authorities for costs consequential on the construction of HS2, and to ensure that there is compensation for lost business rate revenue.

New clause 2—Reimbursement of local authorities for damage to highways resulting from HS2 construction—

‘The Secretary of State for Communities and Local Government and the Secretary of State for Transport shall conduct six-monthly assessments of the amounts required to repair and make good highways in each county following construction of HS2 Phase One, and shall ensure that such additional funding as is required to meet those amounts is made available to local authorities.’

This new clause is intended to give statutory enforceability to the Department for Transport’s intention to reimburse local authorities for highways repair costs consequential on the construction of HS2.

New clause 3—Amount of funds allocated to the Business and Local Economy Fund and Community and Environments Fund—

‘The Secretary of State for Transport shall allocate a sum of £150,000,000 to the funds established to support business and local economy and community and environment initiatives to mitigate and address the effects of HS2 construction.’

This new clause is intended to increase the amounts allocated by the Department for Transport to the Business and Local Economy Fund and the Community and Environment Fund from £30m to £150m.

New clause 4—Compensation procedures—

‘(1) The Secretary of State for Transport shall ensure that included within contested valuation procedures for claimants under statutory or discretionary HS2 compensation schemes are processes for valuation by a valuer with knowledge of local markets.

(2) The Secretary of State shall ensure that all compensation applications are acknowledged within a period of two weeks and responded to substantively within a period of ten weeks, failing which the application will be deemed accepted.’

This new clause is intended to insert procedures for valuation by local valuers in disputed compensation cases, and to seek to ensure timely responses to compensation applications.

New clause 20—Public Sector Operators—

‘(1) Section 25 of the Railways Act 1993 (c. 43) (public-sector operators not to be franchisees) does not apply in relation to the franchisee in respect of a franchise agreement—

(a) which relates wholly or mainly to the provision of one or more Phase One of High Speed 2 passenger services, or

(b) which relates wholly or mainly to the provision of one or more other services for the carriage of passengers by railway where—

(i) the services run wholly or partly on the route of Phase One of High Speed 2, and

(ii) the services are likely to be subject to substantial disruption because of the construction of Phase One of High Speed 2.'
The following may in particular be taken into account in determining whether, for the purposes of subsection (1)(b), services are likely to be subject to substantial disruption—

(a) the frequency with which the services are likely to be disrupted,
(b) the duration of the period in which the services are likely to be disrupted (and, in particular, its duration relative to the length of the franchise term),
(c) the severity of any likely disruption.

(3) In this section—

“franchisee”, “franchise agreement” and “franchise term” have the meanings given by section 23 of the Railways Act 1993 (designated passenger services to be provided under franchise agreements).

New clause 21—Financial Reports—

“(1) The Secretary of State must prepare a report on expenditure under this Act in relation to each financial year.

(2) Each report must contain details of—

(a) expenditure incurred during the financial year to which the report relates (with capital and resource expenditure specified separately in relation to construction and other activity under this Act and in respect of each head of expenditure referred to in section 1(4)(a) to (c) of the High Speed Rail (Preparation) Act 2013);
(b) the extent to which expenditure incurred during that year represents an overspend or underspend as against the budget for such expenditure for the year;
(c) the likely effect of any such overspend or underspend on a total budget of £55.7 billion in 2015 prices (which includes construction and the cost of rolling stock);
(d) total expenditure incurred under section 67 up to the end of that year;
(e) sums or assets received in that year in connection with expenditure incurred under this Act, including in relation to section 48.

(3) In this section, “financial year” means—

(a) the period beginning with the day on which this Act is passed and ending;
(b) each subsequent period of 12 months.

(4) The Secretary of State must lay each report under this section before Parliament as soon as is reasonably practicable after the end of the financial year to which it relates.

New clause 26—Protection of business continuity by extended notice of entry in the case of vulnerable businesses—

“(1) If an operator of a business or undertaking believes that the business or undertaking’s continued operation or profitability would be vulnerable if inadequate notice is received of the planned exercise of powers under sections 4, 5, 6, 12 or 15 of this Act and the associated schedules, the operator may notify the Secretary of State of this belief.

(2) For the purposes of subsection (1), “inadequate notice” means a period of notice that would not provide a reasonable amount of time for the business or undertaking to relocate to a new premises and refill that premises to a reasonable standard before the exercise of the powers.

(3) Upon receipt of such notification, the Secretary of State must facilitate a dialogue with the operator in relation to timing and funding of business relocation, and required notice periods, and shall consider the reasons for the operator’s belief.

(4) Unless the dialogue provides a satisfactory resolution within three months of initial notification—

(a) a 12-month minimum notice period shall apply for the exercise of powers mentioned in subsection (1) in relation to the relevant business or undertaking; and
(b) the early compensation payable to the operator shall be 100%, not 90%, of the estimated relocation costs, and such compensation shall be payable in full, nine months before the anticipated relocation date notified by the operator.”

New clause 27—Report on classification of HS2 as England-only project—

‘Within 3 months of this Act receiving Royal Assent, the Secretary of State must lay before both Houses of Parliament a report on—

(a) the classification of HS2 as an England-only project for the purposes of Treasury expenditure, and
(b) how much extra money Wales would receive in terms of “Barnett consequential money as a result of such classification.”

This new clause would require the Secretary of State to produce a report on reclassifying HS2 as an England-only project for the purposes of calculating Treasury expenditure through the Barnett Formula and how much more money Wales would have received as a result.

New clause 30—Community detriment fund—

‘(1) The Secretary of State must establish a community detriment fund.

(2) The community detriment fund will provide an additional source of funding to communities, supplemental to that available through the community and environment fund.

(3) The community detriment fund will be available to address adverse impacts of HS2 construction on communities, including but not limited to impaired accessibility, diminution in availability of community amenities, and physical effects of construction.

(4) A principal objective of the fund will be to remove the need for formal compensation claims and to provide an expedited means of claiming funding for detriment.

(5) The fund will be available only to address adverse effects on communities, not impacts on individual households, businesses or undertakings.

(6) Among the measures that may be considered as available for funding to address detriment shall be transport facilities such as shuttle services.’

New clause 32—Review of fairness of rural support zone compensation—

‘The Secretary of State must conduct a review of the reasons for situating the boundary of the Rural Support Zone in west London which shall be laid before both House of Parliament within three months of this Bill receiving Royal Assent.’

New clause 33—Compensation—

‘(1) Within three months of this Bill receiving Royal Assent, the Secretary of State shall lay before both Houses of Parliament a report responding to a review of compensation applicable to those affected by HS2 Phases One and Two which shall by then have reported in accordance with directions already issued.

(2) The review shall consider the following—

(a) whether a compensation framework based on a property bond system could be an equally or more effective means of compensating those affected by blight from HS2 construction and operation while maintaining a functioning property market, having due regard to demands on public expenditure and investment;
(b) whether the current rateable value limit for compensation and blight claims by owner-occupiers of business premises should be abolished or amended;
(c) whether loss payment ceilings are fair and appropriate;
(d) whether a higher proportion of advance compensation for relocation than the current 90% should be payable in certain instances;
Mr Goodwill: I must confess that I feel like a queue-jumper, because I added my name and the Government’s support to new clause 19 and amendment 15 only last night. I will be brief, because I know that the hon. Member for Middlesbrough (Andy McDonald) will want to expand on them and to explain why his case was so convincing and compelling. It is another example of how our new railway will be delivered not only on a cross-party basis in this House, but with the support of the great cities of the Midlands and the north.

I welcome new clause 19 on vocational qualifications. I strongly believe in the importance of ensuring that we utilise the opportunities that HS2 will create for skills and jobs, which is why we have invested in the National College for High Speed Rail. New clause 19 will further bolster the importance of delivering skills as part of the development of HS2. As such, the Government support it becoming part of the Bill.

Sir Henry Bellingham (North West Norfolk) (Con): I welcome new clause 19 on vocational qualifications. I am grateful to the Minister for giving way, because I know that he needs to get on. Does he agree that it is important that the National Construction College and the Construction Industry Training Board are closely involved in this skills initiative?

Mr Goodwill: Indeed, I look forward to being in Doncaster soon with the right hon. Member for Doncaster Central (Dame Rosie Winterton), the Opposition Chief Whip, to cut the first sod in that project. It is important that we look at skills across the board. The college’s hub and spoke arrangement will enable other educational establishments to engage fully and will allow for other qualifications.

Similarly, I welcome amendment 15 from the Opposition. It relates to clause 48, the purpose of which is to ensure that the regeneration opportunities presented by HS2 are maximised in a timely manner. It is a backstop power and we expect that local authorities will lead such opportunities using their existing powers, but in the event that development is impeded we will have the ability to step in to ensure that development progresses. It is important that such development takes into account relevant development plans. I am grateful that the hon. Member for Nottingham South (Lilian Greenwood) tabled the amendment, and I urge all hon. and right hon. Members to support it.

Turning to the other proposed changes, my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan) has proposed several new clauses and amendments. She has been a tireless advocate for her constituents affected by HS2. However, all her points have been considered before, at length, through the Select Committee process, parliamentary debates, and the many parliamentary questions she has asked my Department. The process has delivered clear benefits to her constituency, including a 2.6 km tunnel extension, meaning that almost 86% of the route in her constituency is tunneled, with the rest in a cutting. Her constituency has also benefited from the removal of an area of sustainable placement at Hunts Green and more noise barriers along that cutting. I acknowledge the points made but do not believe that new clauses 1 to 4 should be added to the Bill.

New clause 20 deals with the nationalisation of rail services, an area of ideological difference between the Government and the Opposition. I am therefore unlikely to convince them on it, and, I suspect, vice versa. It is clear to the Government that the franchising process delivers better services, better value for money and a better railway. Since privatisation, the rail industry has been transformed, with the number of passenger journeys more than doubling over the past 20 years. We believe this remains the right approach overall for Britain’s railway.

In any case, the new clause is unnecessary, as under the existing legislative framework it is possible for the state to operate rail services, as happened temporarily on the east coast main line. It is possible, and indeed quite likely, that the state might run HS2 initially, to prove certainty on operation and passenger numbers, but for the long-term successful future of HS2 a privately operated franchise is the best way forward.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): The Minister is giving a pretty fair assessment of how he sees this proceeding. The new clause provides for a permissive power, meaning that it would simply be available going forward. The proposal has been mirrored in previous legislation, such as that dealing with Crossrail, so what is the Government’s objection to a permissive clause of this kind?

Mr Goodwill: I thought I just said that this power is already available and therefore this is a superfluous new clause and we do not need it to give us these powers. I very much doubt Opposition Members will agree with my view that nationalisation of the railways is not the way forward, so stuck as they seem to be in the 1970s, but I hope I may have provided sufficient explanation as to why this power is not required.

We have given consideration to the other proposed new clauses and amendments. Although I understand the importance of some of the issues raised, I do not believe they belong in the Bill, as they have already been considered during the Select Committee process. To conclude, in order not to take up any more time than is necessary, I hope that right hon. and hon. Members will be able to support the inclusion of new clause 19 and amendment 15, but I urge them to not to press the other proposals, which I do not believe are required.

Andy McDonald (Middlesbrough) (Lab): I am pleased to be able to contribute to this important debate and play a part in this Bill’s progress. We fully appreciate the importance of this vital piece of infrastructure and the benefits it will bring to our country for generations to come. It is not common to find such consensus in this House, but I am pleased that both the Government and
the Opposition understand the need for this high-speed railway. HS2 was, of course, the brainchild of the previous Labour Government, but I readily acknowledge the work that the current Government have done in progressing the project. It is to be very much welcomed for the country that we have such consensus across the House on such important national infrastructure projects.

In that same vein, I shall discuss new clause 19, which stands in the name of the Minister, as well as in my name, those of some of his colleagues and that of my hon. Friend the Member for Nottingham South (Lilian Greenwood). It deals with vocational qualifications.

**Sir William Cash** (Stone) (Con): Just in case it might be thought that there is not still entrenched opposition to these proposals, may I say, speaking not only for myself but for many of my colleagues and for people in Staffordshire, where we get no benefit from this scheme at all, given the damage it is doing to our countryside, that I wish to register opposition to this in its entirety?

**Andy McDonald**: I think I used the word “consensus” not “unanimity”. I sincerely thank the Minister for his constructive approach to this issue and for adding his name to mine by way of support. There is agreement across the House that both jobs and skills are a core part of the case for HS2, and I note that the recent Shaw report calls for much deeper strategic engagement of trade unions across the rail industry. Accordingly, may I take this opportunity to congratulate the Minister and HS2 Ltd for their positive engagement with the TUC in securing an agreement to make sure that trade unions, HS2 and its suppliers work together to maximise HS2’s economic and labour market potential?

**John Redwood** (Wokingham) (Con): Is the hon. Gentleman at all worried about the possible job impact on the existing railway, because most of the passengers for this line are going to come from journeys that would otherwise have been made on existing trains? Presumably, there will therefore be a decline in fares, revenue and job opportunity on the existing railway.

**Andy McDonald**: The right hon. Gentleman misses the point: this is about having a positive impact on capacity issues. That is the singular and most important purpose of this development.

In the words of the magnificent Frances O’Grady:

“It is clear that trade union engagement is vital to ensuring that HS2 is delivered to time and to budget—and that it is delivered in a manner that reflects the best of socially responsible development.”

The agreement contains the commitment to pay the voluntary living wage—and the voluntary London living wage—and to offer a minimum number of apprenticeships and workforce skills development, among other things. The agreement is an excellent example of how industrial relations should be approached from the outset in projects of this magnitude, and indeed throughout the construction industry, and I hope that it can be the template for good practice throughout industry. The construction of such infrastructure projects places demands on a nation to provide the necessary skilled workforce, creating opportunities for people, and younger people in particular, to equip themselves with not just the vocational qualifications to assist in the construction of this railway, but the tools necessary to forge careers that will be of benefit to both themselves and the nation long after the completion of HS2. Labour Members welcome the fact that, following on from the success of the Kings Cross construction skills centre, a National College for High Speed Rail will be located both in Birmingham and Doncaster, providing specialist vocational training to the next generation of engineers working on HS2 and beyond. We also welcome the fact that HS2 Ltd will provide £4.1 million towards a Euston construction skills centre.

**Andrew Bridgen** (North West Leicestershire) (Con): I, too, am sorry to break the cozy consensus of the two Front-Bench teams, who seem to be conspiring to spend possibly £100 billion of taxpayers’ money on what I believe to be a white elephant. Does the shadow Minister possibly £100 billion of taxpayers’ money on what I believe to be a white elephant. Does the shadow Minister have no concern at all about supporting the Government on a major infrastructure project where the cost-benefit ratio is as low as £1.40 for every pound spent?

**Andy McDonald**: Let me clarify that this is not about a cozy consensus; it is about rigorous examination. There has been a forensic examination of this matter through a lengthy Select Committee and a Bill Committee. The hon. Gentleman is completely wrong about the cost-benefit ratio. The correct figure is 2.3:1.

**Andrew Bridgen**

**Andy McDonald**: I have already given way and I must now make some progress.

The Government estimate that as many as 2,000 apprenticeship opportunities will be created by HS2, and there will be about 25,000 people employed during its construction. That is welcomed by Members from all parts of the House. Because of the importance of the creation of vocational qualifications in connection with HS2’s construction, we feel it is appropriate that Parliament is given proper oversight on progress in this regard. That is why we tabled new clause 19, which will impose a duty on the Secretary of State to prepare an annual report on vocational qualifications obtained in each financial year in connection with HS2 construction. It seems to us to be eminently sensible for the Secretary of State to report annually on the progress of the creation of vocational qualifications, and I am grateful that the Government have accepted that the new clause should be part of the Bill.

**Iain Stewart** (Milton Keynes South) (Con): I support the new clause. Will this annual report capture people gaining qualifications not only through HS2 Ltd and the key construction companies, but further up the supply chain?

**Andy McDonald**: The new clause is focused principally on HS2 Ltd, but the hon. Gentleman makes a very important point. I am sure the Minister and the Secretary of State are listening intently to him. The intention must be to embrace all those within the supply chain.

Amendment 15 would make a small change to clause 48. It simply seeks to insert a requirement that as and when the Secretary of State considers that there is an opportunity for regeneration or development, and land is to be acquired compulsorily for that purpose, regard be had...
to the relevant development plans that obtain in respect of that particular location. I am grateful that such a modest and reasonable amendment finds favour with the Government.

New clause 21 deals with financial reports. It would impose a duty on the Secretary of State to prepare an annual report on expenditure in each financial year. Each report would contain details of any overspend or underspend against the budget for such expenditure for the year, as well as the likely effect on the total budget.

2.30 pm

Labour has been consistent in seeking to hold the Government to account on the cost of HS2, and this new clause would put greater transparency into the process and ensure that Parliament has proper oversight of expenditure. I am aware that expenditure under the Bill would also be reported as part of the Department’s annual report and accounts, but it is our belief that a project with these costs and on the scale of HS2 warrants more detailed oversight of expenditure from Parliament.

Considering that much of the opposition to HS2 has been because of the cost of the project and concerns about ballooning prices, it would be prudent of the Government to allay some of those concerns by ensuring that parliamentarians and the public keep a keen eye on the cost of it. The Prime Minister has previously stated that sunlight is the best disinfectant, and if the Government would like such sentiments to be accepted as more than empty sloganeering then, hopefully, they will support this new clause, which introduces into the process a greater degree of transparency in expenditure.

New clause 20, on public sector operators, would disapply section 25 of the Railways Act 1993, allowing, but not requiring, phase 1 of HS2 passenger services to be run by the public sector. I hope that this does not affect the spirit of consensus and agreement. I am delighted that Labour is committed to the public ownership of the railways. Public opinion on that issue is clear: around two thirds of the public support the nation’s railways being run by the public sector, with fewer than one in five opposing the policy. Public ownership is backed by people across the political spectrum—by Labour, Tory, Lib Dem and UK Independence party voters, although, unfortunately, it is not backed by the latter three parties in this place.

When one looks back at the history of rail privatisation and its impact on the commuting public, it is not difficult to understand why there is overwhelming public support for bringing railway services back into public ownership. Quite simply, the Tory privatisation of British Rail was a rushed, botched job that had more to do with ideology than any clear plan for the railways. The legacy that we have been left with is a fragmented, inefficient and expensive network.

Sir Simon Burns (Chelmsford) (Con) rose—

Andy McDonald: I will make some progress.

Sir Simon Burns: Come on!

Andy McDonald: No, I will crack on.
a failure, or in any way undesirable. It simply does not make any sense for the UK taxpayer to subsidise foreign state-owned companies so that citizens of Germany, Holland, France and elsewhere can enjoy cheaper and superior services.

Quite simply, the rejection of even the possibility of public ownership is driven by an outdated ideology and is totally out of kilter with the views of a large majority of the public—including many Conservative voters—which is why I am so pleased that Labour is committed to a publicly owned service that puts the passenger first rather than the profits of private or foreign state-owned companies, as is currently the case.

John Redwood
rose—

Andy McDonald: No, I am going to move on.

We have heard the Prime Minister, the Chancellor, the Secretary of State for Transport and others speak in glowing terms about how High Speed 2, when completed, will be a proud national achievement, and I completely agree with that. The scale of the project, the amount of talent that will be utilised in its design and construction, and the dedication over the years ahead will be a mark of pride, and represent a proud feat of British engineering and ingenuity.

It is my contention that if we, as a nation, are good enough to build a world-class high-speed railway, then we are good enough to run it, too. From the initial privatisation to the Government’s re-franchising of the east coast main line, Tory rail policy has always been far too focused on its “private good, public bad” ideology. However, new clause 20 would not require the sort of Damascene conversion that we witnessed from the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) earlier this week. It asks only that the Government keep an open mind. New clause 20 would allow, but not require, High Speed 2 passenger services to be run in the public sector. A similar clause would allow, but not require, High Speed 2 passenger services to be run in the public sector. Indeed, we have worded this new clause so that it is as similar as possible to section 26 of the 2008 Act.

May I remind the Minister and the House that the Conservative party did not reject the idea of at least keeping an open mind about who might be the best operator to run Crossrail—or the Elizabeth line—in future years, and it would be disappointing to see the Conservative party move from a position of pragmatism to one of sheer ideology. It would be talking Britain down to suggest that private companies and the state-owned rail companies of the Netherlands, France and Germany are able to run successfully passenger services on our railways, but we ourselves are not. I hope that the Government do not have such a pessimistic view of our capabilities as a nation and will vote in favour of new clause 20.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): It was disheartening to hear the Minister dismiss my amendments in this group before hearing what I had to say, although I am grateful to him for acknowledging that over the past six years I have fought for my constituents and their rights and interests in the face of opposition from many people outside this House. My new clauses in this group are practical and sensible and will, I think, assist my constituents and others up and down the line.

New clause 1 is about local authority finance. Local authorities the length of the HS2 route have received no extra help to support their work on this major infrastructure project. The burden on my two local councils, Buckinghamshire County Council and Chiltern District Council, has been enormous, but the new clause would also apply to other councils.

Buckinghamshire County Council is naturally concerned that without central Government intervention and help its costs will continue to escalate. If the last six years are anything to go by, they certainly will. The county council’s outturn figure for 2015-16 is nearly £520,000 for costs relating to the legal petitioning process, engagement with HS2 Ltd and getting the best deal for Buckinghamshire residents. The council has just submitted the recharge to HS2 Ltd on the current memorandum of understanding and can recoup barely £10,000 for the last year. Why must taxpayers in Chesham and Amersham and elsewhere not only pay for this railway to be built, but pay again through their council tax for their local authorities to carry out inescapable pre and post-construction work for which they get very little help or none at all? Over the past six years, Chiltern District Council has spent nearly £1.18 million on complying with HS2 requirements—a huge amount for a district authority.

Councils have paid out literally millions in the past six years. The costs will only grow during the construction phase and there is no guarantee that local authorities will be fully recompensed. They would appreciate a clear, legally enforceable commitment from the Government that the extra burden will be recognised, particularly in the light of the local government finance settlement. My county, Buckinghamshire, was heavily affected by the settlement. It was only through myself and other Buckinghamshire MPs making very strong representations that we got some increased moneys for our local authorities. If accepted, new clause 1 would ensure security for our local authorities along the whole route where service agreements do not provide additional funding, received by the end of the year. The Minister should appreciate that I am asking for statutory and legally enforceable requirements because there is great distrust of the process so far. I think it is essential to enshrine the provision in statute, so that it is legally enforceable.

New clause 2 is designed to give statutory enforceability to the Department for Transport’s intention to reimburse local authorities for highways repair costs consequential on the construction of HS2.

Sir Henry Bellingham: Is my right hon. Friend aware that the Select Committee pressed HS2 hard on reimbursement to highways authorities regarding damage to verges, culverts, drains, inspection covers and so on, and the company gave a very positive response? New clause 2 is a belt-and-braces provision. Does she agree that HS2 has already given quite firm commitments?

Mrs Gillan: I appreciate the work my hon. Friend did on the Select Committee. He is correct that there are undertakings, but they are not enforceable and I am afraid that HS2 does not have a good track record of either keeping good records and accurate information or of following through on its promises, hence my decision to table the new clauses. If HS2 is in good faith
going to adhere to those undertakings, it should have no fear of their being put in the Bill. That is why I do not think it is unreasonable to expect the new clauses to be accepted.

John Redwood: My right hon. Friend might like to point out that there are 65 pages of road and footpath closures scheduled in the Bill and 67 pages of associated works to existing roads, railways and utilities. The work is massive in scale and, obviously, all those involved will need compensation.

Mrs Gillan: My right hon. Friend is absolutely correct. Perhaps that shows the scale of the battle that has been going on for six years, in which people are trying to defend their environment and locality or, if they cannot have the whole project cancelled, at least to get the best possible deal for their locality.

Victoria Prentis (Banbury) (Con): In my constituency, we have had significant problems in engaging with HS2—and not just me as the Member of Parliament; the county council and the district council have simply not had their letters answered. That gives us no assurance that HS2 will engage in a timely fashion with those who have to use the roads every day.

2.45 pm

Mrs Gillan: My hon. Friend makes a point that is entirely familiar to me and many other people along the line of the route. That is why I want these not unreasonable assurances to be put in the Bill.

Mr Dominic Grieve (Beaconsfield) (Con): It seems to me rather strange that the Government will not accept the amendments. The history of statutory undertakers doing work on highways shows without any difficulty the shoddy restoration that takes place afterwards. In this case, we are talking of a massive project involving many miles of roads that will require repair. My right hon. Friend may agree that the assurances being given ought to be reinforced by statutory powers.

Mrs Gillan: Any addition to my right hon. and learned Friend’s point would be otiose. He is absolutely correct.

Andrew Bridgen: May I take my right hon. Friend back to the point about HS2 liaising with the public? Is she aware of the damning ombudsman’s report that came out last night, which stated that HS2 regarded consultation as merely a box-ticking exercise?

Mrs Gillan: I drew the House’s attention to that report in a point of order. The report is appended to the Bill. The Secretary of State, who is now in his place on the Front Bench, visited my constituency earlier this month and saw at first hand some of the problems that my constituents face. I am grateful for that visit. He also saw the problems we have in Buckinghamshire with potholes. I am particularly concerned about the roads in and around Great Missenden. Quite by chance, my right hon. Friend witnessed maintenance works being carried out on those roads during his visit.

Buckinghamshire County Council highways authority estimates that it will spend about £7.5 million on pothole-related maintenance over the next five years. That figure takes no account of patching, resurfacing, drainage, road sweeping and other related costs. I believe that considerable additional costs will arise from the large number of heavy goods vehicles pounding their way up and down some of Buckinghamshire’s fragile roads. Local authorities may well be reimbursed for reasonable costs, but what are reasonable costs? I want them to be reimbursed fully and I want that to be enshrined in statute, to make sure that the provision is both sufficient and justiciable.

New clause 3 is intended to increase the amounts allocated by the Department for Transport to the business and local economy fund and the community and environment fund from £30 million to £150 million. The £30 million originally announced for those funds to assist those affected by HS2 has been felt across the board to be meagre and insufficient, especially as the funding is intended to cover the entire route of phase 1. The Select Committee acknowledged the significant shortfall and the Government’s response to its final report stated that the sum would be increased to £40 million. I contend that that is not enough. The impacts of the project will be long standing and severe for the environment, local authorities and communities. Through new clause 3, I propose that the funding be increased to £150 million to give those affected the compensation they deserve and to ensure that adverse effects are minimised.

Sir William Cash: Both of us have signed new clause 33 on compensation by reference to a property bond. I wanted to put that on the record. My right hon. Friend is doing a great job, and I do not want to take up the time of the House to refer to new clause 33, knowing that she agrees with me.

Mrs Gillan: I am grateful to my hon. Friend, and grateful for the support that I have received from colleagues across the piece.

On new clause 3, there is currently no information on how the funds will be divided, which areas will be prioritised or how the money could be spent. There is also no clarification of whether, for example, the funds to be allocated will include the moneys already allocated to the Colne valley. Will those come out of this funding envelope? There has been a suggestion that the money allocated by the Department for Transport to the business and local economy fund and the community and environment fund should be increased from £30 million to £150 million. I propose that the funding be increased to £150 million to give those affected the compensation they deserve and to ensure that adverse effects are minimised.

New clause 2 is designed to ensure that all local authorities are properly compensated for any damage to roads as a result of HS2 constructions. As others have confirmed, that vital safeguard should be added to the Bill. The Secretary of State, who is now in his place on the Front Bench, visited my constituency earlier this month and saw at first hand some of the problems that my constituents face. I am grateful for that visit. He also ensured that he would come forward with a package of compensation and reassurances to local authorities. I am grateful that he is doing that, but it is crucial that he is now in his place to give local authorities the reassurances and assistance that they need.

Andrew Bridgen: My right hon. Friend makes a point that is entirely familiar to me and many others. What are reasonable costs? I want them to be reimbursed fully and I want that to be enshrined in statute, to make sure that the provision is both sufficient and justiciable.

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worry and stress to our constituents, and many of the recommendations of the HS2 hybrid Bill Select Committee, although welcome, have yet to translate into changes to the scheme. The Select Committee’s report in February 2016 stated that

“the Government said that it would work to implement a revised process for the valuation of properties for ‘Need to Sell’ that will allow more local valuers to be used”.

That review was promised for autumn last year, but we are still waiting.

The Department for Transport’s response to the Select Committee report is silent on the valuation point, and although a response was promised before Third Reading, when I last looked I had not yet received that. I may be wrong—HS2 tends to slip out its documents just in time for debates, which I think is poor practice. In this case such poor practice is affecting people’s lives. Implementing a fair valuation process for property owners who are receiving unacceptably low offers from HS2 is of paramount importance.

I still have a large number of constituents who have been negotiating with HS2 for months to get a fair price for their property, and I know from colleagues that is a similar story up and down the route. I have been appalled at the treatment of individuals, who have had to employ expensive lawyers even to get timely and rational answers from those employed by HS2 or from HS2 itself. My colleagues and I have raised these points for years, yet there continues to be a litany of errors from HS2. There have been internal emails that are rude and disrespectful about constituents. The Public Administration and Constitutional Affairs Committee report published earlier today refers to the Parliamentary and Health Service Ombudsman report, which accused HS2 of being guilty of maladministration. I believe that that has characterised the way in which HS2 has dealt with people who have lost their houses, their businesses and their land.

Victoria Prentis: One of my greatest concerns about going forward without the Select Committee, which has been of enormous help to those of us whose constituents have been affected, is that there is nobody to help us mediate with HS2 Ltd and to encourage the company to respond to us in a timely fashion. There is no transparency about the way it does business. Does my right hon. Friend have any ideas to help us with this?

Mrs Gillan: The hon. Member for Middlesbrough (Andy McDonald) said today from the Opposition Dispatch Box that transparency would be the watchword for HS2 and that all compensation applications are responded to substantively within 10 weeks to avoid long periods of uncertainty for property owners on the route.

I started by saying that I was disappointed that the Minister dismissed my amendments before even hearing what I had to say today, so I am not expecting any positive response. But I have learned always to walk in hope, even on the impossible project of HS2, and I invite the Minister to accept my amendments today and add them to the Bill, thereby showing that he has the respect that I believe this House should have for the people whose lives are affected so drastically by HS2.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): High Speed 2 is extremely important and is necessary to expand capacity on a railway that is ever increasing in popularity. Where communities are adversely affected, they should be treated properly and there should be adequate compensation. The amount of that compensation is clearly a matter for judgment, and some of the amendments today address that.

It is exceedingly important, too, that the potential for jobs and economic development created by the building of High Speed 2 is maximised. That was one of the key points that the Transport Committee emphasised when we first looked at High Speed 2 back in 2011. We have published four reports on that since then. Back in 2011 the point considered in new clause 19 was emphasised. We supported High Speed 2 but highlighted the importance of maximising the job opportunities—jobs in the construction of the high-speed network or jobs opened up by economic development in the areas through which HS2 passes—and regional development. I am extremely pleased to see new clause 19 and pleased it has all-party support, because of the focus it puts on jobs.

Michael Fabricant (Lichfield) (Con): Does the hon. Lady agree that a link between Euston and St Pancras might offer an opportunity for jobs? My constituents thought they would be able to get on a train in Birmingham and end up in Paris, but instead they have to schlep across London with their heavy bags. Another possible link is one between Curzon Street and New Street, so that there might actually be a connected railway, which at present there is not.

Mrs Ellman: The hon. Gentleman makes some important points that are worthy of consideration. I believe the decision likely to be taken later this evening will be the beginning of a very important High Speed 2 network, which may well expand after more people see its benefits.

New clause 19 refers to the need to look at the qualifications achieved by people working on the construction of High Speed 2. I agree with that, but it should be extended a little to include the diversity of qualifications and employment opportunities that can be offered during construction—the wide range of skills that can be obtained and the potential to attract a wide range of people who could benefit. I hope the aims of the new clause can be extended, if not in words tonight, then in the way it is implemented. I am particularly pleased to see the plans for the skills college at both Birmingham and Doncaster, and I hope they can be extended.

It is important, and it is implicit in some of the amendments, that economic development in the areas and regions through which High Speed 2 passes is maximised, working with the local enterprise partnerships,
local authorities and business. It should not be just the
stations through which High Speed 2 passes that benefit,
but the surrounding region.

I also support the proposals to monitor expenditure
on High Speed 2, because it is important that the
scheme is kept within budget: over £50 billion is a lot of
money, even over 20 years.

3 pm

People have become unduly focused on the current
benefit-cost ratio, which is calculated very specifically.
Indeed, looking at the overall network and the wider
economic benefits, that ratio is likely to expand to at
least 2.3:1, but it is calculated rather restrictively. Under
current regulations, the benefit can be calculated for
only 67 years, and an assumption is made that the
number of passengers on the line will increase by 2.2% annually and then stop in 2036, which is most unlikely. I
think it is very likely that the benefit-cost ratio will
increase.

We all need to have some vision in looking at what is
required for the future. We need more capacity on the
very popular and important railway, an essential part of
public transport, bringing job opportunities—for example,
in construction—and economic development to the regions
and not just around the stations. For those reasons, I
support a number of the amendments proposed today.

Several hon. Members rose—

Madam Deputy Speaker (Mrs Eleanor Laing): Order.
I trust that hon. Members will now be very brief,
because we have only 15 minutes left for this part of the
debate.

Mr Grieve: Thank you, Madam Deputy Speaker; I
shall be brief.

It is a pleasure to follow the hon. Member for Liverpool,
Riverside (Mrs Ellman). I am mindful of the fact that,
in promoting this scheme, the Government can make a
powerful and perfectly rational case. Indeed, the hon.
Lady highlighted some of the points that have been
raised. The difficulty that I have, as a constituency MP
directly affected by the scheme, is that throughout the
whole process of engagement between HS2 and my
constituents, HS2’s behaviour towards my constituents
has consistently been wanting, both in sensitivity and in
its levels of engagement. I have to say that the way in
which HS2’s management has dealt with perfectly
reasonable objections from people who are very anxious
about the future of their communities has led me to be
deeply anxious about how this will actually work out in
practice.

My right hon. Friend the Member for Chesham and
Amersham (Mrs Gillan), in presenting this batch of
amendments, has highlighted some key areas where the
Government, by providing some greater reassurance,
could go a considerable way towards not satisfying
everybody—inevitably some people will remain dissatisfied
with the proposals—but providing them with reassurance
that some of their worst fears about how this will pan
out in practice are misplaced. For example, there has
been considerable concern about the way in which
compensation is calculated. There have been arguments
about failure to take account of local features.
A recurring theme my constituents have faced is the lack of engagement from HS2 Ltd during the process to date. Many of the questions that have been asked of the company remain unanswered, and its credibility locally is in tatters. Those affected by HS2 have little confidence that communication will get better during the construction stage; indeed, unsurprisingly, the fear is that, should the Bill be approved by the House, communication will get worse.

That is why I seek greater protection for North Warwickshire residents. As a result of the impact on our area, we have been given an assurance by HS2 that we are a special case. Sadly, despite numerous requests, the company has neglected to advise us what that protection actually is, what the benefits are or even what it covers. After what my constituents have had to endure over the last six years, they deserve better. They deserve some kind of certainty and an acknowledgment that HS2 and the Government are sympathetic to their case.

That is why I have introduced new clause 30, which would set up a community fund to protect local communities from the unintended consequences that could arise in the construction phase. The fund would supplement the community and environment fund, and it would address the adverse impacts of HS2’s construction on communities in terms of things such as impaired accessibility, the reduction in the availability of community amenities and the physical effects of construction.

A principal objective of the fund will be to remove the need for formal compensation claims and to provide an expedited means of claiming funding for detriment. The fund would be available only to address adverse effects on communities, not impacts on individual households, businesses or undertakings. However, among the things that may be considered as eligible for funding would be transport facilities such as shuttle services.

As I have stated, the Kingsbury area and the surrounding villages are clearly a special case in the context of the HS2 scheme, and there can be no argument about that. Engagement with our community needs to address the requirements that come with that special place, and my other new clauses address the current lack of communication, including in terms of referral, escalation and monitoring. Crucially, they seek to ensure that local people’s complaints are resolved in a timely manner.

We will hear further arguments later today in the Chamber about HS2’s environmental impact, and it is hard to imagine the change to the landscape that the railhead in Kingsbury will bring, but my constituents will be forced to live with that change.

I urge the Secretary of State to consider my proposed changes to the Bill and those of other right hon. and hon. Members, which I have supported in the interests of our constituents. Our proposals offer common-sense initiatives to support, and offer mitigation to, those people along the proposed line who need it most.
England. The position of the UK Government has always been that this is a UK-Government railway scheme. However, when it came to the statement of funding policy document that accompanied the comprehensive spending review, the railway is an England and Wales railway, because Scotland and Northern Ireland had a 100% Barnett rating for HS2, while Wales had 0% rating.

The impact of that, in a project that may well cost more than £80 billion over the next 20 years, will be severe for my country—in terms of not only HS2, but the precedent set for HS3, Crossrail 2 and the Sheffield-to-Manchester subterranean road. These are massive multibillion-pound projects, and Wales is losing out.

This is an issue of fairness, and unless the Minister says on Third Reading that he will address the issues I have raised in my new clause, my colleagues and I will vote against the Government on Third Reading.

Alan Brown (Kilmarnock and Loudoun) (SNP): I will be brief. The SNP welcomes this investment. Although, as has been said, the initial roll-out of the route is in England only, we see the benefits that this can bring to Scotland, and we welcome the aspiration for a sub-three-hour journey time to Glasgow and Edinburgh. I welcome the fact that the Minister says trains will run to Scotland on day one.

On the back of the comments by the hon. Member for Carmarthen East and Dinefwr (Jonathan Edwards) about Barnett, I would ask the Secretary of State to consider the wider issue of Barnett consequentials and the estimates process. There needs to be more clarity on that, but I welcome the investment in HS2.

Question put and agreed to.

New clause 19 accordingly read a Second time, and added to the Bill.

New Clause 20

PUBLIC SECTOR OPERATORS

(1) Section 25 of the Railways Act 1993 (c. 43) (public-sector operators not to be franchisees) does not apply in relation to the franchisee in respect of a franchise agreement—

(a) which relates wholly or mainly to the provision of one or more Phase One of High Speed 2 passenger services, or

(b) which relates wholly or mainly to the provision of one or more other services for the carriage of passengers by railway where—

(i) the services run wholly or partly on the route of Phase One of High Speed 2, and

(ii) the services are likely to be subject to substantial disruption because of the construction of Phase One of High Speed 2.

(2) The following may in particular be taken into account in determining whether, for the purposes of subsection (1)(b), services are likely to be subject to substantial disruption—

(a) the frequency with which the services are likely to be disrupted,

(b) the duration of the period in which the services are likely to be disrupted (and, in particular, its duration relative to the length of the franchise term),

(c) the severity of any likely disruption.
Mcinnes, Liz
Meale, Sir Alan
Mearns, Ian
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Muholland, Greg
Nandy, Lisa
Onn, Melanie
Omurah, Chi
Osamor, Kate
Owen, Albert
Pearce, Teresa
Pennycott, Matthew
Phillips, Jess
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Jamie
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Saville Roberts, Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy

Smeth, Ruth
Smith, Mr Andrew
Smith, Angela
Smith, Cat
Smith, Nick
Smyth, Karin
Starmer, Keir
Stevens, Jo
Streeting, Wes
Stringer, Graham
Tami, Mark
Thomas, Mr Gareth
Thomas-Symonds, Nick
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turlay, Anna
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
West, Catherine
Whitehead, Dr Alan
Williams, Hywel
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Eve, Mr David
Fabricant, Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Francois, rh Mr Mark
Frazier, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fyah, Marcus
Gale, Sir Roger
Gamier, rh Mr Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hallon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Haselhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Heron, Lady
Hinds, Damian
Hoare, Simon
Hollobone, rh Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, rh Mr Jeremy
Jackson, Mr Stewart
James, Margaret
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard

Jenkinson, Andrea
Jennick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seerna
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lilley, rh Mr Peter
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCARTNEY, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Mills, Nigel
Milford, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryl
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Offord, Dr Matthew
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Penrose, John
Perry, Claire
Philp, Chris
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pursglove, Tom
Quince, Will
Raab, Mr Davidson
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary  
Rosindell, Andrew  
Rudd, rh Amber  
Rutley, David  
Scully, Paul  
Selous, Andrew  
Shannon, Jim  
Shapps, rh Grant  
Sharma, Alok  
Simpson, rh Mr Keith  
Smith, Chloe  
Smith, Henry  
Smith, Julian  
Smith, Royston  
Soames, rh Sir Nicholas  
Solloway, Amanda  
Soubry, rh Anna  
Spelman, rh Mrs Caroline  
Spencer, Mark  
Stephenson, Andrew  
Stevenson, John  
Stewart, lain  
Streeter, Mr Gary  
Stride, Mel  
Stuart, Graham  
Sturdy, Julian  
Sunak, Rishi  
Swayne, rh Mr Desmond  
Swire, rh Mr Hugo  
Thomas, Derek  
Throup, Maggie  
Timpson, Edward  
Tolhurst, Kelly  
Tomlinson, Justin  
Tomlinson, Michael  
Tracey, Craig  
Tredinnick, David  
Trevelyan, Mrs Anne-Marie  
Tugendhat, Tom  
Turner, Mr Andrew  
Tyrie, rh Mr Andrew  
Vaz, Mr Edward  
Vara, Mr Shalikesah  
Vickers, Mr  
Walker, Mr Charles  
Walker, Mr Robin  
Wallace, Mr Ben  
Warburton, David  
Warman, Matt  
Watkinson, Dame Angela  
Wharton, James  
Whately, Helen  
White, Chris  
Whittaker, Craig  
Whittingdale, rh Mr John  
Wiggin, Bill  
Williams, Craig  
Williamson, rh Gavin  
Wilson, Mr Rob  
Wollaston, Dr Sarah  
Wood, Mike  
Wragg, William  
Zahawi, Nadhim  
Tellers for the Noes:  
Guy Opperman and  
George Hollingbery

Question accordingly negatived.

3.28 pm

More than one hour having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted (Programme Order, 22 March).

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 48

Compulsory acquisition of land for regeneration or relocation

Amendment made: 15, in clause 48, page 18, line 8, after “considers” insert “having regard to the relevant development plan.”—(Mr Goodwill.)

New clause 6

Chilterns AONB Review Group

“(1) A Chilterns Area of Outstanding Natural Beauty Review Group shall be established.

(2) The members of the group shall include Buckinghamshire County Council, Chilterns District Council, Wycombe District Council, Aylesbury Vale District Council, the Chilterns Conservation Board, Natural England, key community groups and the nominated undertaker.

(3) The purpose of the group shall be to identify measures for environmental enhancement in the Chilterns to mitigate against the impact of HS2 railway construction.

(4) The group shall elect a Chair, who shall not be an employee of the nominated undertaker.

(5) The group shall receive such funds from the Secretary of State as it considers necessary to perform its functions expeditiously and efficiently.

(6) The group shall make a twice yearly report with recommendations.

(7) In the event that the Secretary of State does not accept any recommendation of the group, they shall make a statement to the House within three months of the date of the report, indicating reasons.”—(Mrs Gillan.)

This new clause is intended to give statutory backing to the establishment and powers of the Chilterns AONB Review Group.

Brought up, and read the First time.

Mrs Gillan: I beg to move, That the clause be read a Second time.

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

New clause 7—Obligation to plant trees—

“(1) The nominated undertaker must publish plans to plant the Referenced Trees within the Construction Period and make arrangements for their maintenance for a period of 10 years from the commencement of services on Phase One of HS2.

(2) The nominated undertaker must provide an annual report to Parliament which shall specify—

(a) the progress made on planting of the Referenced Trees, 
(b) the number and species of trees planted since the publication of the previous report, 
(c) the position of the trees, groups of trees or woodlands, as the case may be, by reference to a map, 
(d) the adequacy of arrangements to manage Referenced Trees which have been planted previously.

(3) In subsections (1) and (2) “Referenced Trees” shall mean the trees planted to meet the commitment of two million additional trees to be situated adjacent to Phase 1 of HS2 as set out in the environmental statement referenced in Clause 66(4). In subsection (1) Construction Period shall mean the period between commencement of the Scheduled Works and the commencement of operational service on Phase One of High Speed 2.”

New clause 8—Office of the HS2 Adjudicator—

“(1) There is to be a body corporate known as the Office of the HS2 Adjudicator hereinafter referred to as “the Adjudicator”.

(2) Schedule [Adjudicator: status and funding] (which makes further provision about the Adjudicator) shall have effect.

(3) The Adjudicator has the functions conferred on it by or under any enactment.

(4) Those functions include—

(a) enforced functions 
(b) inspection functions, 
(c) information functions.

(5) The main objective of the Adjudicator in performing its functions is to protect the natural environment and communities impacted by the construction and operation of Phase 1 of High Speed 2.

(6) The Adjudicator is to perform its functions for the general purpose of securing—

(a) the minimisation of adverse impacts on communities and the natural environment situated in locations affected by the construction or operation of Phase 1 of HS2, 
(b) the provision of additional mitigation measures in the event the environmental impacts of the operation of HS2 are worse than as set out in the environmental statement prepared in accordance with section 66(4).”

New clause 9—Matters to which the Adjudicator must have regard—
“(1) In performing its functions the Adjudicator must have regard to—

(a) the views expressed by or on behalf of the members of the public or organisations about the environmental impacts of constructing Phase One of HS2,
(b) the views expressed by persons affected by the construction and operation of Phase One of HS2,
(c) the views expressed by local authorities about the impact of constructing and operating Phase One of HS2 in their areas,
(d) the need to protect the natural environment and minimise environmental impacts arising from the construction and operation of Phase One of HS2,
(e) the need to ensure that any action by the Adjudicator in relation to its areas of responsibility is proportionate to the risks against which it would afford safeguards and is targeted only where it is needed,
(f) any developments in approaches to monitoring and mitigating environmental impacts arising from the construction or operation of Phase One of HS2,
(g) best practice among persons performing functions comparable to those of the Adjudicator (including the principles under which regulatory action should be transparent, accountable and consistent).

(2) In performing its functions the Adjudicator must also have regard to such aspects of government policy as the Secretary of State may direct.”

New clause 10—Statement on stakeholder involvement—

“(1) The Adjudicator must publish a statement describing how it proposes to—

(a) discharge its oversight requirements to ensure environmental outcomes reflect the forecasts set out in the environmental statement referred to in section 66(4),
(b) promote engagement and discussion with the nominated undertaker and impacted communities concerning adequate levels of mitigation,
(c) ensure that proper regard is had to views expressed by non-government organisations and local authorities concerning the environmental impacts arising from the construction and operation of Phase One of High Speed 2,
(d) arrange for accurate regular reporting of environmental impacts arising from the construction of the scheduled works and operation of Phase One of High Speed 2.

(2) The Adjudicator may from time to time revise the statement and must publish any revised statement.

(3) Before publishing the statement (or any revised) statement the Adjudicator must consult such persons it considers appropriate.”

New clause 11—Compliance with requirements—

“(1) The Adjudicator will keep under review compliance by HS2 Ltd, the nominated undertaker and its contractors with the standards detailed in the environmental statement, Environmental Minimum Requirements and the Code of Construction Practice and the assurances and undertakings provided by the Secretary of State on HS2 and Information Papers prepared by HS2 Ltd (collectively the “environmental documents”).

(2) If it appears to the Adjudicator that any person has failed or is likely to fail to comply with any requirements for which he is responsible set out in the environmental documents relating to the construction or operation of Phase One of High Speed 2, the Adjudicator (hereinafter referred to in this section as the “relevant requirements”) may address to that person an enforcement notice.

(3) An enforcement notice comes into effect 36 hours after it is published on the website of the Adjudicator.

(4) The Adjudicator must also transmit an electronic version to HS2 Ltd, any nominated undertaker or contractor to the aforementioned, or local authority who has supplied to the Adjudicator an email address for this purpose.

(5) An enforcement notice must also be placed on a hard copy register maintained at such a location as the Adjudicator may determine.

(6) An enforcement notice is a notice in writing—

(a) specifying the matters which appears to the Adjudicator to constitute a failure to comply with the relevant requirements set out in the environmental documents, and
(b) prohibiting the recurrence or occurrence of those matters and requiring the person to whom it is addressed to carry out any specified works or take any steps which the Adjudicator considers necessary to ensure compliance with the relevant requirements detailed in the environmental documents.

(7) Where any person suffers loss or damage as a result of any matter specified in an enforcement notice, whether that loss or damage occurs before or after the service of the enforcement notice, he may recover damages for that loss or damage in a civil court from the person on whom the enforcement notice was served.

(8) It shall be a defence to any claim under subsection (7) above to prove that the matters alleged to constitute non compliance have not occurred or that they do not constitute non compliance with the relevant requirements.

(9) If any person fails to comply with the requirements of an enforcement notice he shall be guilty of an offence.

(10) A person guilty of an offence under this section shall be punishable on summary conviction by a fine not exceeding £20,000 and on conviction on indictment to a fine.

(11) It shall be a defence to any criminal proceedings under subsection (9) claim to prove that—

(a) the matters alleged to constitute non compliance have not occurred,
(b) that they do not constitute non compliance with the relevant requirements or that any required works or steps were not necessary to achieve compliance with the relevant requirements or
(c) that despite due diligence he was unaware of the provision of the notice.

(12) Where an offence under any provision of this Act committed by a body corporate is proved to have been committed with the consent or connivance of, or to have been attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate or a person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.”

New clause 12—Inspections and studies—

“(1) The Adjudicator may for the purposes of its regulatory functions carry out inspections of—

(a) the carrying on of the Scheduled Works, or
(b) the operation of any train travelling on Phase One of HS2.

(2) The Adjudicator may undertake or promote comparative or other studies designed to enable it to make recommendations—

(a) for improving sustainability and effectiveness in any activity mentioned in subsection (3), or
(b) for improving the management of environmental outcomes arising from the operation of Phase One of HS2.

(3) Those activities are—

(a) the undertaking of construction activity by HS2 Ltd or a nominated undertaker,
(b) the making of arrangements by HS2 Ltd or a nominated undertaker for the purpose of environmental mitigation.
New clause 16—Speed and Noise Limitation—

“(1) No person shall drive or cause or permit any train to proceed at a speed greater than 300 km/h on track forming part of Phase One of High Speed 2 except to the extent that the maximum peak noise level arising from train passage, when measured according to a procedure defined by the Secretary of State on the basis of representative train passages and locations, does not exceed 60dBA at any point further than 200m from the centre line of the railway.

(2) If any person fails to comply with the requirements of subsection (1) he shall be guilty of an offence.

(3) A person guilty of an offence under this section shall be punishable on summary conviction by a fine not exceeding £20,000 and on conviction on indictment to a fine.

(4) Where an offence under any provision of this Act committed by a body corporate is proved to have been committed with the consent or connivance of, or to have been attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate or a person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.”

New clause 17—Prohibition of entry of designated vehicles in designated areas—

“(1) No person shall for the purposes of the exercise of powers granted under sections 1 and 2 drive or cause or permit a vehicle of a designated class to enter a designated area, where “designated class” and “designated area” are as defined in [Schedule: Designated Areas and Classes for Vehicles].

(2) If any person fails to comply with the requirements of subsection (1) he shall be guilty of an offence.

(3) A person guilty of an offence under this section shall be punishable on summary conviction by a fine not exceeding £20,000 and on conviction on indictment to a fine.

(4) Where an offence under any provision of this Act committed by a body corporate is proved to have been committed with the consent or connivance of, or to have been attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate or a person who was purporting to act in any such capacity, he as well as the body corporate shall be guilty of that offence and shall be liable to be proceeded against and punished accordingly.”

New clause 22—Construction of an integrated Euston Station—

“(1) The Secretary of State will require the nominated undertaker to take reasonable steps to develop and integrate and construct the enlarged Euston Station and its approaches to be appropriate to provide the copy or extract free of charge.”
The nominated undertaker will be required to participate in the Euston Strategic Board, which shall comprise representatives from the Department for Transport, HS2 Limited, the London Borough of Camden, the Greater London Authority, Transport for London, and in any successor or additional future governance arrangements which may be agreed between the London Borough of Camden, and the Greater London Authority and Transport for London from time to time,

The nominated undertaker will be required to participate in a Euston Station Strategic Redevelopment Board which shall have the same membership as specified in subsection (2)(c), with the addition of Network Rail and any successor network and station operators, designated under section 8 of the Railways Act 1993 and having responsibility for Euston Main Line Station or rail tracks that connect to that station,

The Euston Station Strategic Redevelopment Board will advise the Secretary of State on the delivery of an integrated and comprehensive design for the enlarged Euston Station and other Euston Schemes, alongside other duties which may be set out in its Terms of Reference which may be updated from time to time;

The nominated undertaker will be required to participate in a Euston Integrated Programme Board, the membership of which shall include the organisations specified in subsection (2)(b);

The Euston Integrated Programme Board shall have responsibility for managing the integration of the nominated undertaker's Euston Station design and construction work plans with proposals for other Euston Schemes;

The nominated undertaker will be required to take all reasonable steps to maintain public access to Euston Station and through construction sites that are established for Phase One purposes, including for cyclists and pedestrians;

Where it is not reasonably practicable to maintain public access under subsection (2)(h), the nominated undertaker shall identify alternative measures to maintain public access and implement them where it is reasonable;

The nominated undertaker will be required to participate in a Euston Station Design Panel and use reasonable endeavours to agree the chairperson and other members jointly with Camden London Borough Council, Transport for London and the Greater London Authority, and Network Rail or any successor network operator as defined in subsection (2)(d);

The Secretary of State will require the nominated undertaker to have regard to all recommendations made by the Euston Station Design Panel regarding the nominated undertaker's ongoing design work for Euston Station,

If requested to do so by the Euston Station Design Panel, the Secretary of State will require the nominated undertaker to notify Camden London Borough Council and the Greater London Authority of the full reasons for failing to incorporate into its design work any changes recommended by the Euston Station Design Panel,

The nominated undertaker will make provision for ongoing community engagement during the construction works for the enlarged Euston Station,

Details of the funding expected to be required to rebuild Euston Main Line Station shall be set out when the Secretary of State's duties are fulfilled under paragraph 1(D)(1) of Schedule 4A to the Railways Act 1993 in respect of the review periods preceding the rebuild of Euston Main Line Station and the review periods during which the rebuild of Euston Main Line Station is expected to take place,

For the purposes of subsection (1), “Euston Schemes” shall be taken to mean—

(a) The enlarged Euston Station as referred to in Schedule 1 to this Act,

(b) The rebuild of the Euston Main Line Station,

(c) Over site development and related development opportunities above the Euston Station and tracks in line with the Euston Area Plan; and

(d) Additional proposals for new subterranean railways that may be introduced by the Greater London Authority or Transport for London during the Phase One construction period.

Nothing in this section shall override other limitations imposed by this Act.”

New clause 23—Noise and visual mitigation at Mixbury, Oxfordshire

“(1) The Secretary of State shall require the nominated undertaker to construct, at Mixbury in Oxfordshire, along the west side of the railway’s Hollow Barn embankment, a noise barrier of height between 1.4 metres and 2 metres and of equivalent specification to the noise barrier to be constructed at Westbury.

(2) The area between the Hollow Barn embankment and bridleway no. 303/4 shall be planted with tree screening such that within five years of construction there shall be a tree height adjacent to the embankment of at least 5 metres.”

New clause 24—Benefit/cost review of potential Wardington bypass

“(1) The Secretary of State shall commission a review of the potential benefits of constructing a road bypass on the A361 at Wardington in Oxfordshire.

(2) The review shall have regard to possible alleviation of HS2 construction traffic and other traffic, and to other alternatives for such alleviation.

(3) The review shall include estimates of the costs of construction of a bypass and other relevant costs.

(4) The Secretary of State must lay a report on the outcome of the review before both Houses of Parliament.

(a) within three months of this Act receiving Royal Assent; and

(b) before commencement of any HS2 construction works necessitating more than 24 heavy goods vehicle movements through Wardington, per day.”

New clause 25—Protection of bridleways in Oxfordshire

“(1) The nominated undertaker shall take all reasonably practicable steps:

(a) to keep open bridleways in the vicinity of the railway and associated construction works in Oxfordshire; and

(b) to ensure that such bridleways are safely useable for their intended purposes.

(2) Where closure of a bridleway cannot be avoided, the nominated undertaker shall take all reasonably practicable steps:

(a) to keep the duration of the closure to a minimum; and

(b) to provide safe alternative routes on alignments which so far as reasonably practicable avoid proximity to construction works.

(3) Bridleways shall be screened from construction works with appropriately designed screening of a suitable height.

(4) The nominated undertaker shall consult with users of bridleways on suitable ways to implement the duties set forth in subsections (1) to (3).”

New clause 28—Kingsbury railhead special management zone

“(1) There shall be a special management zone for the area of the Kingsbury railhead, which shall include the areas falling under the aegis of the Kingsbury, Lea Marston, Curdworth, Wishaw and Middleton parish councils and north Warwickshire as a whole.
(2) The nominated undertaker will employ a community engagement team for the special management zone, which shall have responsibility for managing community relations, including the referral, escalation, monitoring and resolution of complaints and the provision of timely information about the status of complaints.

(3) The community engagement team will arrange regular meetings of the nominated undertaker, lead contractors, local authorities and local community representatives to discuss construction issues and forthcoming programmes of work.

(4) The community engagement team shall provide advice on support mechanisms and shall implement the HS2 stakeholder engagement framework.

(5) The community engagement team will be staffed by appropriately experienced personnel and will include—

(a) a single point of contact for local authorities; and

(b) named individual points of contact for property owners affected by construction.

(6) Implementation and enforcement of the Code of Construction Practice within the Special Management Zone will be the responsibility of a senior manager within the community engagement team.

(7) The community engagement team will coordinate responses to the construction of Phase One alongside planning of Phase Two.”

New clause 29—Kingsbury railhead restoration—

“The Secretary of State must require the nominated undertaker, on completion of Phase One construction, to restore the land and environment at and in the vicinity of the Kingsbury railhead to its state as at the date of Royal Assent to this Act, notwithstanding that mitigation measures to be implemented during construction will include earthworks and bunding.”

New clause 31—Mitigation in environs of Old Oak Common—

“(1) Conservation areas in the vicinity of Old Oak Common shall be the subject of special consultation whose objective shall be to mitigate the long-term effects of construction in the area.

(2) The nominated undertaker will use reasonable endeavours to situate heavy goods vehicle entrances to the Old Oak Common construction site as far from residential dwellings in Stephenson Street, Wells House Road and Midland Terrace as is reasonably practicable.”

New clause 34—Mitigation of construction impacts at Canterbury Works vent shaft—

“(1) Commencement of construction work at the Canterbury Works vent shaft construction site shall be subject to being already in place before construction a traffic management scheme.

(2) The traffic management scheme shall include a requirement that construction on the Canterbury Works site does not entail more than 100 individual heavy duty vehicle trips per day (50 arriving and 50 departing).

(3) It shall be a further requirement of the traffic management plan that trips to be made by heavy duty vehicles will avoid the beginning and end of the school day.

(4) The nominated undertaker will require that all heavy duty vehicles entering or employed within the London low emission zones be powered by Euro VI (or lower emission) engines.

(5) The nominated undertaker will undertake regular environmental assessments of dust levels on the premises of St Mary’s Catholic Primary School, particularly in recreational areas such as the playground.

(6) The nominated undertaker will consider on a monthly basis where further measures at source may be required in order to reduce the effects of pollution, and publish its findings.

(7) The Secretary of State will provide the local authorities in the area of the Canterbury Works with the funds they deem necessary for additional road safety measures to ensure children’s safety during construction.

(8) During construction, the nominated undertaker and its contractors must maintain a construction operations website and a telephone helpline staffed 24 hours a day, 7 days a week, to handle enquiries from the general public and local business regarding construction activities.

(9) A log shall be kept of all complaints relating to HS2 construction sites, whether those complaints are made to HS2, local authorities or the police, and all complaints, with HS2’s response and action taken in response, should be published prominently on HS2’s website.

(10) Where there is a pattern of repeated infringement of construction site conditions, HS2 will pay compensation to all those affected.

(11) Information regarding vent shaft construction effects and progress must be made clear through advertisements, on social media, email alerts, local radio and newspapers.

(12) Information services must be provided in languages appropriate to the needs of the area, using the results of a demographic survey.”

This new clause seeks to make mitigate the effects of construction at the Canterbury Works site, in particular in relation to air quality and child health and safety.

New clause 35—Mitigation of construction impacts at Alexandra Place—

“(1) The nominated undertaker will ensure that any HS2-related construction at the Alexandra Place vent shaft construction site complies with existing air pollution legislation.

(2) The nominated undertaker will explore the possibility of using Loudoun Road for the loading and unloading of heavy duty vehicles and of moving materials by rail on tracks running alongside the proposed vent shaft site and shall implement both possibilities to the full extent possible, with a preference for movement by rail.”

New schedule 1—Adjudicator: Status and Funding—

“1 The Adjudicator shall be a body corporate.

2 (1) Subject to sub-paragraph (3), the Adjudicator shall not be regarded as the servant or agent of the Crown or any enjoying any status immunity or privilege of the Crown.

(2) The members of the Adjudicator and of their staff shall not be regarded as civil servants and the Adjudicator’s property shall not be regarded as property of, or held on behalf of, the Crown.

(3) In relation to any matter as respects which the Adjudicator act by virtue of a direction under Section 1.3 the Adjudicator shall enjoy the same privileges, immunities and exemptions as those enjoyed in relation to that matter by the Secretary of State for Transport.

(4) Subject to the provisions of any enactment, the Adjudicator shall not be exempt from any tax, duty, rate, levy or other charge whatever (whether general or local).

(5) The Adjudicator shall receive such funds from the Secretary of State as he considers that it needs to perform its functions expeditiously and efficiently.

Membership

3 (1) The Adjudicator shall consist of not less than 8 and not more than 17 members.

(2) The members shall be appointed by the Secretary of State, who shall appoint one of them to be chairman and may appoint another of them to be deputy chairman.

(3) In appointing any member, the Secretary of State shall have regard to the desirability of the members as a whole having knowledge or experience of all the following, namely railway construction and operation, the preservation of cultural heritage, town and country planning, ecology, arboriculture, landscape, and air quality.

(4) In appointing members, the Secretary of State shall have regard to the desirability of at least one of them having knowledge of local government (as well as knowledge or
experience of one or more of the subjects mentioned in sub-paragraph (3).

(5) Subject to the following provisions of this paragraph, a chairman, deputy chairman or other member shall hold and vacate office in accordance with the terms of his appointment, but no member shall be appointed for a period of more than 5 years.

(6) A chairman, deputy chairman or member may resign his office by notice in writing addressed to the Secretary of State.

(7) If the Secretary of State is satisfied that a member—

(a) has been absent from meetings of the Adjudicator for a period longer than 3 consecutive months without the consent of the Adjudicator, or

(b) has become bankrupt or has made an arrangement with his creditors, or

(c) is incapacitated by physical or mental illness, or

(d) is otherwise unable or unfit to discharge the functions of a member,

the Secretary of State may remove him from his office.

(8) If a chairman or deputy chairman ceases to be a member he shall cease to be chairman or deputy chairman; and if a chairman or deputy chairman ceases to be chairman or deputy chairman he shall also cease to be a member.

(9) A person who ceases to be a member, otherwise than by virtue of sub-paragraph (7), or ceases to be chairman or deputy chairman, shall be eligible for re-appointment.

Staff

4 (1) There shall be a chief officer of the Adjudicator who shall be appointed by the Adjudicator with the approval of the Secretary of State.

(2) The chief officer shall be responsible to the Adjudicator for the general exercise of the Adjudicator’s functions and may, subject to the directions of the Adjudicator, exercise all the powers of the Adjudicator either himself or through nominated staff members.

(3) The Adjudicator may appoint such other employees as the Adjudicator thinks fit.

(4) The Adjudicator shall pay to their employees such remuneration and allowances as the Adjudicator may determine.

(5) The employees shall be appointed on such other terms and conditions as the Adjudicator may determine.

(6) The Adjudicator may pay such pensions, allowances or gratuities as they may determine to or in respect of any of their employees, make such payments as they may determine towards the provision of pensions, allowances or gratuities to or in respect of any of their employees or provide and maintain such schemes as they may determine (whether contributory or not) for the payment of pensions, allowances or gratuities to or in respect of any of their employees.

(7) The references in sub-paragraph (6) to pensions, allowances or gratuities to or in respect of any employees include references to pensions, allowances or gratuities by way of compensation to or in respect of employees who suffer loss of office or employment.

(8) A determination under sub-paragraph (4), (5) or (6) is ineffective unless made with the approval of the Secretary of State given with the Treasury’s consent.

(9) The Adjudicator shall make, not later than such date as the Secretary of State may determine, an offer of employment by the Adjudicator to each person employed in the civil service of the State whose name is notified to the Adjudicator by the Secretary of State for the purposes of this paragraph.

(10) The terms of the offer shall be such that they are, taken as a whole, not less favourable to that person than those enjoyed by him on the date on which the offer is made.

(11) In determining whether the terms of the offer are more or less favourable to that person than those enjoyed by him on the date of the offer no account shall be taken of the fact that employment with the Adjudicator is not employment in the service of the Crown.

(12) An offer made in pursuance of this paragraph shall not be revocable during the period of 3 months beginning with the date on which it is made.

(13) Where a person becomes an employee of the Adjudicator in consequence of this paragraph, then, for the purposes of his period of employment in the civil service of the State shall count as a period of employment by the Adjudicator and the change of employment shall not break the continuity of the period of employment.

(14) Any dispute arising under this paragraph as to whether or not the terms of any employment offered by the Adjudicator are, taken as a whole, less favourable than those applying to a person’s employment in the civil service of the State shall be referred to and determined by an employment tribunal.

(15) An employment tribunal shall not consider a complaint whereby a dispute mentioned in sub-paragraph (6) is referred to it unless the complaint is presented to the tribunal before the end of the period of 3 months beginning with the date of the offer of employment or within such further period as the tribunal considers reasonable in a case where it is satisfied that it was not reasonably practicable for the complaint to be presented before the end of the period of 3 months.

(16) An appeal shall lie to the Employment Appeal Tribunal on a question of law arising from any decision of, or arising in proceedings before, an employment tribunal under this paragraph; and no appeal shall lie except to the Employment Appeal Tribunal from any decision of an employment tribunal under this paragraph.

Proceedings

5 Subject to the following provisions of this Schedule, the Adjudicator may regulate their own procedure (including quorum).

6 (1) A member of the Adjudicator who is in any way directly or indirectly interested in a contract made or proposed to be made by the Adjudicator or by HS2 Limited or by any Nominated Undertaker appointed by the Secretary of State, or in any other matter which falls to be considered by the Adjudicator, shall disclose the nature of his interest at a meeting of the Adjudicator.

(2) The disclosure shall be recorded in the minutes of the meeting.

(3) A member shall not—

(a) where a contract in which the member is interested is under consideration, take part in the deliberations on or decision about the contract; and

(b) where any other matter in which the member is interested is under consideration, take part in the deliberations on or decision about the matter if the Adjudicator decides that the member’s interest might prejudicially affect his consideration of the matter.

(4) For the purposes of this paragraph, a notice given by a member at a meeting of the Adjudicator to the effect that he is a member of a specified body corporate or firm and is to be regarded as interested in any contract which is made with the body corporate or firm after the date of the notice, and in any other matter concerning the body corporate or firm which falls to be considered after that date, shall be a sufficient disclosure of his interest.

(5) A member need not attend in person at a meeting of the Adjudicator in order to make a disclosure which he is required to make under this paragraph if he takes reasonable steps to secure that the disclosure is made by a notice which is taken into consideration and read at such a meeting.

(6) The validity of any proceedings of the Adjudicator shall not be affected by any vacancy among the members, or by any defect in the appointment of any person as a member or chairman or deputy chairman, or by a failure to comply with paragraph 6.
Committees

7 (1) The Adjudicator shall constitute at least one committee to advise him on ecology and at least one to advise him on compensation by HS2 Ltd with its obligations under the Environmental Statement and at least one to advise them on the efficacy of such compensation schemes which are implemented by HS2 Ltd and the Department for Transport and may constitute other committees to advise them on those or other aspects of their functions.

(2) The Adjudicator may include as members of committees persons who are not members of the Adjudicator.

(3) The Adjudicator may regulate the proceedings (including quorum) of committees.

(4) The Adjudicator may pay to the members of any committee such reasonable allowances in respect of expenses or loss of remuneration as the Secretary of State may determine with the Treasury’s approval.

Instruments

8 (1) The fixing of the seal of the Adjudicator shall be authenticated by the signature of the chairman of or some other person authorised either generally or specially by the Adjudicator to act for that purpose.

(2) A document purporting to be duly executed under the seal of the Adjudicator, or to be signed on the Adjudicator’s behalf, shall be received in evidence and, unless the contrary is proved, be deemed to be so executed or signed.

Members Remuneration

9 (1) The Adjudicator shall pay to members of the Adjudicator such remuneration and such allowances in respect of expenses as the Secretary of State may determine with the Treasury’s approval.

(2) In the case of any such member or past member of the Adjudicator as the Secretary of State may with the Treasury’s approval determine, the Adjudicator shall pay such pension, allowance or gratuity to or in respect of him, or make such payment towards the provision of such a pension, allowance or gratuity, as the Secretary of State may so determine.

(3) Where a person ceases to be a member of the Adjudicator, and it appears to the Secretary of State that there are special circumstances which make it right for that person to receive compensation, the Secretary of State may, with the Treasury’s approval, direct the Adjudicator to make to that person a payment of such amount as the Secretary of State may determine with the Treasury’s approval.

Accounts

10 (1) The Adjudicator shall keep proper accounts and proper records in relation to them.

(2) The Adjudicator shall prepare a statement of accounts in respect of each financial year.

(3) The statement shall give a true and fair view of the state of the Adjudicator’s affairs at the end of the financial year and of the Adjudicator’s income and expenditure in the financial year.

(4) The statement shall—

(a) be prepared within such period as the Secretary of State may direct; and

(b) comply with any directions given by the Secretary of State with the Treasury’s consent as to the manner in which the information is to be presented, or the methods and principles according to which the statement is to be prepared.

(5) The accounts in respect of each financial year ending on or before 31st March 2018 (including any statement of accounts in respect of each such financial year prepared under this paragraph) shall be audited by persons appointed in respect of each financial year by the Secretary of State.

(6) No person shall be appointed auditor under this paragraph unless he is—

(a) eligible for appointment as a statutory auditor under Part 42 of the Companies Act 2006; or

(b) a member of the Chartered Institute of Public Finance and Accountancy; but a firm may be so appointed if each of its members is qualified to be so appointed.

(7) Where the Adjudicator has prepared a statement of accounts in respect of a financial year ending on or after 31st March 2016, it must, as soon as reasonably practicable after the end of the financial year to which the statement relates, send a copy of the statement to the Comptroller and Auditor General.

(8) The Comptroller and Auditor General shall examine, certify and report on any statement of accounts sent to him under sub-paragraph (7).

(9) In this paragraph “financial year” means the period commencing with the day of the Adjudicator’s establishment and ending with the second 31 March following that day, and each successive period of 12 months.

Information

11 (1) The Adjudicator shall make to the Secretary of State, as soon as may be practicable after the end of each financial year, a report on the exercise of their functions since the last report was made or (in the case of the first) since the Adjudicator’s establishment.

(2) Each report shall include a copy of the statement of accounts prepared and audited under paragraph 11 in respect of the financial year and, where the statement has been audited by the Comptroller and Auditor General, a copy of his report on it.

(3) Each report of the Adjudicator shall include a statement of action taken by the Adjudicator concerning—

(a) the compliance by HS2 Ltd with the commitments made in the Phase 1 Environmental Statement,

(b) the adequacy of the mitigation measures undertaken by HS2 Limited and any Nominated Undertaker concerning construction of the line,

(c) Recommendations concerning any additional mitigation measures required to ensure adequate environmental mitigation,

(d) The assessment of reasonable practicability undertaken by the nominated undertaker,

(e) The Secretary of State shall lay a copy of each report of the Adjudicator before each House of Parliament,

(f) As soon as may be after receiving any report made by the auditors on any accounts audited under paragraph 12 or, as the case may be, made by the Comptroller and Auditor General on any statement of accounts prepared under that paragraph, the Adjudicator shall send a copy of the report to the Secretary of State,

(g) The Adjudicator shall furnish the Secretary of State with such information relating to their property and the discharge and proposed discharge of their functions as he may require, and for that purpose they shall permit any person authorised by him to inspect and make copies of any accounts or other documents of the Adjudicator and shall give such explanation of them as that person or the Secretary of State may require and

(h) In this paragraph “financial year” has the same meaning as in paragraph 10.

House of Commons disqualification

12 (1) In Part III of Schedule 1 to the House of Commons Disqualification Act 1975 (disqualifying offices), there shall be inserted at the appropriate place in alphabetical order—

(2) “Any member, in receipt of remuneration, of the Adjudicator.”

New schedule 2—Designated areas and classes for vehicles (Specific)—

‘Designated area

The A432 road, Balsall Common, between its junction with Windmill Lane and the bridge over the Rugby and Birmingham railway.
Designated class
A vehicle exceeding 8 tonnes.

Designated area
Waste Lane, Balsall Common, between its junction with the A452 and the eastern junction with Old Waste Lane.

Designated class
A vehicle exceeding 8 tonnes.

Designated area
The Kenilworth Greenway.

Designated class
Any vehicle except a vehicle crossing from one side of the designated area to a point immediately opposite.”

New schedule 3—Designated areas and classes for vehicles (Generic)—

“Any designated areas

The designated area or areas in which a designated class or designated classes of vehicles are to be expressly prohibited shall be defined by the Secretary of State after consultation with local interested parties. They shall be contained in regulations to be made by statutory instrument, which shall not be made unless a draft thereof has been laid before, and approved by a resolution of, each House of Parliament.

Any designated class
A vehicle exceeding 8 tonnes, unless otherwise defined in relation to a particular designated area in regulations to be issued by the Secretary of State as above.”

Amendment 1, in clause 1, page 1, line 4, after “1,” insert

“subject to subsections 1A, 1D, 1G, 1I, 1O and 1T”

Amendment 2, page 1, line 6, at end insert—

“(1A) The nominated undertaker shall not exercise powers granted under section 1 to construct a surface railway route within the boundaries of The Chilterns Area of Outstanding Natural Beauty (Chilterns AONB).

(1B) Any railway constructed as part of Phase One of High Speed 2 and within the boundaries of the Chilterns AONB shall be built as an extension to the bored tunnel in this area, which is planned through the works specified in Schedule 1 of this Act.

(1C) In this section, the Chilterns AONB shall mean the area of outstanding natural beauty designated within the Chilterns under section 82(1) of the Countryside and Rights of Way Act 2000.”

This amendment seeks to prevent any surface railway route through The Chilterns Area of Outstanding Natural Beauty and require that any railway within the AONB be built in a fully-bored tunnel.

Amendment 2, page 1, line 6, at end insert—

“(1D) The nominated undertaker shall not exercise powers granted under section 1 to build a surface railway route within the boundaries of The Chilterns Area of Natural Beauty (Chilterns AONB).

(1E) To fulfil railway construction requirements for Phase One of High Speed 2 within this area, the nominated undertaker shall pursue an extension of the bored tunnel which is planned through works specified in Schedule 1, via a Transport and Works Act order as provided for in section 52 of this Act, or via such other procedure as shall ensure an opportunity for appropriate public participation and objection.

(1F) In this section, the Chilterns AONB shall mean the area of outstanding natural beauty designated within the Chilterns under section 82(1) of the Countryside and Rights of Way Act 2000.”

This amendment seeks to ensure that any railway constructed as part of Phase One of High Speed 2 and within the boundaries of the Chilterns AONB shall, between South Heath and Leather Lane, east of the A413 Aylesbury Road in Buckinghamshire, be built within bored tunnel.

(1G) Any railway constructed as part of Phase One of High Speed 2 and within the boundaries of the Chilterns AONB shall, between South Heath and Leather Lane, east of the A413 Aylesbury Road in Buckinghamshire, be built within bored tunnel.

(1H) The works referred to in subsection (1G) shall be pursued by means of a Transport and Works Act order or such other procedure as shall ensure an opportunity for appropriate public participation and objection.

(1I) In this section, the Chilterns AONB shall mean the area of outstanding natural beauty designated within the Chilterns under section 82(1) of the Countryside and Rights of Way Act 2000.”

This amendment would seek to provide partial further protection of the Chilterns AONB by extending the bored tunnel northward from South Heath for a further mile.

Amendment 5, page 1, line 6, at end insert—

“(1J) The nominated undertaker shall not exercise powers to commence any works specified in this Clause, or any other construction works connected to Phase One of High Speed Rail 2, until a cost benefit analysis of the environmental impacts of such works has been completed.

(1K) The cost benefit analysis must include, but shall not be restricted to, an assessment of the environmental impacts of Phase One of High Speed Rail 2 and connected construction works in The Chilterns Area of Outstanding Natural Beauty.

(1L) Within twelve weeks after the date on which this Act comes into force the Panel must report its conclusions and recommendations to the Secretary of State.

(1M) If the Secretary of State rejects any recommendation made by the panel he must—

(a) make publicly available the reasons for doing so, and

(b) demonstrate how any environmental cost that would have been addressed by the rejected recommendation will otherwise be mitigated.

(1N) Any deviation from works specified in this Schedule required as a result of the panel's recommendations shall be pursued via a Transport and Works Act order, as provided for in section 52 of this Act, or via such other procedure as shall ensure an opportunity for appropriate public participation and objection.”

This amendment seeks to make progress of any construction works connected to Phase One of High Speed Rail 2 conditional on the completion of an environmental cost benefit analysis.

Amendment 6, page 1, line 6, at end insert—

“(1O) The nominated undertaker shall not exercise powers to commence any works specified in this Schedule, or any other construction works connected to Phase One of High Speed Rail...
2, until a full reassessment of tunnelling methodology as applied to an extended bored tunnel under The Chilterns Area of Outstanding Natural Beauty, has been completed.

(1P) The reassessment shall be conducted by a panel of experts and other relevant parties, to be appointed, funded and facilitated by the nominated undertaker.

(1Q) Within twelve weeks of this Act coming into force, the panel must report its conclusions and any recommendations to HS2 and the Secretary of State.

(1R) If the Secretary of State rejects any recommendation made by the panel he must—
   (a) make publicly available the reasons for doing so, and
   (b) provide a cost benefit analysis of any alternative proposal to that recommended by the panel.

(1S) Any deviation from works specified in this Schedule required as a result of the panel's recommendations shall be pursued through a Transport and Works Act order, as provided for in section 52 of this Act or such other procedure as shall ensure an opportunity for appropriate public participation and objection.

This amendment would make progress of any works connected to Phase One of High Speed Rail 2 conditional on the completion of a reassessment of tunnelling methodology for an extended bored tunnel under part of The Chilterns Area of Outstanding Natural Beauty.

Amendment 7, page 1, line 6, at end insert—

“(1T) The nominated undertaker shall not exercise powers to commence any works specified in this Schedule, or any other construction works connected to Phase One of High Speed Rail 2, until a full assessment of traffic management requirements has been completed.

(1U) The assessment shall be conducted by a panel of experts and other relevant parties, to be appointed, funded and facilitated by HS2 Ltd.

(1V) Within sixteen weeks of this Act coming into force the panel must report its conclusions to the Secretary of State. The report must include but shall not be limited to—
   (a) a full assessment of traffic management requirements consequential to any works specified in this Schedule, and
   (b) detailed proposals outlining how such requirements shall be addressed.”

This amendment would make progress of any works connected to Phase One of High Speed Rail 2 conditional on the completion of an assessment of traffic management requirements and implementation of solutions to address such requirements.

Amendment 8, page 1, line 6, at end insert—

“(1A) In exercising the powers in this Bill, the nominated undertaker shall have regard to the desirability of minimising the number of gantries to be installed to provide power to the railway, in particular in areas of outstanding natural beauty designated by statute and in other areas of particularly high environmental value and sensitivity, and shall consult with local communities in designing plans for gantry installation.”

Amendment 11, page 1, line 6, at end insert—

“(1A) The nominated undertaker shall not exercise powers granted under section 1 to construct a surface railway route between Burton Green, Warwickshire, and Mercote Hall Lane east of Hampton-in-Arden, Solihull.

(1B) Any railway constructed as part of Phase One of High Speed 2 between Burton Green, Warwickshire, and Mercote Hall Lane east of Hampton-in-Arden, Solihull, shall be built as an extension to the tunnel at Burton Green, which is planned through the works specified in Schedule 1 of this Act.”

Amendment 17, page 1, line 6, at end insert—

“(1A) The nominated undertaker shall not exercise powers to commence any works specified in schedule 1 relating to Canterbury Works in Brent, London until a cost benefit analysis of the environmental impacts of such works has been completed.

(1B) The cost benefit analysis shall be undertaken by a review panel, the membership of which must include, but shall not be restricted to, representatives from—
   (a) HS2 Ltd;
   (b) Department for Transport;
   (c) Brent Council;
   (d) Environment Agency; and
   (e) Key community groups

(1C) The panel shall be funded and facilitated by the nominated undertaker.

(1D) Within twenty weeks after the date on which this Act comes into force, the panel must report its conclusions and recommendations to the Secretary of State.

(1E) If the Secretary of State rejects any recommendation made by the panel he must make publicly available the reasons for doing so and must demonstrate how any environmental cost that would have been addressed by the rejected recommendation will otherwise be mitigated.”

This amendment seeks to make construction at the Canterbury Works site subject to an environmental cost benefit analysis.

Amendment 12, in clause 20, page 9, line 6, at end insert—

“(1A) The deemed planning permissions in subsection (1) shall be made subject to the approval of the external appearance of the works by the relevant parish or town council.

(1B) The approval of the external appearance referred to in subsection (1A) shall not be withheld unreasonably, and shall be determined by the relevant parish or town council within four weeks of the submission by the nominated undertaker of full details of the external appearance of the proposed works to the proper officer of the council.”

Amendment 16, in clause 29, page 12, line 29, at end insert—

“(2) Any reconfiguration of utilities taking place pursuant to this Bill at Wormwood Scrubs Common will be undertaken with regard to the value of Wormwood Scrubs Common as an amenity, and shall not involve the creation of any permanent pedestrian or vehicular access.”

Amendment 9, in clause 31, page 13, line 30, at end insert—

“(5A) The Secretary of State shall, within one year of Royal Assent, consult on and prepare plans for the undergrounding of all overhead power lines over a height of 15m in areas of particularly high environmental value or sensitivity, and shall within one year thereafter introduce legislation or alternative regulatory measures (to the extent such measures are required) to permit such undergrounding to take place by the end of 2020.”

This amendment is intended to compensate for the physical effects of the railway in certain areas by removing existing obtrusive and unappealing infrastructure.

Amendment 10, page 13, line 30, at end insert—

“(5A) The Secretary of State shall, within one year of Royal Assent, consult on and prepare plans for the undergrounding of all overhead power lines in the Chilterns Area of Outstanding Natural Beauty over a height of 15m, and shall within one year thereafter introduce legislation or alternative regulatory measures (to the extent such measures are required) to permit such undergrounding to take place by the end of 2020.

(5B) In this section, “Chilterns Area of Outstanding Natural Beauty” shall mean the area of outstanding natural beauty in the Chilterns designated under section 82(1) of the Countryside and Rights of Way Act 2000.”

This amendment is intended to compensate for the physical effects of the railway in the Chilterns AONB by removing existing obtrusive and unappealing infrastructure.

Amendment 13, in schedule 1, page 79, leave out lines 47 to 50.
Mrs Gillan: New clause 6 relates to the Chiltern review group. The Chiltern area of outstanding natural beauty, which has been a designated landscape for more than 50 years, is the only AONB affected by phase 1 of HS2. As it stands, 8.8 km of the AONB is still exposed to the line and remains untunnelled and above ground. It will be a permanent scar on the landscape, and the effects will be irreversible. A Chiltns AONB review group would provide local authorities and key stakeholders with the opportunity to identify greater measures of mitigation and work collaboratively with the promoter to ensure that this precious area was protected to the highest possible level during the construction and operation of the railway.

When the project was first announced, I was assured that local people would have a chance to input their views and expertise into the plans for HS2, but, so far, those opportunities have been limited. This group of amendments would make sure that local people and councils had genuine influence over the future of their area, which will, I believe, be irrevocably damaged by HS2.

3.30 pm

New clause 7 concerns trees. When I petitioned the HS2 hybrid Bill Select Committee, one of my requests was to ensure that HS2 fulfilled the Government’s promise to plant and maintain 2 million trees. The trees that were planted following HS1 were not properly maintained, and, as a result, many of them died. I asked for an undertaking from HS2 to that effect, but that has not been forthcoming.

Sir Greg Knight (East Yorkshire) (Con): I am grateful to my right hon. Friend for giving way. Is not new clause 7 actually defective? There does not appear to be any duty to replant trees that have died.

Mrs Gillan: My right hon. Friend makes a valid point. He will notice that there are a large number of amendments on the Order Paper in my name. I have not had the advantage of parliamentary draftsmen; I have had only lawyers, friends and my own wits, with the Clerks of the House to fall back on. However, I think that as a probing amendment, new clause 7 will make its point.

Michael Fabricant: Does my right hon. Friend agree that the problem of trees and ancient woodland demonstrates not only a lack of commitment but a deep lack of understanding by HS2 of these environmental issues?

Mrs Gillan: My hon. Friend has already made a name for herself in the House for defending our environment, and I hope that she long continues to do so. I agree with her entirely. The Woodland Trust wants ancient woodland to be removed from the “no net loss” calculation, and it is disappointed that HS2 has not done everything that it should or could do to avoid the loss of ancient woodland.

Barry Gardiner (Brent North) (Lab): I am sure that the right hon. Lady will acknowledge that when HS2’s original estimate of the amount of ancient woodland was reviewed by the Woodland Trust, that estimate was increased by 78%. It is appalling that the initial environmental survey conducted by HS2 did not record accurately the amount of ancient woodland involved.

Mrs Gillan: The hon. Gentleman’s point about inaccurate assessments is, I am afraid, repeated throughout dealings with HS2. This is a particularly bad example. The Woodland Trust petitioned HS2 for a minimum planting ratio of 30:1 to compensate for the fact that irreplaceable habitats will be lost, and the planting of 2 million trees along the wider route is just the starting point. I would have hoped that that could be put in the Bill, which would have made the provision legally binding and ensured that at least some structured replanting and maintenance took place.

Mr Goodwill: May I underline our commitment to no net environmental loss and our commitment to plant 2 million trees, which will be managed to the best arboricultural standards? One of the problems that we had with the assessment of ancient woodland was getting access to land to carry out such assessments, because some landowners would not grant us access. That will not be a problem with further phases, because we have taken those powers as part of the Bill.

Mrs Gillan: I am grateful to my hon. Friend for that clarification. I wish I could take it at face value.

Barry Gardiner: As I am sure the right hon. Lady agrees, the Minister’s assurance that there will be no net loss is not worth the air time it is given. Ancient woodland is, of course, as Natural England precisely characterises it, “irreplaceable”. The idea that there can be no net loss of something that is irreplaceable is simply a contradiction in terms.

Mrs Gillan: The hon. Gentleman makes a very valid point. Quite frankly, the fact that anybody actually says they would replace ancient woodland just shows the ignorance of some of the people dealing with this matter.

Mr Goodwill: May I just make the point that translocation of ancient woodland soils is recognised by Natural England as an important mechanism for aiding the creation of ecologically valuable woodlands? If properly planned and undertaken, that can be an important element of compensatory measures, where the loss of ancient woodland is unavoidable.

Rebecca Pow (Taunton Deane) (Con): I was at the debate about ancient woodland to which my right hon. Friend referred. Does she agree that more ought to be done to try to protect those precious ancient woodland habitats? I understand the economic reasons, but what about the ancient woodland?
Mrs Gillan: I again thank the Minister for that clarification.

Victoria Prentis: I am very concerned about the protection of ancient pastureland. In one particularly egregious case in my constituency, HS2 Ltd suggested that it replace ancient woodland on ancient pastureland, which is even rarer and more valuable.

Mr Grieve rose—

Mrs Gillan: I think my right hon. and learned Friend has had a similar experience.

Mr Grieve: My right hon. Friend is absolutely right. Those managing pastureland to produce wild flowers were told that, after years of husbandry, somebody was going to stick a wood on it. HS2’s reaction was simply to find a bit of land on which to stick some trees.

Mrs Gillan: I make no comment. That speaks for itself.

Barry Gardiner: Will the right hon. Lady give way?

Mrs Gillan: I think I have given way enough to the hon. Gentleman. I want to make some progress because so many Members want to speak on this group of amendments, and we have so little time.

I have tabled new clauses, drafted by a very senior lawyer, on a proposal that is of particular importance to everybody—the adjudicator. The proposal is of great importance and would improve the project immeasurably. New clause 8 provides for an independent regulatory body regularly to review and monitor progress during construction, and to hold HS2 to account in delivering what has been promised in environmental and other mitigations. The construction commissioner or complaints commissioner proposed by the Department for Transport simply will not have the remit or the expertise to monitor such a large project. In addition, it can only cover claims of up to £7,500. I believe we need truly independent scrutiny by an independent body. Some of the panel members should have relevant expertise, and most importantly, it should have enforcement powers.

The history of this project is full of errors and omissions, including the downplaying of the environmental impacts, together with the “It will be fine” and “The people along HS1 did not complain” attitude of the promoter. We cannot trust what HS2 is currently offering. At the moment, it is in effect responsible for policing itself.

The Government assure us that the environmental minimum requirements and the code of construction practice offer the necessary protections, but close examination of the documents does not provide such reassurance. The devil is always in the detail. In practice, it means that although HS2 is required to adopt measures to reduce the adverse environmental effects reported in the environmental statement, it only has to do so “provided that such measures are reasonably practicable and do not add unreasonable cost or delay to the construction or operation of the project”.

In effect, that gives the nominated undertaker, which is in charge of monitoring itself, a “get out of jail free” card.

Andrew Bridgen: Is my right hon. Friend as concerned as I am that if HS2 is its own policeman, corners will be cut when the budget comes under further pressure, as it undoubtedly will, and local people and the environment will suffer as a result?

Mrs Gillan: I think that will happen. Once this project is on its way, it will be easy to say that this would delay it or that would cost more. Presumably, it will be very easy for HS2 to say that almost any environmental mitigation could cause delays to the project and add to the cost, and therefore that it is not reasonably practical to implement it.

I have looked at the complaints process. It cannot be sensible or practical to have a complaints process that ends up with the Speaker of the House as the adjudicator of last resort for dispute resolution in relation to the construction of HS2 and, most importantly, the implementation of environmental mitigation. I do not want to be fobbed off by the Minister with reassurances that the Department for Transport has covered it all with the construction commissioner, because we can be very sure that it has not. We owe the people burdened with this project, and the communities that are being destroyed, that extra level of scrutiny and protection, and somebody whom they can turn to immediately.

My remaining new clauses concern the tunnels and the look of this project in my constituency. I will summarise those points briefly because many people want to speak. It is not fair to say that my constituency has not been protected at all by additional tunnelling. As the Minister said in his opening remarks—I am told I am to be very grateful—there will now be a tunnel for two thirds of my constituency. My constituents are grateful for that, but 8.8 km of the route through the area of outstanding natural beauty is outside the tunnel. When we are doing such brilliant tunnelling with Crossrail 2, and when we know that tunnelling expertise in this country leads the world, why are we not using that to tunnel under a nationally protected piece of the environment? I have tabled these new clauses to remind the Minister that we will not give up on this issue at any stage, and I hope that the House of Lords will also give it due consideration.

I have tabled an amendment on traffic, which is important because the traffic assessments from HS2 have been atrocious. I have also tabled amendments on pylons, and the possibility that we will be able to take the opportunity offered by HS2’s construction phase to ensure that if pylons are above ground, they are designed to fit in with the countryside, but that if possible they could be placed underground.

I see that you are getting anxious, Madam Deputy Speaker, as am I, because the Government have not given us enough time to do justice to these new clauses. I am sorry that I have not been able to deploy all my arguments, but in the interest of allowing others to speak, and knowing that time has been taken out of this debate by the Opposition’s forcing a vote on something that is not relevant to now or to my constituents, I will let others speak.

Keir Starmer (Holborn and St Pancras) (Lab): New clause 22 deals with Euston, which is in the middle of my constituency. It is not easy to convey to the House the devastating impact that HS2 will have on my
A child born next year in my constituency will live out their entire retirement knowing nothing but a station in twice the time, with twice the damage.

3.45 pm

Mr Grieve: I will be extremely brief on the issue of the adjudicator. I listened very carefully to what the hon. and learned Member for Holborn and St Pancras (Keir Starmer) said and I have great sympathy with all the points he makes. This is why I am bound to say that I find it so odd that the Government will not accept the creative idea of having an office of the HS2 adjudicator. The scale of the project makes it desirable to have an independent arbitration authority to resolve the inevitable disputes that will arise over the way in which the scheme is carried out. If I may say so to the Minister, I would have thought it very much in the Government’s interests to accept this idea; otherwise, the burden will inevitably fall on Members of Parliament whose constituencies are affected, and the House’s time will be taken up with constant arguments about how HS2 is not observing its obligations or carrying out the work in accordance with the intention it originally presented.

This is going to cause massive problems for the Minister and his Department and will probably clog up some of the House’s business time. It is all the more reason to have an independent adjudicator who is approachable exactly like an ombudsman and who can take on some of that burden and do it professionally and in a manner that reassures people and commands respect. I therefore strongly urge the Minister to accept new clause 8. It would be regrettable if the Government did not, because, as I say, an extra burden would fall on their shoulders as a result of the many problems that will inevitably arise during construction of the project.

Andy McDonald: I wish to speak to new clause 22 on the construction of an integrated station at Euston.

There have been many discussions and consultations between HS2 and Camden Borough Council about Euston, and the new clause draws on the assurances that HS2 gave to Camden. The thrust behind this long and technical new clause reflects the fact that the redevelopment of Euston presents an enormous opportunity to build something of real worth to accommodate not only the station to the west for HS2 phase 1 and all its works but the redevelopment of the mainline station, and to take into account the requirements of phase 1 and, in due course, phase 2, including in anticipation of Crossrail 2 in the fullness of time.
Michael Fabricant: The hon. Gentleman is right to talk about the integration between Crossrail and Euston and what might be possible at Euston, but does he agree that it is completely mad that HS2, which will be coming from the north, does not go to St Pancras or even connect with HS1 to enable people to travel to the continent?

Andy McDonald: That point has been raised several times. The intention, as expressed in the documents, is to have a pedestrian connection between them.

An overarching approach to an integrated station would not only take account of all the anticipated works but achieve the objectives of securing the best possible outcomes for the residents of Camden and minimising the enormous disruption they will undoubtedly suffer. Many properties will be demolished and other properties will be in extremely close proximity to the works; public open spaces will be lost; there will be fleets of heavy goods vehicles and commercial vehicles; and noise pollution will undoubtedly disrupt the peaceable enjoyment of many properties, including in places such as Cobourg Street, which is a tranquil community with a quiet courtyard at its heart, notwithstanding its close proximity to busy traffic and the railway station. Businesses in streets like Drummond Street will also be disturbed.

We are asking the good people of Camden to put up with a great deal and to make huge sacrifices for the benefit of the nation, and Labour has tried to do all it can, in new clause 22 and in Committee, to mitigate the impact on the quality of life for residents. We acknowledge the sincerity of the Minister and his colleagues in working to that objective, but we take the view that this is so important that the assurances given ought to be in the Bill and have the full force of law.

We seek to minimise the amount of excavated material and construction materials transported into and around the site by road and to have as much as possible moved by rail. Camden Council has developed a Euston area plan, and we propose that any designs for the enlarged Euston station take full cognisance of that plan and other such framework documents and relevant guidance. The assurances talk of various boards, including the Euston strategic board, the Euston station strategic redevelopment board and the Euston integrated programme board, which bring together a number of prescribed partners. We seek to ensure that the nominated undertaker—the relevant body carrying out the Euston works but achieve the objectives of securing the best possible outcomes for the residents of Camden and minimising the enormous disruption they will undoubtedly suffer. Many properties will be demolished and other properties will be in extremely close proximity to the works; public open spaces will be lost; there will be fleets of heavy goods vehicles and commercial vehicles; and noise pollution will undoubtedly disrupt the peaceable enjoyment of many properties, including in places such as Cobourg Street, which is a tranquil community with a quiet courtyard at its heart, notwithstanding its close proximity to busy traffic and the railway station. Businesses in streets like Drummond Street will also be disturbed.

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Geoffrey Clifton-Brown: Does the hon. Gentleman agree that if Euston station were holistically designed and developed, it would provide a huge opportunity for regeneration in the Euston area and produce a lot of good quality local affordable housing to replace some of the affordable housing that will be devastated by HS2?

Andy McDonald: I agree entirely with the hon. Gentleman’s intervention. That is the thrust of our new clause, which I trust he will support. It stipulates that the redevelopment board will advise the Secretary of State on the delivery of an “integrated and comprehensive design” for the enlarged Euston station, and it is for the integrated programme board to make sure that the designs and construction plans for Euston fit with proposals for other Euston schemes.

Access is a real issue, so while the construction is under way, which it will be for many years, we want to ensure that pedestrians and cyclists have continuous access through the site to west and north to south, insofar as it is “reasonably practicable” to do so. A design panel will work to ensure that the relevant partners can agree an appropriate design. Whoever is appointed for these purposes by HS2 will be obliged to work with that panel to ensure full buy-in to the design. Indeed, there will be an obligation on the nominated undertaker to take proper notice of the recommendations made by the design panel, and if for some reason the nominated undertaker does not follow those recommendations, our new clause states that it will be required to explain why that is so. The new clause makes sure that the community is properly engaged throughout the construction works at Euston so that its concerns will be recognised and its voice heard.

The provision is even more important, given today’s publication of the Parliamentary and Health Service Ombudsman’s report on a complaint about HS2. It effectively concludes that there are fundamental problems with the way HS2 Ltd communicates with the residents affected by their plans and the way it handles complaints.

The report dealt with specific complaints, but it is worrying that the Chairman of the Public Administration and Constitutional Affairs Committee has said:

“There is still a culture of defensive communication and misinformation within this public body and that is not acceptable. Unless those responsible for delivering HS2 understand that first and foremost they serve the public, they will continue to be criticised for having complete disregard for the people, some of them vulnerable, who are impacted by this large-scale infrastructure project.”

Mr Jim Cunningham (Coventry South) (Lab) rose—

Andy McDonald: If my hon. Friend would not mind, I am conscious of my time drifting away.

The Chairman continued:

“We expect HS2 Ltd to prioritise its response to Ian Bynoe’s forthcoming recommendations on communication and engagement and on complaint handling. This is a matter of primary importance for HS2 Ltd, and must be treated as such.”

I trust that the Minister will take on board the criticisms of the Committee and make sure that any necessary cultural and other changes are made so that there is no such repetition. I urge him further to consider, even at this late stage, accepting our representations in the context of this new clause.

The new clause also provides that when the Secretary of State sets out the Government’s periodic railway investment plans, in what we have come to term “control periods”, he or she should set out the costs of and funding for the anticipated works in the planning period before the works start and during the control period in which the works will fall.

Yes, previous infrastructure projects have had similar assurances woven into them and they have been observed, but this is such a huge infrastructural undertaking, the likes of which has never been done before in such a manner, on such a scale or over such a lengthy period of time. We believe that the people of Camden need to have more than just the assurances that have been given. On this occasion, we believe that we have to take the extra step of working those assurances directly into the Bill.
The Minister will not need me to remind him that throughout the Public Bill Committee Labour tabled a number of amendments and new clauses that pressured the Government to justify the inclusion of wide-ranging blanket powers granted to the Secretary of State for the purposes of the construction and operation of HS2. Each time the Minister responded by resisting our attempt to curtail the scope of the Secretary of State’s powers on the basis that the Government was taking a “belt and braces” approach so as to be absolutely sure. I am now therefore asking for the loan of his belt and braces— not to protect my dignity, but to protect the people of Camden.

I do not intend to impugn the sincerity of HS2 Ltd or of the Minister, and he knows that. In the light of the comments from the Public Administration and Constitutional Affairs Committee and the special set of circumstances that apply, we firmly believe that these provisions need to be enshrined in statute. I shall test the will of the House on new clause 22 by putting it to the vote.

**Mrs Caroline Spelman** (Meriden) (Con): I have tabled some fresh amendments that are designed to help colleagues whose constituencies are along the line of route. In particular I shall highlight the important issue of the adjudicator, and I shall support my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan) on the new clause 7. I want to impress on the Government that when I was Secretary of State for Environment, Food and Rural Affairs and published the “Natural Environment” White Paper, it was made clear that the objective was for a net positive outcome from offsetting. That is more ambitious than no net loss, and it can be achieved by, for example, combining offsets and regenerating degraded land such as the Tame river valley on the east of Birmingham, where the spur to Birmingham station will be built.

4 pm

My No. 1 ask for my constituency remains a tunnel to avoid the 40-foot flyover that will sever the parish of Berkswell, separating the primary school from the secondary school. I must impress on the Minister the opportunity that that would create to approach the new station underground, thereby preserving the flexibility above ground in an area where the land will be of extremely high value.

I support new clauses 16 and 17, new schedules 2 and 3, and amendments 11, 12 and 13. New clause 16, which deals with speed and noise limitation, would ensure better protection from noise levels for those living alongside the whole course of the line. Train speed, contingent on noise, is an important concept not previously examined, and the new clause would ensure that HS2 must consider it carefully. New clause 17 would prohibit the entry of designated vehicles into designated areas. New schedule 2 is specific to my constituency, but new schedule 3 would cover any designated area. The new schedules would enable the Secretary of State to consider prohibiting HS2 contract vehicles weighing more than 8 tonnes from using certain roads during the construction phase, thus helping to ease the impact on local people.

Amendment 12 seeks to give relevant parish and town councils a greater say over the conditions within the localised planning applications to ensure that they can influence the design of what they will have to live with. Amendment 13, which is also specific to my constituency, seeks to protect residents of Hampton-in-Arden from a proposal that, theoretically, turns a once quiet country lane into a rat run on the approach to the new station. I have previously submitted a petition with 746 signatures to the House.

I want to draw attention to a wider concern about the process behind the decisions that have been made. I have great respect for the members of the Select Committee, who “listened for England” over a 22-month period. However, there was a problem. If a deal could be cut in the corridor outside the Select Committee while one party was giving evidence, the other was excluded. The result of that was a lack of transparency, which, in this day and age, is unfair to some of the petitioners.

Unfortunately for me, new clause 36 was not selected, but it underlines the importance of integrating the HS2 project with existing road and rail networks.

HS2 is a cross that some of us are having to bear. The load is heavy for our parliamentary offices. Our staff have had to put up with an extremely difficult period while serving as the interface with our constituents. However, I am still optimistic that this hybrid Bill will be amended in the other place: I do not view the Bill we are examining today as the final item.

**Tulip Siddiq** (Hampstead and Kilburn) (Lab): New clauses 34 and 35, which I tabled, relate to construction at Canterbury Works and Alexandra Place in my constituency. I shall say something about the environmental impacts, but before that I want to make a point about the poor communication on the part of HS2, which has also been mentioned by Conservative Members.

Last October, along with volunteers, I delivered letters to constituents living near Canterbury Works. It was the first time that many of them had even heard of the plans, which is simply not good enough. Many of the people who live near Canterbury Works and the Alexandra and Ainsworth estate speak English as a second language, and HS2’s poor communication meant that they had no idea of what was coming along the tracks towards them as a result of this devastating scheme. My new clauses would change that situation, and give some information and assurances to the people whose lives will be blighted by the scheme.

At Canterbury Works, which is in the Brent area of my constituency, a vent shaft will be built in a very deprived area next to a school playground. Parents of pupils at the school have told me repeatedly how detrimental the construction will be to their children’s education, health and welfare. Arancha, a constituent and the parent of a pupil at the school, raised specific concerns about air pollution. She said:

“Children will be directly affected by the impact of noise levels from construction, causing disruption to their learning experience, in particular for the percentage of pupils with Special Educational Needs”.

Her concerns do not stand in isolation; they exist in a socioeconomic context that demands that south Kilburn be given a better deal than the upheaval being imposed by HS2. The areas surrounding the proposed vent shaft in Brent are in the top 1% in the country for income deprivation affecting children.
Let me turn to the other borough in my constituency, Camden. At Alexandra Place, another vent shaft will be built adjacent to crowded businesses and residential properties, and 100 vehicles a day will be emitting dangerous fumes within the confines of narrow roads that are surrounded on all sides by apartment buildings. Residents of a care home and the children living in the apartments on Alexandra Place will face increased risks to their health for many years. An article in The Sunday Times in October said that pollution in London was stunting the growth of children’s lungs, so when the Select Committee report states that “together” the two sites that I have named are “the most sensitive” locations for vent shafts in an urban area, its words should be taken seriously.

I know that there is not much time, so I shall finish by saying that I do not object to transport schemes or infrastructure projects without giving them the utmost consideration. However, I am proud to call my constituency infrastructure projects without giving them the utmost consideration. However, I am proud to call my constituency deprived communities. This is my reason for speaking particularly in pursuit of a scheme that brings no benefit to my constituents.

Victoria Prentis: I should like to add my support to the amendments relating to the office of the adjudicator, which have been debated so well this afternoon. It is critical for my constituents to have someone who can intervene between them and HS2, and the cross-party, high-level legal support for those amendments should be noted by the Secretary of State and the House.

The amendments tabled in my name are specific and I shall deal with them briefly. New clause 23 relates to Mixbury. The estimated frequency of the trains means that the noise will be almost continuous in that unspoiled village, which has as many stables as houses. HS2 has failed to engage with the community in Mixbury—this is a good example of failure to engage—on the question of adequate noise mitigation. The community is so concerned that the villagers are considering fundraising to install noise barriers themselves. I would like the House to take note of that.

New clause 24 relates to Wardington, which, like so many areas in my constituency, has an existing traffic problem. HS2 construction traffic will turn that problem into a vision of hell. The Select Committee agreed that the village would struggle to cope. We have made sensible suggestions, including the movement of spoil by conveyor over the A43 and up the haul road. The new clause asks the Secretary of State to commission a review of the problem.

New clause 25 relates to bridleways. My constituency has been repeatedly dissected over the centuries, including by the Oxford-Birmingham canal and, 29 years ago, by the building of the M40. Both brought great benefits to the wider area, but our bridleways have suffered. I am determined that they should not suffer again, particularly in pursuit of a scheme that brings no benefit to my constituents.

Andy Slaughter: Given the lack of time, I shall speak only to amendment 16, tabled in my name, which seeks to give statutory protection to Wormwood Scrubs common. I should really say “more statutory protection” because, as metropolitan open land and strategic defence land, it is already protected by an Act of Parliament. More importantly, it hosts an extraordinary range of sports and pastimes. Thousands of disabled children ride at the pony centre every year. An organisation called the Friends of Wormwood Scrubs is seeking to protect its 200 acres of semi-wilderness, which form a substantial proportion of my constituency—an area in which open spaces are at a premium.

However, in the time since HS2 was proposed, we have been asked to put a viaduct across it, and we have been told that it could be turned into formal gardens and that it could be amenity space for the luxury flats being built around the HS2 route. We are now being told that it will be a transit way for hundreds of thousands of people to walk across, which would essentially destroy this London landmark forever.

Although I clearly will not today get the protection that I am seeking, I thank the Select Committee for recognising my representations and acknowledging that they were my only representations. I say to the Government and to HS2 Ltd that it will be a crime if this open space is despoiled over the course of the development.

I wanted to make some more general comments as I think my constituency will see more development than any other. I will not say that I am as adversely affected as other hon. and right hon. Members, and some of the development is of course welcome, but if I am able to catch your eye on Third Reading, Madam Deputy Speaker, I can perhaps make some of those points then. I entirely support what my hon. and learned Friend the Member for Holborn and St Pancras (Keir Starmer) and my hon. Friends the Members for Hampstead and Kilburn (Tulip Siddiq) and for Ealing Central and Acton (Dr Huq) said about the effect on their residents and businesses. As they used to be my constituents, I mention the residents of Wells House Road, Midland Terrace and Stephenson Street, whose homes will be blighted for many years to come and will be entirely surrounded by HS2 works.

I could have tabled something similar to new clause 22 asking for the Old Oak Common development to be regulated, but that should not be necessary because the London Sustainable Development Commission is there to deal with such matters. At the moment, however, it is not working. I hope that it will work under a new Mayor, because we currently have unregulated development on the site and a huge opportunity cost, which is not allowing for proper exploitation of and investment in that land.

Mr Goodwill: The new clauses and amendments principally concern environmental issues, which the Government take very seriously. The Bill and the environmental minimum requirements establish robust environmental controls that have proved to be an effective mechanism on other projects, such as Crossrail and the channel tunnel rail link. In addition, many of the new clauses and amendments relate to issues on which we have already provided assurances through the Select Committee process. Some comments were made during the debate, not least from the Opposition Front-Bench team, about those assurances not being worth the paper
on which they were written, but they are commitments made to Parliament by the Secretary of State and are enforced by Parliament. The process worked well for Crossrail and the channel tunnel rail link, so we do not need a belt when have more than adequate braces—or “gallusses” as we call them in my part of the world. The Select Committee process led to nearly 400 alterations to the scheme and provided some 1,600 assurances and undertakings to those affected by HS2.

I specifically want to touch on new clause 22, relating to the development of an integrated station at Euston, and I was pleased that the hon. and learned Member for Holborn and St Pancras (Keir Starmer) managed to catch your eye, Madam Deputy Speaker. We share an ambition for the integrated redevelopment of Euston station and assurances have been provided to the London Borough of Camden. Indeed, I recently met the leader of the council to discuss such matters. Work is already under way regarding the commitments given in the assurances to Camden, Transport for London and the Greater London Authority on the overall integration of works at Euston and the co-ordination with Crossrail 2. I can also confirm that funding is available to progress initial feasibility work for the preparation of an outline masterplan for Euston station, which includes the classic, Network Rail element of the station.

Andrew Bridgen: Will the Minister inform the House how many conventional platforms will have to be sacrificed at Euston to accommodate HS2?

Mr Goodwill: We have made it quite clear that phasing the development of the high-speed platforms at Euston will give us the opportunity to carry out some of that work, and we have changed the phasing to make it possible to operate other services into Euston. Indeed, we estimate that around a third of HS2 passengers will alight at Old Oak Common and use the Elizabeth line to access central London or Heathrow. While I recognise the desire to highlight the importance of such issues through new clause 22, legislation is unnecessary for Euston when progress has been and is being made.

Transparency was mentioned by several hon. Members, including my hon. Friend the Member for Banbury (Victoria Prentis), and we have appointed a residents commissioner to hold HS2 Ltd to account for how it communicates with residents and have committed to appoint a construction commissioner to deal with complaints that cannot be addressed by HS2 Ltd and its contractors. I hope that also reassures my right hon. and learned Member for Banbury, the Bill already requires local authorities to approve local routes, so the amendment on that is unnecessary.

Many of the proposed new clauses and amendments would duplicate existing obligations already made to Parliament, and I do not believe it necessary to include them in the Bill. I therefore urge hon. Members to reject the proposed new clauses, new schedules and amendments.

Mrs Gillan: In the light of the unsatisfactory reply from the Minister and the fact that he has relied again on saying that his appointees are adequate for the scrutiny of this project, I will have no other choice than to push new clause 8, which deals with the office of the HS2 adjudicator, to a vote. As for new clause 6, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

4.16 pm

Two hours having elapsed since the commencement of proceedings on consideration, the proceedings were interrupted. (Programme Order, 22nd March)

The Deputy Speaker put forthwith the Questions necessary for the disposal of the business at that time (Standing Order No. 83E).

New Clause 8

OFFICE OF THE HS2 ADJUDICATOR

(1) There is to be a body corporate known as the Office of the HS2 Adjudicator hereinafter referred to as “the Adjudicator”.

(2) Schedule [Adjudicator: status and funding] (which makes further provision about the Adjudicator) shall have effect.

(3) The Adjudicator has the functions conferred on it by or under any enactment.

(4) Those functions include—

(a) enforced functions,

(b) inspection functions,

(c) information functions.

(5) The main objective of the Adjudicator in performing its functions is to protect the natural environment and communities impacted by the construction and operation of Phase 1 of High Speed 2.

(6) The Adjudicator is to perform its functions for the general purpose of securing—

(a) the minimisation of adverse impacts on communities and the natural environment situated in locations affected by the construction or operation of Phase 1 of HS2,

(b) the provision of additional mitigation measures in the event the environmental impacts of the operation of HS2 are worse than as set out in the environmental statement prepared in accordance with section 66(4).” —[Mrs Gillan.]” Brought up.

Question put. That the clause be added to the Bill.

The House divided: Ayes 43, Noes 245.

Division No. 229

AYES

Afriyie, Adam
Baker, Mr Steve
Bone, Mr Peter
Brady, Mr Graham
Carswell, Mr Douglas
Cash, Sir William
Cunningham, Mr Jim
Edwards, Jonathan
Elliott, Tom
Fabricant, Michael
Farrelly, Paul
Flynn, Paul
Gillan, rh Mrs Cheryl
Grieve, rh Mr Dominic
Hoey, Kate
Hollobone, Mr Philip
Hopkins, Kelvin
Hug, Dr Rupa

[4.16 pm]
Kinahan, Danny
Lamb, rh Norman
Lefroy, Jeremy
Loughton, Tim
Lucas, Caroline
Mulholland, Greg
Nutall, Mr David
Prentis, Victoria
Pugh, John
Redwood, rh John
Ritchie, Ms Margaret
Robertson, Mr Laurence
Robinson, Mr Geoffrey
Saville Roberts, Liz
Sheeran, Mr Barry
Siddiq, Tulip
Skinner, Mr Dennis
Spelman, rh Mrs Caroline
Starmer, Keir
Tracey, Craig
Turner, Mr Andrew
White, Chris
Williams, Hywel
Williams, Mr Mark

**Tellers for the Ayes:**

*Mrs Anne Main and Andrew Bridgen*

**NOES**

Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
Barwell, Gavin
Bebb, Guto
Benyon, Richard
Berry, Jack
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Boles, Nick
Brazier, Mr Julian
Brine, Steve
Brokenshire, rh James
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Cairns, Alun
Cameron, rh Mr David
Carmichael, Neil
Cartlidge, James
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleaver, James
Coffey, Dr Therese
Collins, Damian
Colville, Oliver
Costa, Alberto
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Dinenage, Caroline
Djohouli, Mr Jonathan
Dodds, rh Mr Nigel
Double, Steve
Dowden, Oliver
Dole-Price, Jackie
Drummond, Mrs Flick
Dunn, Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Frances, rh Mr Mark
Frazier, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garner, rh Sir Edward
Garner, Mark
Gauge, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Griffiths, Andrew
Guinness, Ben
Gyimah, Mr Sam
Halton, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Jones, Peter
Henderson, Gordon
Hertford, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Jackson, Mr Stewart
Jams, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkinys, Andrea
Jennick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lilley, rh Mr Peter
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLaughlin, rh Mr Patrick
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Mills, Nigel
Milton, rh Anne
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryl
Murrison, Dr Andrew
Neill, Robert
Nokes, Caroline
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Penrose, John
Perry, Claire
Philp, Chris
Pouleur, Dr Daniel
Pow, Rebecca
Prisk, Mr Mark
Pursglove, Tom
Quince, Will
Raab, Mr Dominic
Rees-Mogg, Mr Jacob
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Simpson, rh Mr Keith
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosalyn
Soames, rh Sir Nicholas
Solloway, Amanda
Souby, rh Anna
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Stubby, Julian
Sunderland, Shukri
Swaine, rh Mr Desmond
Swire, rh Mr Hugo
Thomas, Derek
Throup, Maggie
Timpson, Edward
Toffin, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whatley, Helen
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Zahawi, Nadhim

**Tellers for the Noes:**

Guy Opperman and Sarah Newton

**Question accordingly negatived.**
CONSTRUCTION OF AN INTEGRATED EUSTON STATION

(1) The Secretary of State will require the nominated undertaker to take reasonable steps to develop integrated and comprehensive design and construction plans for Euston Station that include integration with other Euston Schemes.

(2) For the purposes of subsection (1) “reasonable steps” mean, but are not limited to, the following measures—

(a) The nominated undertaker will seek to maximise, in so far as is reasonably practicable, the volume of excavated and construction material from the construction of the enlarged Euston Station and its approaches to be brought in and removed by rail;

(b) The nominated undertaker will design an enlarged HS2 Euston Station having regard to all relevant parts of the Euston Area Plan and any other relevant Opportunity Area Frameworks or Guidance;

(c) The nominated undertaker will be required to participate in the Euston Strategic Board, which shall comprise representatives from the Department for Transport, HS2 Limited, the London Borough of Camden, the Greater London Authority, Transport for London, and in any successor or additional future governance arrangements which may be agreed between the London Borough of Camden, and the Greater London Authority and Transport for London from time to time,

(d) The nominated undertaker will be required to participate in a Euston Station Strategic Redevelopment Board which shall have the same membership as specified in subsection (2)(c), with the addition of Network Rail and any successor network and station operators, designated under Section 8 of the Railways Act 1993 and having responsibility for Euston Main Line Station or rail tracks that connect to that station,

(e) The Euston Station Strategic Redevelopment Board will advise the Secretary of State on the delivery of an integrated and comprehensive design for the enlarged Euston Station and other Euston Schemes, alongside other duties which may be set out in its Terms of Reference which may be updated from time to time;

(f) The nominated undertaker will be required to participate in a Euston Integrated Programme Board, the membership of which shall include the organisations specified in subsection (2)(b);

(g) The Euston Integrated Programme Board shall have responsibility for managing the integration of the nominated undertaker’s Euston Station design and construction work plans with proposals for other Euston Schemes;

(h) The nominated undertaker will be required to take all reasonable steps to maintain public access to Euston Station and through construction sites that are established for Phase One purposes, including for cyclists and pedestrians;

(i) Where it is not reasonably practicable to maintain public access under subsection (2)(h), the nominated undertaker shall identify alternative measures to maintain public access and implement them where it is reasonable;

(j) The nominated undertaker will be required to participate in a Euston Station Design Panel and use reasonable endeavours to agree the chairperson and other members jointly with Camden London Borough Council, Transport for London and the Greater London Authority, and Network Rail or any successor network operator as defined in subsection (2)(d);

(k) The Secretary of State will require the nominated undertaker to have regard to all recommendations made by the Euston Station Design Panel regarding the nominated undertaker’s ongoing design work for Euston Station.

(l) If requested to do so by the Euston Station Design Panel, the Secretary of State will require the nominated undertaker to notify Camden London Borough Council and the Greater London Authority of the full reasons for failing to incorporate into its design work any changes recommended by the Euston Station Design Panel.

(m) The nominated undertaker will make provision for ongoing community engagement during the construction works for the enlarged Euston Station,

(n) Details of the funding expected to be required to rebuild Euston Main Line Station shall be set out when the Secretary of State’s duties are fulfilled under paragraph 1(D)(1) of Schedule 4A to the Railways Act 1993 in respect of the review periods preceding the rebuild of Euston Main Line Station and the review periods during which the rebuild of Euston Main Line Station is expected to take place,

(3) For the purposes of subsection (1), “Euston Schemes” shall be taken to mean—

(a) The enlarged Euston Station as referred to in Schedule 1 to this Act,

(b) The rebuild of the Euston Main Line Station,

(c) Over site development and related development opportunities above the Euston Station and tracks in line with the Euston Area Plan; and

(d) Additional proposals for new subterranean railways that may be introduced by the Greater London Authority or Transport for London during the Phase One construction period.

(4) Nothing in this section shall override other limitations imposed by this Act.”—(Andy McDonald.)

Brought up.

Question put, That the clause be added to the Bill.

The House divided: Ayes 190, Noes 254.

Division No. 230  [4.27 pm]

AYES

Abrahams, Debbie
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Blomfield, Paul
Bradshaw, rh Mr Ben
Brake, rh Tom
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Buck, Ms Karen
Burden, Richard
Burgon, Richard
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Campbell, rh Mr Alan
Campbell, Mr Ronnie
Champion, Sarah
Chapman, Jenny
Coaker, Vernon
Cooper, Julie
Cooper, rh Yvette
Corbyn, rh Jeremy
Cox, Jo
Coyle, Neil
Creagh, Mary
Cresay, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Danczuk, Simon
De Piero, Gloria
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efferd, Clive
Elliott, Julie
Ellman, Mrs Louise
Evans, Chris
Farrell, Paul
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Foxglove, Yvonne
Foxcroft, Vicky

Corbyn, Helen
Coaker, Vernon
Champion, Mr Chris
Campbell, rh Lord Julian
Campbell, Mr Thomas
Champion, Sarah
Chapman, Jenny
Coaker, Vernon
Cooper, Julie
Cooper, rh Yvette

Ayes 190, Noes 254.

Gapes, Mike
Gardiner, Barry
Gillan, rh Mrs Cheryl
Glass, Pat
Glindon, Mary
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Grieve, rh Mr Dominic
Griffith, Nick
Hamilton, Fabian
Harris, Carolyn
Hayes, Helen
Hayman, Sue
Heburn, Mr Stephen
Hiller, Meg
Hodgson, Mrs Sharon
Hoey, Kate
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jarvis, Dan
Johnson, Alan
Jones, Gerald
Jones, Susan Elan
Kaufman, rh Mr George
Keeley, Barbara
Kendall, Liz
Kinnock, Stephen
Kyle, Peter
Lamb, rh Norman
Lavery, Ian
Lefroy, Jeremy
Leslie, Chris
Lewell-Buck, Mrs Emma
Lewis, Clive
Long Bailey, Rebecca
Lucas, Caroline
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
McCabe, Steve
McCarthy, Kerry
McDonagh, Siobhain
McDonald, Andy
McDonnell, Dr Alasdair
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McLennan, Liz
Meale, Sir Alan
Mearns, Ian
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Murray, Ian
Nandy, Lisa
Nuttall, Mr David

Onn, Melanie
Onwurah, Chi
Osamor, Kate
Owen, Albert
Pearce, Teresa
Pennycook, Matthew
Phillips, Jess
Powell, Lucy
Premier, Victoria
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, rh Mr Jamie
Reed, Mr Steve
Rees, Christina
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Robinson, Mr Geoffrey
Saville Roberts, Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheriff, Paula
Shuker, Mr Gavin
Siddiq, Tulip
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Nick
 Smyth, Karin
Starmer, Keir
Stevens, Jo
Streeting, Wes
Stringer, Graham
Tam, Mark
Thomas, Mr Gareth
Thomas, Piers
Thornberry, Emily
Timms, rh Stephen
Tracey, Craig
Trickett, Jon
Turley, Anna
Twig, Derek
Twig, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
West, Catherine
White, Chris
Whitehead, Dr Alan
Williams, Hywel
Williams, Mr Mark
Wilson, Phil
Winnick, Mr David
Winterton, rh Dame Rosie
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Tellers for the Ayes:

Jeff Smith and
Judith Cummins

Andrew, Stuart
Ansell, Caroline
Argar, Edward
Akins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
Barwell, Gavin
Bebb, Guto
Benyon, Richard
Berry, Jake
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenbrow, rh James
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrows, Mr David
Burt, rh Alistair
Gains, Alun
Cameron, rh Mr David
Carmichael, Neil
Carswell, Mr Douglas
Cardiff, James
Caufield, Maria
Chalk, Alex
Chishi, Rehan
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Cragg, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glyn
Davies, Dr James
Davies, Mims
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Double, Steve
Downen, Oliver
Doyle-Price, Jackie
Drummond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evetnett, rh Mr David
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Glenn, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halton, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harriington, Richard
Harris, Rebecca
Hassellhurst, rh Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Jones, Peter
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Holloboone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Jackson, Mr Stewart
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkinys, Andrea
Jennick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leslie, Charlotte

NOES

Allen, Heidi
Amess, Sir David
Fraser, Lucy
Freamon, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Glenn, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
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Jones, Andrew
Jones, rh Mr David
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Kawczynski, Daniel
Kennedy, Seema
Kinahan, Danny
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Leslie, Charlotte
I beg to move, That the Bill be now read the Third time.

Our railways and roads power our economy. It is almost two centuries since this House gave its backing to the pioneering railway from London to Birmingham—a line that changed our country, and on which many of our great cities still rely today. Of course, we could leave it as it is for another two centuries—congested and unreliable—and suffer the consequences in lost growth, lost jobs and lost opportunities, particularly in the midlands and the north. However, the House has already shown that it can do much better than that, by backing a new high-speed route, alongside other transport investments in road and rail access across the country.

In 2013, Parliament passed the High Speed Rail (Preparation) Act 2013, paving the way for HS2. That was backed by welcome support and co-operation from all parts of the House, for which I thank all parties. We have made outstanding progress since then. British contractors are bidding to build the line. British apprentices are waiting to work on it. British cities are waiting to benefit from it. That is why today’s vote is so important.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Will the Secretary of State give way?

Mr McLoughlin: If the hon. Gentleman will forgive me, a lot of people have been here all afternoon. We have a fairly short period for Third Reading, and I want to give other people the opportunity to speak.

On what will be a Great British railway, phase 1 will be the bedrock of the new network. Phase 2a will take it to Crewe. Phase 2b will take it onwards to Manchester and Leeds.

Our trains are more than twice as busy as they were 20 years ago, and growth will continue. HS2 will help us to cope. It will work, it will be quick, it will be reliable, it will be safe and it will be clean. When it is finished, we will wonder why we took so long in getting around to building it.

Many hon. Members will want to speak, so I will keep my remaining remarks short. I will touch on the detail of the Bill. I will also set out the work that has been done on the environment; then I want to describe what will come next, including what we are doing to build skills and manage costs.

First, the Bill authorises the first stage of HS2, from London to Birmingham. The Bill has undergone more than two years of intense parliamentary scrutiny since 2013. Even before the phase 1 Bill was introduced, the principles of HS2 were extensively debated on the Floor of the House. In April 2014, we had the Second Reading of the phase 1 Bill.

There was then a special Select Committee. I thank all members of the Committee, particularly my hon. Friend the Member for Poole (Mr Syms), who chaired it so ably. I also pay special tribute to my hon. Friends the Members for North West Norfolk (Sir Henry Bellingham) and for Worthing West (Sir Peter Bottomley), who, along with my hon. Friend the Member for Poole, sat on it for the whole Committee stage.

The Committee heard over 1,500 petitions during 160 sittings. It sat for over 700 hours, and over 15,000 pieces of evidence were provided to it. It published its second special report on 22 February this year. The Government published their response, accepting the Committee’s recommendations.

Many of the changes made to the scheme in the Select Committee related to the environmental impacts. Building any road or rail link has impacts, but we will
build this link carefully, and we will build it right. For example, HS2 Ltd has today started to procure up to 7 million trees to plant alongside the line to help it blend in with the landscape. The changes made in Select Committee will mean less land-take, more noise barriers and longer tunnels.

Rebecca Pow: I totally understand the economic reasons for this project, but may I just put in a bid for nature and for ancient woodland to be given the reverence it deserves? Much of it is already going to be undermined and threatened, so will the Secretary of State please ensure that this irreplaceable habitat is given all the reverence it deserves?

Mr McLoughlin: I can assure my hon. Friend that, as I think I have shown, given the time taken in Select Committee, the way in which procedures can be put in place and the way in which the Woodland Trust appeared before the Select Committee to make its case, that will be taken into account. As I have said, the planting of new trees is an important part of the work that has been done.

We have done a huge amount to assess the environmental impacts. More than 50,000 pages of environmental assessments have been provided to the House. We have produced a statement of reasons setting out why we believe it is correct to proceed with HS2. That information is important to ensure that the House makes its decisions to support this vital project in the light of the environmental effects.

I expect construction of HS2 phase 1, between London and Birmingham, to begin next year. To enable that, HS2 Ltd has this morning announced that nine firms have now been shortlisted for the civil engineering contracts for the line. Those contracts alone will create more than 14,000 jobs, and we want those jobs to be British jobs. That is why the HS2 skills college, with sites in Birmingham and Doncaster, will open its doors next year, to train our young people to take up those opportunities.

It is not all about jobs; it is also about materials. HS2 will need approximately 2 million tonnes of steel over the next 10 years, and we are already holding discussions with UK suppliers to make sure that they are in the best possible position to win those contracts.

Later this year, I will set out my decisions on HS2 phase 2. As that happens, we must have a firm grip on costs. The November 2015 spending review confirmed a budget for the whole of HS2 of £55.7 billion at 2015 prices. HS2 is a major commitment of public money, but it is an investment that Britain must make, and it can afford to do so; the cost of HS2 equates to about 0.14% of UK GDP in the spending review period.

I respect the fact that there are those in this House who take a different view of the project, but it is about the future of our nation. It is a bold new piece of infrastructure that will be open to passengers in just 10 years’ time. This is about giving strength not just to the north, but to the Midlands. Today I can get a high-speed train to Paris and other parts of Europe, but not to Birmingham, Manchester, Leeds or Scotland. This is about boosting the links to the Midlands manufacturing heartland and the connections to Leeds, York, the north-east and Edinburgh, and to the north-west, Liverpool, Manchester and Glasgow. It is about making HS2 a part of our national rail network, including Easton, where we are not only building a world-class high-speed rail station, but funding work by Network Rail to prepare for the masterplan for Easton station, which is an important step forward in our vision of an integrated hub that will enhance the area. At Old Oak Common, I have agreed to the transfer of land to the development corporation, paving the way for more than 25,000 new homes and 65,000 jobs.

High Speed 2 is a measure of our ambition as a country and of our willingness to look beyond the immediate future and to take a hard-headed view of what we need to succeed as a nation. This is a railway that will unlock that future. I urge colleagues to support the Bill’s Third Reading, as they have done to date, and the carry-over motions so that it can continue its passage in the next Session.

I commend the Bill to the House.

Several hon. Members rose—

Madam Deputy Speaker (Natascha Engel): Order. I remind hon. Members that we have only half an hour to debate Third Reading and an awful lot of Members wish to speak, so there will be a speech limit of three minutes on all Back-Bench contributions in the hope that we can get as many people in as possible. If you use less time, everybody will be grateful.

4.47 pm

Lilian Greenwood (Nottingham South) (Lab): Today’s proceedings mark the end of a long process and I am sure the House will want to express its gratitude to all those who served on the Bill Select Committee, the Clerks and all those who petitioned or who assisted the petitioners in making their case. The project has undoubtedly been improved by the parliamentary scrutiny it has received. I thank my hon. Friend the Member for Middlesbrough (Andy McDonald), who represented the Opposition with great skill in the Public Bill Committee and on Report.

HS2 is a Labour project. When the high-speed rail Command Paper was published in March 2010, the urgent need for greater capacity on our rail network was at its heart. Since that paper was published, passenger numbers have grown by a third. Punctuality has declined as the constraints on our existing infrastructure grow. The case for HS2 was based on the assumption that passenger demand would grow by 2.2% a year; in reality, the average is more than 5%. The case for HS2 has not weakened in the past six years—it has grown stronger and more urgent.

Our north-south lines are testing the limits of their capacity. The midland main line has been officially designated as “congested infrastructure” and freight services are being turned away. The east coast operator has said that “this route faces track capacity limit.” Nowhere is our capacity shortfall more keenly felt than on the west coast main line between London and Birmingham, which is the most congested part of the busiest and most complex mixed-use line in Europe, carrying a quarter of all passengers and freight. At least £49 billion was spent on a hugely disruptive modernisation package for the line, and it did not deliver the benefits we were promised. Just a few years on, we have used up almost all the extra capacity, and even if we lengthened
every train and converted every first-class carriage to standard, that would not be enough and it would not enable us to run a single extra train. On some sections of the west coast main line, the notorious curves and gradients are pre-Victorian, and they cannot be altered. We have reached the practical limits of the existing infrastructure, and new signalling would have limited benefits on such a busy route, where inter-city commuter and freight services all compete for scarce paths. The scale of the capacity challenge requires us to take action. Commuter services have already been cut back in the west midlands and on the approaches to Manchester because of a lack of capacity on our main lines.

Paul Farrelly: Does my hon. Friend recognise that in its current form, the Bill does not satisfy the concerns of north Staffordshire? There is no connectivity with or stop for Stoke-on-Trent, which is a far greater conurbation with a bigger economy that that of Crewe.

Lilian Greenwood: I am sure that my hon. Friend appreciates that the Bill deals with the creation of the line between London and Birmingham. I am sure that we will return to questions of connectivity when we reach phase 2.

As I was saying, freight operators are turned away, forcing lorries on to our already congested motorways. That has real consequences for our ability to meet our greenhouse gas emissions targets. I have visited places in the areas that my hon. Friend talked about south of Stoke where local stations have closed, not 50 years ago under Dr Beeching but in the last decade after paths for local services were reassigned.

Some might ask why we are investing in new infrastructure when sections of the existing network need to be upgraded, as, of course, they must be. The Great Western electrification scheme, the costs of which have risen by more than 400% in just five years, is a sobering reminder that route upgrades are no panacea. We could spend an equivalent sum on a conventional modernisation programme, but it would lead to 2,000 weekends of closure and misery for passengers, and it would trigger enormous compensation payments to train operators. At the end of such a project, a conventional upgrade would deliver less than half the additional capacity of a new line. By contrast, new build infrastructure is more resilient and it will allow us to integrate high-speed rail with existing lines, revolutionising journeys between cities directly on the route and beyond it.

That potential is reflected in the support for this project not just from the leaders of Birmingham, Manchester, Nottingham, Sheffield and Leeds, but from those of Liverpool, Bristol, Newcastle, Cardiff and Glasgow. After billions has been invested in Thameslink, Reading, HS1 and Crossrail, this project is about building 21st-century infrastructure in the midlands and the north, not just London and the south-east. It will support jobs and skills through our world-class rail supply chain at Hitachi in Newton Aycliffe, Bombardier in Derby, the training colleges in Doncaster and Birmingham, and the hundreds of small and medium-sized enterprises across the country that support the construction and maintenance of tracks and trains.

We urgently need better connections and more capacity, and HS2 is the right project to provide them. There are, however, questions that need to be answered about the Government’s stewardship of the scheme. HS2 was always conceived of as a wider network, and Ministers were due to confirm the phase 2 route at the end of 2014, but that deadline has slipped by two years. That is compounding planning blight for residents, prolonging uncertainty about station locations and warding off private sector investment. It is incumbent on Ministers to confirm their plans for high-speed rail in the midlands and the north.

We have heard today about the Government’s inadequate treatment of Euston. The 1960s station is no longer fit for purpose. With 10 million more passengers a year using Euston than in 2010—a staggering increase of 43%—it is clear that a rebuild would be needed even without HS2. We urgently need a plan for a comprehensive redevelopment of Euston station, but four times HS2 Ltd has presented different plans for the site, all of which would lead to years of disruption for residents and businesses.

I have been glad to work with the Labour leadership of Camden Council to help to win a series of assurances from the Government on the removal of construction materials by rail rather than road, the development of a plan for an integrated station design and support for affordable housing provision. However, the reality still falls a long way short of the Chancellor’s rhetoric, and it is deeply disappointing that Ministers voted against our amendment on the matter. The Opposition will, no doubt, come back to that in the other place.

To conclude, as well as putting on the record my appreciation of the role played by my hon. Friends the Members for Middlesbrough and for Stalybridge and Hyde (Jonathan Reynolds), who served as shadow rail Ministers during the passage of the Bill, I want to record my appreciation of my predecessors as shadow Secretary of State, my hon. Friends the Members for Garston and Halewood (Maria Eagle), for Wakefield (Mary Creagh) and for Barnsley East (Michael Dugher), who all showed great constancy, even when there were reports of leaves on the line.

HS2 is essential for meeting our capacity challenge and rebalancing the economic geography of the UK. I will vote for the Bill today, and I encourage hon. Members on both sides of the House to do the same.

4.55 pm

Mrs Gillan: I have three minutes to sum up six years of hell for my constituents in Chesham and Amersham.

I pay tribute to the dignity and persistence of my constituents, who have remained committed to positive change in the face of great adversity. Those individuals are too numerous to mention, but they include my dedicated constituency staff, our local councils at all levels, our environmental and community organisations, the Clerks of the House—they have been tremendous—and colleagues who have served on both the Committees on the Bill.

I thank colleagues who have stood four-square with me, despite all the pressures that have been brought to bear on them when I have opposed the project. We have succeeded in making some positive changes that will make a real difference to people’s lives. The two extensions to the Chilterns tunnels are very important: the improvements to the “need to sell” scheme are also significant; and even the Chilterns AONB review panel, if it comes about, is important—to name but three aspects of the project.
However, HS2 is being built on the backs of my constituents, who are losing their homes, their businesses, their peaceful retirement, their heath and their communities. The Prime Minister promised me the most environmentally friendly Government ever and that compensation for people affected by HS2 would be fair and generous. This project will still cause damage along over 8 km of the line through a nationally designated, environmentally protected area, and many of my constituents are still fighting for fair treatment and compensation. They would not use the words “fair” and “generous” about the compensation.

For the all the inequitable and atrocious handling of the project, for the poor value for money for the taxpayer, for the inadequate integration of the project and for the damage it will cause my constituency and constituents, I will vote against the Bill again this afternoon. I urge hon. Members to join me in doing so. It may not achieve very much, because Labour and Conservative Members are being whipped to support the project, but at least I will be able to put my head on my pillow knowing that I have done the best by my constituents. I have tried to protect them from the ravages of a project that will consume vast amounts of taxpayers’ money and suck it out of the rest of the system. My constituents and many others up and down the line will pay disproportionately for the burden of political introsigence.

4.57 pm

Alan Brown: Once again, I confirm that we welcome the HS2 proposals before Parliament. We certainly welcome the wider context of the roll-out of the high-speed network, as well as the Government’s commitment, alongside that of the Scottish Government, to the aspiration for a three-hour journey time between Glasgow or Edinburgh and London. That will mean a quicker point-to-point journey time compared with using Gatwick or Heathrow airports. It will bring obvious environmental benefits and, clearly, much greater choice for air travellers.

I welcome the release earlier this week of the broad options report, which was commissioned by both Governments. It is important to develop these options as soon as possible to achieve shorter journey times to Scotland. In Scotland, the Scottish Government have confirmed their commitment to rail investment with the construction of the Borders rail line, which is the longest rail line to be constructed in the UK since Victorian times. As we have already heard, the vast bulk of the existing rail network was built in Victorian times. It stood the test of time fantastically, but now is the time to reinvest in and to future-proof the rail network. That will be done through these options.

I welcome the proposals, and I look forward to the roll-out of the high-speed network and to the improvements on lines to the north to improve journey times to Scotland.

4.59 pm

Mr Robert Syms (Poole) (Con): I will be brief. This has been a long process, and in many respects it has been Parliament at its best, listening to people from ordinary communities, many of whom will be badly affected by the impact of the railway. However, as a senior Clerk said to me, the last time we looked at the Standing Orders was 1946, and without taking away the right of somebody to come before the Committee it is right that we consider that process. There will be further phases of this project, and perhaps airports will come in along the line. I therefore hope that the Leader of the House and the House authorities have a good look at how we could make things a little more efficient. On occasion, we listened to people who were burning up a lot of time but who we felt were not affected, and that had an impact on some people whose farms are being cut in half and who will be very badly affected. There is an argument for reform, and I hope that the House authorities consider it, so that any future Committee that has the good task of listening to people who will be affected by such a project will do so more efficiently.

5 pm

Mrs Ellman: I support the Bill, which will bring vital capacity for an expanding railway. It is reassuring to see that so many of the points raised by the Transport Committee in 2011 are now incorporated into the Bill, including maximising jobs, whether in construction or regional economic development. High Speed 2 is part of a connected railway, with plans for ensuring that lines freed by the construction of High Speed 2 can be used for passengers and freight. We must ensure that those who are not on a high-speed line or situated near a high-speed station do not lose out.

It is vital that the necessary investment in High Speed 2 does not come at the expense of investment in the classic line, but evidence to date suggests that that will not be the case. Improvements in other parts of the country, including east-west links, must be linked with high-speed rail as part of the connected rail network. When in phase 2 the trans-Pennine developments take place—now known as High Speed 3—it is vital that High Speed 2 is linked into that so that, in the words of Lord Adonis, the chairman of the National Infrastructure Commission:

“Route decisions on the northern sections of HS2 should support enhanced high speed connections within the north including between Leeds-Sheffield, Liverpool-Manchester, and Sheffield-Newcastle.”

I am sorry that we are not considering High Speed 2 as one Bill, and that instead we have it in two phases, and I hope that the end date of 2034 can be brought forward. However, I am pleased that we are deciding on the go-ahead for phase 1 of High Speed 2. This is for the future. It is about vision and confidence in the railway sector and public transport, and I hope that hon. Members will approve the Bill.

5.2 pm

Michael Fabricant: I am not one of those who say that HS2 is a white elephant, or that there is no congestion on the west coast main line—indeed, today 5,000 people arrive standing on trains as they come into Euston. I accept the need for an additional north-south corridor, and if that can be high-speed, then all the better because there is not that much additional cost.

Before I come to my main point, I wish to thank my hon. Friend the Member for Poole (Mr Syms) and all his colleagues for their work on the Committee, as well as the Transport Secretary who, given the structure of HS2, has been incredibly helpful to my constituents in Lichfield.
I do not believe, however, that I can support HS2, because it is not an integrated railway. I could not understand why it was so appalling, until I heard the hon. Member for Nottingham South (Lilian Greenwood) say that HS2 is a Labour project. Only a Labour project could be so unintegrated with the rest of the transport system. Lord Adonis chose a system whereby people arrive at Euston from Birmingham and then have to trek across London with their bags to get to St Pancras. The promises that were made—that people would get on to a train in Birmingham and wake up in Paris—have come to naught. When people get to Birmingham, can they get on to network rail because the train arrives at Birmingham New Street? No. That would have been too obvious. This Labour project, so brilliantly designed yet so sadly duplicated by the Conservative Administration, instead goes into Curzon Street, and people have to schlep across Birmingham to get there, too.

It is about as integrated as my old Hornby 00 railway. I put that on the carpet and it went round and round, but it did not connect with the road or other railway systems, because it was a toy. I would not go so far as to say HS2 is a toy; but it is damaging and it could have been designed better. That is why I have to say to my hon. Friends the Whips that—I am not going to make it too obvious. This Labour project, so brilliantly designed yet so sadly duplicated by the Conservative Administration, instead goes into Curzon Street, and people have to schlep across Birmingham to get there, too.

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country needs HS2. The key issue is capacity—it has always been about capacity. So often the conversation has been bogged down in arguments about journey times, but that misses the point. Of course, if it takes me less time to get from the House of Commons to Stalybridge station’s world-famous buffet bar, that is welcome, but it is more important that I can do so on a train with enough seats for everyone. With the west coast main line expected to be full by the middle of the next decade, it is vital that we act now. In fact, this is the one time I can think of when this country has acted on a major infrastructure problem before it has become acute. If only our predecessors had done the same with aviation capacity!

The railways are filling up and are crying out for this investment. The statistics speak for themselves. Each day, 3,000 passengers arrive at Euston or Birmingham standing up on trains, having been unable to get a seat. The benefit of HS2 will be to address that looming capacity crunch. More powerful than the statistics, however, are the experiences of passengers—especially those who have the unpleasant experience of being on a packed train leaving or coming into London. I can still vividly remember my wife phoning me after a particularly hellish journey from London to Manchester. Eight months pregnant, she was forced to spend the two-hour journey on the floor outside the toilet entertaining a two-year-old. That should not happen on a 21st-century railway network.

The common arguments against HS2 do not stack up. Spending the money on upgrading the existing line will cost more and give us less. Building a new line that is not high speed will cost nearly as much but give us a fraction of the capacity. Saying we should spend the money on local services rather than north-south improvements fails to understand that the way to improve local services is to free up that existing infrastructure by building a new line. As for the argument that this will be a railway only for the wealthy, we simply have to apply the laws of supply and demand. The guaranteed way to price people off the railway would be to do nothing, because if demand is rising and supply does not increase, prices will go up.

I have great ambitions for what HS2 can deliver for the north, and particularly Greater Manchester—jobs, growth, connectivity, better wages, better career paths and, of course, the opportunity for hard-pressed Londoners more easily to spend time in the UK’s real first city: Manchester. I commend the Bill to the House.

5.13 pm

Geoffrey Clifton-Brown: I was not expecting to be called, Madam Deputy Speaker, but I am delighted.

Having sat on the Select Committee, I wish to say two things, hopefully in less than a minute. First, the hybrid Bill Committee system needs overhauling: 160 days—not for me, as I joined only after the election—and 1,600 petitions is unsustainable. Somebody needs to consider through this process. I say that with all due respect to the Committee, which has done an excellent job and worked incredibly hard.

In the minute left available to me, let me mention three things. First, if the issue is about capacity and not so much about speed, why are there not more stations, which would make it more beneficial to areas between London and Birmingham? Secondly, why are there not better links with HS1? I accept why the Camden link had to go, but it is ridiculous not to have those better links.

Thirdly, why can we not have a proper integrated centre at Old Oak, which would bring the Great Western line, the overground, the underground and Crossrail together? It is a huge wasted opportunity not to use that land properly. It is a real waste of public money and opportunity in that area. I urge the Government to look at that again and to work with the new Mayor, who I hope will be my right hon. Friend the Member for Tooting (Sadiq Khan), to ensure that we have proper regeneration on that site.

5.14 pm

Andy Slaughter: I support the principle of high-speed rail and this project, not least because it allows the regeneration of the Old Oak area in my constituency—by some distance the largest development area in the country, bringing more than 24,000 homes and 50,000 new jobs to an area of severe deprivation. I support the project with reservations, and I have been happy to work with those on both sides who will be voting against the Bill tonight, because the local implications for residents, businesses and the environment have not been properly considered through this process. I say that with all due respect to the Committee, which has done an excellent job and worked incredibly hard.

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High Speed Rail (London – West Midlands) Bill

23 MARCH 2016

High Speed Rail (London – West Midlands) Bill

Brine, Steve
Brokenshire, rh James
Brown, Lyn
Brown, rh Mr Nicholas
Buck, Ms Karen
Buckland, Robert
Burden, Richard
Burton, Richard
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Butler, Dawn
Byrne, rh Liam
Cadbury, Ruth
Caims, Alun
Cameron, rh Mr David
Campbell, rh Mr Alan
Carmichael, Neil
Cartidge, James
Caulfield, Maria
Chalk, Alex
Champion, Sarah
Chapman, Jenny
Chishi, Rehman
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Clevery, James
Clwyd, rh Ann
Coaker, Vernon
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Cooper, Julie
Cooper, rh Yvette
Corbyn, rh Jeremy
Costa, Alberto
Cox, Jo
Coyle, Neil
Crabb, rh Stephen
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cummins, Judith
Cunningham, Alex
Dakin, Nic
Danczuk, Simon
Davies, Byron
Davies, Chris
Davies, rh Mr David
Davies, David T. C.
Davies, Glynn
Davies, Dr James
Davies, Mims
De Piero, Gloria
Dinenage, Caroline
Djanogly, Mr Jonathan
Double, Steve
Doughty, Stephen
Dowd, Peter
Dowden, Oliver
Dromey, Jack
Drummond, Mrs Flick
Dudridge, James
Duncan, rh Sir Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Eagle, Ms Angela
Eagle, rh Maria
Efford, Clive
Elliott, Julie
Ellis, Michael
Ellison, Jane
Ellman, Mrs Louise
Ellwood, Mr Tobias
Elphicke, Charlie
Estevez, George
Evans, Chris
Evans, Graham
Everett, rh Mr David
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Fletcher, Colleen
Foster, Kevin
Fovargue, Yvonne
Foxcroft, Vicky
Francois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Gapes, Mike
Garrod, Barry
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Glass, Pat
Glinon, Mary
Greening, rh Justine
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Griffiths, Andrew
Guinness, Ben
Gyimah, Mr Sam
Hallon, rh Robert
Hall, Luke
Hamilton, Fabian
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harrington, rh Alan
Harris, Rebecca
Haselhurst, rh Sir Alan
Hayes, Helen
Hayes, Mr John
Hayes, rh Dame Margaret
Hodgson, Mrs Sharon
Hollingbery, George
Hollinrake, Kevin
Hopkins, Kris
Howarth, rh Mr George
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
Hunt, Tristram
Huq, Dr Rupa
Hussain, Imran
Jackson, Mr Stewart
James, Margot
Jarvis, Dan
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, rh Alan
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Gerald
Jones, Mr Marcus
Jones, Susan Elan
Kawczynski, Daniel
Keeley, Barbara
Kendall, Liz
Kennedy, Seema
Kinnock, Stephen
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Kyle, Peter
Lamb, rh Norman
Lancaster, Mark
Latham, Pauline
Lavery, Ian
Leslie, Charlotte
Leslie, Chris
Letwin, rh Mr Oliver
Lewell-Buck, Mrs Emma
Lewis, Brandon
Lilley, rh Mr Peter
Long Bailey, Rebecca
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Shabana
Mallotra, Seema
Malthouse, Kit
Mann, John
Mann, Scott
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCabe, Steve
McCarthy, Kerry
McCartney, Jason
McCartney, Karl
McDonagh, Siobhain
McDonald, Andy
McDonnell, John
McFadden, rh Mr Pat
McGinn, Conor
McGovern, Alison
McInnes, Liz
McLoughlin, rh Mr Patrick
Meale, Sir Alan
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Mills, Nigel
Milton, rh Anne
Moon, Mrs Madeleine
Mordaunt, Penny
Morden, Jessica
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, Grahame M.
Morris, James
Morton, Wendy
Mowat, David
Mulholland, Greg
Mundell, rh David
Murray, Ian
Murray, Mrs Sheryll
Murrison, Dr Andrew
Nandy, Lisa
Neill, Robert
Newton, Sarah
Nokes, Caroline
O’Hare, Melanie
Onwurah, Chi
Osman, Kate
Owen, Albert
Parish, Neil
Patel, rh Priti
Pearce, Teresa
Pennycook, Matthew
Perry, Claire
Phillips, Jess
Philip, Chris
Poulter, Dr Daniel
Pow, Rebecca
Powell, Lucy
Prisk, Mr Mark
Pugh, John
Pursglove, Tom
Quince, Will
Qureshi, Yasmin
Raab, Mr Dominic
Rayner, Angela
Reed, Mr Jamie
Reed, rh Mr Steve
Rees, Christina
Rees-Mogg, Mr Jacob
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Rimmer, Marie
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Sharma, Mr Virendra
Sheffield, Paula
Shuker, Mr Gavin
Simpson, rh Mr Keith
The House proceeded to the consideration of the Bill.

Mr Deputy Speaker: As you know, it is a matter for the Government how they timetable the business. As you rightly say, you have a view that you wish to express. Unfortunately, we are not in charge of the business. I would have liked to talk about the lack of investment in Lincolnshire’s railways, for example, and the limits have become absurd, so will you have a word with Mr Speaker?

Ms Vaz: My right hon. Friend the Member for Deptford (Lewisham East) (Lab) has raised the issue of the procedures on the hybrid Bill. Further to that point of order, Mr Deputy Speaker. I have raised this on the Floor of the House, unfortunately, we are not in charge of the business. I will say, you rightly say, you have a view that you wish to express, the Government how they timetable the business. As you rightly say, you have a view that you wish to express.

Ms Vaz: Believe it or not, this is a point of order, Mr Deputy Speaker. Believe it or not, this is a point of order about procedure. Today the British Medical Association has announced that it plans to escalate the industrial action of junior doctors planned for 26 and 27 April. Can you advise me whether you have received any notification from the Department of Health about whether the Secretary of State for Health intends to make a statement to the House tomorrow, updating us on what action he will take to avert that industrial action and bring an end to the ongoing dispute?

Mr Deputy Speaker (Mr Lindsay Hoyle): I have had no notification that the Secretary of State is coming forward. However, the hon. Lady has got the matter on the record, and I am sure that people will be listening to the debate that is taking place at this very moment. Let us wait and see.

Ms Vaz: The Procedure Committee, of which I am a member, is looking at this, but we could have a procedure by which you or one of your colleagues could have extended the debate for just another half an hour.

Mr Deputy Speaker: As you know, it is a matter for the Government how they timetable the business. As you rightly say, you have a view that you wish to express. Unfortunately, we are not in charge of the business. I am sure that everybody who reads Hansard will realise that you have raised this on the Floor of the House, even though it is not a point of order for the Chair.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): Further to that point of order, Mr Deputy Speaker. I have raised the issue of the procedures on the hybrid
Bill process with the Procedure Committee, but because it is a private process it may be difficult for the Committee to look at those. I very much hope that the Government are going to re-examine the hybrid Bill process, and that view has been echoed in the words of many of my friends, particularly those who have served on the HS2 Bill Committee.

The process is not satisfactory from the perspective of either the House or the people most affected by the project. I very much hope that this will not take too long and you could advise me whether the House eventually could change those procedures, so that large infrastructure projects are not dealt with in such an opaque and difficult manner.

Mr Deputy Speaker: The House can invite the Procedure Committee to look into this matter, as you well know. And you know better than I do how the procedure of this House works, after so many years in this place.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): On a point of order, Mr Deputy Speaker. I wonder whether we could have a tidying-up of the procedures of the House. In the light of English votes for English laws, Health questions and Education questions, as they are termed, are actually English Health questions and English Education questions. It would be better for voters up and down the length of the current UK if they understood that.

Mr Deputy Speaker: Once again, the answer is the same: it is for this House to invite the Procedure Committee to look into the matter. If you believe there is a wrong, I am sure the Committee will make sure it gets put right.

I have now to announce the result of today’s two deferred Divisions. In respect of the Question relating to electricity, the Ayes were 287 and the Noes were 232, so the Ayes have it. In respect of the Question relating to public sector pensions, the Ayes were 287 and the Noes were 211, so the Ayes have it.

The Division list is published at the end of today’s debates.

With the leave of the House, I will put motions 4 and 5 together, as they cover the same area.

SCOTLAND BILL (MONEY)
Queen’s recommendation signified.
Resolved,
That, for the purposes of any Act resulting from the Scotland Bill, it is expedient to authorise any increase attributable to the Act in the sums payable under the Scotland Act 1998 out of the National Loans Fund.

SCOTLAND BILL (WAYS AND MEANS)
Resolved,
That, for the purposes of any Act resulting from the Scotland Bill, it is expedient to authorise the payment of sums into the National Loans Fund.—(David Mundell.)

SCOTLAND BILL (PROGRAMME) (NO.3)
Motion made, and Question put forthwith (Standing Order No. 83A(7)),
That the following provisions shall apply to the Scotland Bill for the purpose of supplementing the Orders of 8 June 2015 (Scotland Bill (Programme)) and 9 November 2015 (Scotland Bill (Programme) (No. 2)):

Consideration of Lords Amendments

(1) Proceedings on consideration of Lords Amendments shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement at today’s sitting.

Subsequent stages

(2) Any further Message from the Lords may be considered forthwith without any Question being put.

(3) The proceedings on any further Message from the Lords shall (so far as not previously concluded) be brought to a conclusion one hour after their commencement.—(David Mundell.)

Question agreed to.
Scotland Bill

Consideration of Lords amendments

Mr Deputy Speaker (Mr Lindsay Hoyle): I must draw the House’s attention to the fact that financial privilege is involved in Lords amendment 22. If the House agrees with the amendment, I shall ensure that the appropriate entry is made in the Journal.

Clause 3

Elections

5.38 pm

The Secretary of State for Scotland (David Mundell): I beg to move, That this House agrees with Lords amendment 1.

Mr Deputy Speaker: With this it will be convenient to discuss Lords amendments 2 to 62.

David Mundell: This is a truly significant day for Scotland. If this Bill completes its parliamentary progress, it will add to the already extensive responsibilities of the Scottish Parliament a range of important new powers. It provides even greater opportunities for the Scottish Government to tailor and deliver Scottish solutions to Scottish issues. The Scottish Parliament that returns in May will be a powerhouse Parliament that has come of age. Crucially, it will be much more accountable to the people who elect it, which is the hallmark of a mature democratic institution.

I am pleased to say that Lord Smith of Kelvin has confirmed that the Bill puts into law the agreement that the five main political parties in Scotland reached, and that the fiscal framework that was agreed means that the recommendations of his commission have been delivered in full.

Last week, the Scottish Parliament debated the motion that the Bill was clearly passed by this Chamber, have contributed to the Bill as it stands before us today, and the agreement was unanimous. Deputy First Minister John Swinney remarked:

"The Smith process delivered an agreement for additional powers that—if they are used in the right way—can benefit the people of Scotland.”—[Scottish Parliament Official Report, 16 March 2016, c. 3.]

I agree with him wholeheartedly on that.

The debate last week demonstrated the consensus among all parties in Scotland that these new powers present a tremendous opportunity for Scotland. That was clear in their unanimous vote to grant legislative consent to this Bill. This process goes to show that both of Scotland’s Governments and both of Scotland’s Parliaments can work effectively together in the interest of the people in Scotland and right across our United Kingdom.

No individual or party held a monopoly of wisdom on how the Smith agreement might best be translated into legislation. Many people, both inside and outside this Chamber, have contributed to the Bill as it stands before us today. I thank hon. Members. Members and noble Lords for their contributions as the Bill passed through this House and the other place.

John Redwood (Wokingham) (Con): I am grateful to the Secretary of State for giving way. When this important work was being done, there were obvious and big consequences for England. Which Minister or Ministers spoke for England during the negotiations?

David Mundell: My right hon. Friend has asked that question before. This legislation has been debated on the Floor of this House and on the Floor of the other place. Extensive scrutiny of the Bill has taken place. Indeed, there has been the opportunity to scrutinise the fiscal framework as well, so extensive scrutiny has been delivered in relation to this legislation for the people of England, Wales, Northern Ireland and Scotland.

The Bill has been strengthened by the scrutiny it has received, and I am pleased that the amendments that I will cover shortly are a positive and constructive culmination of that process.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Going back to the previous intervention, it was obvious from the voices on the Scottish National party Benches that all the other Ministers, especially those from the Treasury, spoke for interests other than those of Scotland. Is it not time to move away from this form of devolution, whereby we effectively get the crumbs from the table at Westminster, to a model that Copenhagen shares with the Faroe Islands and Greenland, in which the larder is always open and they get to choose their own powers. Instead of taking the crumbs from Westminster, we should be able to take the powers that we want from Westminster when we want them.

Hon. Members: Hear, hear!

David Mundell: The hon. Gentleman’s colleagues may agree with him, but I do not think that the people of Scotland do. The people of Scotland made it very clear in September 2014 that they wanted to remain part of our United Kingdom, but they wanted a Scottish Parliament with enhanced powers, which is what this Government are delivering. The hon. Gentleman strikes a rather sour note, given the consensus within the Scottish Parliament and among his colleagues in the Scottish Government—a consensus that recognises the importance of the powers that will be delivered by this Bill if it completes its passage today.

I also acknowledge the work of the Committees of both the Scottish and the UK Parliaments, including those chaired by the hon. Member for Perth and North Perthshire (Pete Wishart) in this place, by the noble Lords, Lord Lang, Baroness Fookes and Lord Hollick, in the other place and by Bruce Crawford in the Scottish Parliament. The broad range of evidence and expertise they marshalled in the Bill’s scrutiny has improved it materially.

I also wish to thank the Deputy First Minister, John Swinney MSP, and Scottish Government officials for their always courteous engagement in this process. Scotland gets the best outcome when its two Governments work together.

I am truly grateful to all my officials at the Scotland Office and the officials from the 10 other Whitehall Departments whose hard work has got us to this stage. My noble Friends Lord Dunlop and Lord Keen of Elie have played an essential role in the Bill’s passage through the other place; I also commend Lord McAvoy and Lord Wallace of Tankerness in particular for their work. The origin of the Bill is the Smith agreement, and I once again pay tribute to Lord Smith of Kelvin and
the representatives of all five of Scotland’s main political parties for reaching an agreement that redefined the devolution settlement.

5.45 pm

A number of technical amendments were made in the other place to ensure that the Bill devolves the powers intended effectively and efficiently. There were also substantive amendments related to the fiscal framework and responsible parking.

In line with the Smith Commission agreement, the fiscal framework agreement changes the powers available to the Scottish Government for both resource and capital borrowing. Lords amendments 22 and 58 set out clearly, and consistent with the existing legal framework, new borrowing powers for the Scottish Government. Lords amendments 23 and 59 deal with independent fiscal scrutiny in Scotland and the UK. Those amendments formalise the arrangements around the Office for Budget Responsibility’s access to information from Scottish institutions, notably the Scottish Fiscal Commission and the Scottish Government.

A number of minor and technical amendments were made to the welfare provisions in the Bill. Lords amendments 50 to 52 are minor amendments to ensure that powers and procedure for secondary legislation transfer effectively. Lords amendment 24 is technical in nature and ensures that executive competence will be transferred to the Scottish Ministers, so that they can make payments of Sure Start maternity grants, funeral payments, cold weather payments and winter fuel payments when clause 21 is commenced. Lords amendment 28, which proposes a new clause after clause 30, and Lords amendment 29 make it clear that the Social Security Advisory Committee and the Industrial Injuries Advisory Council will advise the Secretary of State only, and Lords amendments 25 to 27 are technical amendments made as a result of that change.

Lords amendments 1 to 20, on elections, are also technical amendments which clarify the provisions and improve the drafting. Lords amendments 17 to 20 in particular amend clause 11 on the supermajority provision in the Bill. The amendments enable a Bill in the Scottish Parliament to pass to Royal Assent if the Presiding Officer of the Scottish Parliament decides that a simple majority is required: the Bill is passed with a simple majority but is referred to the Supreme Court, and the Supreme Court agrees that only a simple majority was required. Lords amendment 57 provides that clauses 3 to 12 will come into force on such a day as the Secretary of State may appoint by regulations made by statutory instrument. That will allow time for necessary consequential and saving provisions related to elections to be made.

Lords amendments 30 to 36 are technical amendments that would remove an unnecessary reference in clause 35 to the Equality Act 2006.

Amendments to clauses 39 and 40 and schedule 2 align the competence of Scottish Ministers for road signs and speed limits with the competence of the Scottish Parliament. As a result, once the clauses are commenced, Scottish Ministers will have the power to make regulations providing speed limit exemptions or to give general directions in relation to traffic signs and pedestrian crossings to the same extent as the Scottish Parliament has legislative competence. A considerable amount of work has already been done to develop a new set of regulations to prescribe speed limit exemptions. If they are to be truly effective, changes to relevant traffic signs regulations will also be needed. Traffic signs are already being devolved to the Scottish Parliament in other clauses of the Bill. Work on traffic signs regulations has also been part of a long-term project to bring in GB-wide revised regulations.

Those amendments will enable the Secretary of State, with Scottish Ministers’ consent, to make a single set of regulations that are GB-wide in their application and allow vehicles used for various purposes connected with devolved matters to have exemptions from both speed limits and certain road signs and general directions. The aim is to assist stakeholders and avoid duplication of work already carried out by the Department for Transport, benefiting everyone who needs to travel at speed on roads. In addition, these amendments treat amendments to section 87 of the Road Traffic Regulation Act 1984 made by the Road Safety Act 2006 as though they were in force when clause 38 comes into force.

In Committee, Labour tabled an amendment on responsible parking. The amendment was also raised in the other place. I have for some time been committed to seeking a solution to this issue. Lords amendments 38 and 46 seek to address the long-standing problem of irresponsible parking, which has a particular impact on people with disabilities, parents with pushchairs and the elderly, especially when vehicles have been badly parked on pavements. We took forward discussions with the Scottish Government on this matter, and, as a result of these discussions, amendments were tabled in the other place that will enable the Scottish Parliament to take action on this issue. This is a good example of the sort of running repair which from time to time it is prudent to make to the devolution settlement, and demonstrates the collaborative relationship between the two Governments.

Lords amendment 49 revises clause 45(8) on onshore petroleum to ensure that the Secretary of State’s enforcement ability in relation to reserved matters is preserved for licences in respect of onshore Scotland. Amendment 48 removes a redundant reference.

Clause 68 confers on the Secretary of State the power to make consequential, transitional and saving provisions by regulations. Lords amendments 53 to 56 amend this provision in response to feedback from the Delegated Powers and Regulatory Reform Committee.

The Government made substantial amendments to the Bill on Report in this House. The Lords amendments are largely technical, but nevertheless include important provisions related to the fiscal framework and responsible parking. I am pleased that they were accepted in the other place. I urge the House to accept the Lords amendments.

Ian Murray (Edinburgh South) (Lab): The Secretary of State’s description of the road traffic changes had me mesmerised. I could have listened to him all evening. We thank him for that.

It is a great pleasure to speak on behalf of the official Opposition. I am not going to pretend that the passage of the Bill has been entirely enjoyable, smooth or stress-free, but we are where we are and it has definitely been worth getting to this place. Every Member of this House and the other place should be incredibly proud of what has been achieved in such a short time. Some will say the
Bill does not go far enough, and some will be disappointed that it does not contain what they wanted, but I think today marks a historic day in the devolution journey of our Scottish Parliament.

When this Bill is passed—there is no longer any doubt that it will be passed today—Scotland will have one of the most powerful devolved Parliaments in the world. That is what the Labour party has always wanted from that process. It was the former Prime Minister, the former Member for Kirkcaldy and Cowdenbeath, who devised the vow that promised more powers. Let us pay tribute both to him and to the Daily Record for publishing it at the time. [ Interruption. ] I knew I would get a reaction to that. If only I had said The National, the response from the SNP Benches might have been different.

That paved the way for the Smith commission, skillfully chaired by Lord Smith of Kelvin, who managed to negotiate cross-party agreement on the form that those powers should take. That in turn laid the foundations for the Bill before us today. It has now passed through this place and the other place. A revised fiscal framework has been agreed, crucially with the Barnett formula at its heart. As promised, the vow has been delivered, with Barnett protected. That was always a Labour party promise, as promised, the vow has been delivered, with Barnett protected. That was always a Labour party promise, as promised, the vow has been delivered. With the zeal of the convert, they argued vociferously for an approach this is what the SNP Benches might have been different.

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In short, with those amendments and powers, the Scottish Parliament will have the power radically to reshape the social and political landscape in Scotland. As we all know, if we are to have the excellent public services and high standards of living enjoyed by countries in other parts of the world, we must have the revenues to pay for them, and that means making bold decisions.

Scottish Labour has already begun to set out how it would use the new powers that are coming to Scotland, along with those that Scotland already has, to maintain and increase levels of investment in education and public services. A Scottish Labour Government will depart from the discredited political doctrine of austerity and increase public spending over the lifetime of the next Scottish Parliament. We will be bold, and we will be radical, because that is the only way to really change people’s lives. We understand that having power is pointless if we are not prepared to use it. It is a shame that others—the Conservative Government and the SNP Scottish Government—will go into this election with a powerful Parliament offering a pale imitation of the status quo. After the blood, sweat and tears of getting this Bill on to the statute book, that is unfortunate. Faced with the choice between using the powers of the Scottish Parliament to invest in our economy or carrying on with the SNP’s cuts to schools, Labour will use those powers.

In the course of our consideration of the Bill, the Labour party has focused on securing practical, progressive changes to it. Where we felt it fell short of the Smith commission, we have sought to improve it. Where there has been disagreement, we have not declined noisily from the rafters, but sought to reach compromise. In adopting that approach, we have won valuable concessions from the Government—changes to the Bill that will make a real, practical difference to Scotland.

In this place, we secured the power to create new benefits in devolved areas, and we elicited welcome clarity on the application and extent of the provisions to top up existing benefits. That will allow the Scottish Parliament, effectively, to design a new social security system to suit the needs of Scotland. Given last week’s Budget, thank goodness it has that power.

In the other place, we campaigned successfully, as the Secretary of State said, for an amendment to the Bill to devolve competence over pavement parking to the Scottish Parliament. If hon. Members remember, it was the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) who mentioned the issue on Second Reading in the course of our commission, we have sought to improve it. Where there has been disagreement, we have not declined noisily from the rafters, but sought to reach compromise. In adopting that approach, we have won valuable concessions from the Government—changes to the Bill that will make a real, practical difference to Scotland.

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Pavement parking is dangerous for pedestrians, especially people with sight loss, parents with pushchairs, and wheelchair users and other discursing the amendment, we have cleared the way for the Scottish Parliament to take legislative measures to protect those people and to increase the safety of our streets.

The Government’s other amendments in the Lords are merely technical and tidying-up provisions, and we do not, of course, oppose any of them.

I would like to close by thanking those who have brought us to this juncture. The former Prime Minister deserves our thanks—it was his vow, which was itself a product of his passion for Scotland, that paved the way for the process that created the Bill. My right hon. Friend the Member for Doncaster North (Edward Miliband) also deserves our thanks for pushing forward with the vow and making sure we secured the new powers for Scotland in the legislative programme. In this place, I would also like to thank the Secretary of State and his team. He has always been an affable adversary and has shown a willingness to work constructively to improve the Bill. In particular, his staff deserve great credit for the way in which they have helped us navigate the Bill.

I thank Labour’s shadow Scotland team, especially my hon. Friend the Member for Caerphilly (Wayne David), who is not in his place today, due to illness. He has been invaluable in his willingness to step into the breach, even when the debate was at its fiercest. I give special thanks to the Clerks in the House of Commons Public Bill Office for their support and, more importantly, their patience, and to the impartial experts in the House of Commons Library. In the other place, I thank my right hon. Friend Lord McAvoy for leading on the Bill for the Opposition in such an energetic manner. I also thank my right hon. Friends Lord Smith of Kelvin and Lord Foulkes of Cumnock for their learned advice and support.

I would like to mention the Law Society of Scotland, which I worked with on a number of amendments and which was always ready with an expert and impartial perspective. Michael Clancy of the Law Society—this is an interesting diversion and something we have not experienced before now—has sat under the Gallery in both this and the other place for every single Scotland Bill sitting since 1997, but he had to leave to catch his flight this evening so he has been unable to watch these proceedings and has missed the very last sitting. [HON. MEMBERS: “It’s not the last!”] It is certainly the last sitting on this Bill; I am sure that everyone can agree with that. We wish him well and thank him for his advice. I also thank Lord Smith of Kelvin and the commissioners of all parties who played an integral role in the process.

It may not feel like it, but this is a historic day for Scotland that will fundamentally change its social and political landscape. All we have to do now is make use of these substantial powers. We take up that challenge. It is now up to others to do the same.

**Angus Robertson** (Moray) (SNP): I am delighted to follow the hon. Member for Edinburgh South (Ian Murray). It is a calumny that he has been described as negative. He spent much of his time at the Dispatch Box trying to be positive about the Scotland Bill. Parts of his speech were positive and we welcome that, and we also welcome the Secretary of State’s positive comments.

The Scotland Bill is an important step in extending the responsibilities of the Scottish Parliament and in Scotland’s journey towards greater gravitational powers. That journey has quickened in pace since the Scottish National party was first returned to power in 2007. The Bill follows progress including the Scotland Act 2012, the
independence referendum and the Smith commission itself. As Deputy First Minister John Swinney has said, the Bill delivers additional powers that can benefit the people of Scotland, including extended powers over tax, new powers over welfare, and responsibilities for the Crown Estate, tribunals and the licensing of onshore oil and gas activity.

The agreement on a fiscal framework published on 25 February increases the Scottish Parliament’s financial responsibility, is consistent with the Smith principles of no detriment, and is fair to the people of Scotland. As the Bill, including the amendments under discussion, provides useful powers and has moved towards delivering more of the recommendations made by the Smith commission reports, and as the agreement on the fiscal framework would be a fair basis for future funding consistent with the principles agreed by the Smith commission, the Scottish Government recommended that the Scottish Parliament should consent to the Bill. On 11 March 2016, the Devolution (Further Powers) Committee published its report on the Scotland Bill and the fiscal framework. Although it makes recommendations on specific policy areas, its overall conclusion is that the Scottish Parliament should consent to the Bill. That is what is before us. On 16 March, the Scottish Parliament consented to the legislative consent motion for the Bill.

The SNP has, of course, governed in Scotland for nine years, and every indication is that the people of Scotland have been delighted with the governance of Scotland under the SNP. I join the Labour party spokesman in paying tribute, as I did earlier today, to every outgoing Member of the Scottish Parliament—not least my right hon. Friend the Member for Gordon (Alex Salmond)—of all political parties, who have worked hard to achieve the best governance that decision-making closer to home can bring.

The outgoing Scottish Government have already acted with pace and creativity, in consultation with others, to be ready to use the limited powers—there are, of course, limits on the powers that are being devolved. That includes introducing a social security Bill within the first year of the new Scottish Parliament, to support the transfer and administration of Scotland’s new, devolved social security benefits. It also includes enhancing opportunities for employment and inclusive economic growth by improving support for people to move into employment through reform of the Work programme and linking employment programmes with training and education.

The outgoing Scottish Government have also committed to abolishing fees for employment tribunals, to reduce the burden of air passenger duty by 50%, and to promote equalities by taking early action on gender balance on public boards. They have also set out longer-term intentions for further income powers, are committed to a progressive taxation policy and have applied that to the decision on existing tax powers. Commencement of most of the new powers will take place in 2016, but new arrangements for the use of major new powers on matters including tax and welfare will not be in place before April 2017 following scrutiny of the proposals by the Scottish Parliament.

On 11 March 2016, the Scottish Parliament’s Devolution (Further Powers) Committee published its final report and gave its unanimous recommendation that legislative consent be given to the Scotland Bill. That was described as “a significant milestone in a remarkable political process” by Committee convener Bruce Crawford MSP. I pay tribute to him and his colleagues on the Committee, as I do to my hon. Friend the Member for Perth and North Perthshire (Pete Wishart), the Chair of the Scottish Affairs Committee, for their work. Although the Scotland Bill and the Smith commission could have delivered more effective and coherent powers to the Scottish Parliament, the Bill provides useful additional powers in important areas such as taxation and social security.

The UK Government amended the Bill to reflect some of the comments of the Scottish Government, the Scottish Parliament and its Committees. With an agreed fiscal framework that increases the Scottish Parliament’s responsibility and protects the Barnett formula, the Scottish Government recommended that the Scottish Parliament consent to the Scotland Bill. The final report of the Devolution (Further Powers) Committee also had some important things to say:

“There are still some areas where we feel that the Scotland Bill—continues to fall short of the spirit and substance of Smith...Nevertheless, the Bill has been improved during its passage through our detailed scrutiny and we welcome the fact that the Secretary of State for Scotland has been prepared to listen to the evidence we have presented and improve the Bill in other areas...in our view, on the basis of the information provided to date by both governments, we are prepared to endorse the fiscal framework underpinning the powers to be devolved to Scotland as part of this Bill. Therefore, on balance, we recommend that the Scottish Parliament gives its legislative consent to the Scotland Bill.”

UK Government amendments that implement more of the Smith report, including the permanence of the Scottish Parliament, are welcome. However, it needs to be said that the Scotland Bill continues to fall short of the spirit and the substance of Smith in some areas, including the devolution of employment programmes and the future operation of the legislative consent provision. It is important to understand that the UK Government can still effectively veto the exercise of devolved powers under universal credit by inserting their own date for work changes to commence. The social security provisions on discretionary payments and assistance are still subject to restrictions, notably for those who are under sanctions. The Smith report was clear that the Scottish Parliament should have complete autonomy over devolved benefits. The Scotland Bill is many things, but it is not federalism or near-federalism. Anybody who understands the powers of the German or Austrian Länder knows that to be true. It is an improvement, and it is progress.

We in the SNP thank all in the Scottish Government who have been involved, especially John Swinney. We also thank those on the UK Government side, even though—this is an important rider—I see that there is a Minister from the Treasury on the Treasury Bench, and we all know that the Treasury wanted a fiscal framework that would have made Scotland worse off by £7 billion. Thank goodness for the efforts of John Swinney and colleagues in the Scottish Government. I would like to take the opportunity to thank my SNP MP colleagues, who have worked so hard on the Bill throughout the parliamentary process. In fairness, it is also right to place on record the fact that Members in the other place spent a lot of time on the Bill.
Most importantly, I thank all those in Scotland who have believed in more powers. They did not draw lines in the sand or say, “This far, and no further”, as others have done even in the recent past. Thanks to all those yes voters and all those SNP voters, Westminster has had to take note. This is just the latest stage on Scotland’s journey, and there will be many more. We agree with the amendments, and we wish the Bill to proceed. That is exactly what will happen today.

David Mundell: I will not detain the House for long, but I want to respond briefly to some of the points that have been made.

I add my best wishes to all Members of the Scottish Parliament who are leaving at this election, particularly my colleagues and others who were elected to the Scottish Parliament alongside me back in 1999. A number of people who have served in Parliament throughout that period are leaving, and others who are standing in the election will be leaving, although not necessarily of their own accord. We should wish them well.

6.15 pm

I am very grateful to the hon. Member for Edinburgh South (Ian Murray) and the right hon. Member for Moray (Angus Robertson) for what they said about Scotland Office officials. They will both recognise that the Scotland Office is a small team, and bringing the Bill together, along with 10 other Whitehall Departments, has been a very significant undertaking for the Scotland Office. I pay particular tribute to the Bill team, who have navigated us to this point.

I also pay tribute to Michael Clancy and his efforts on behalf of the Law Society of Scotland. All Scottish Members, including the new ones at the last election, will have come to see Michael as one of the most dogged pursuers of improved legislation across the gamut of what affects Scotland in this place. I very much welcome his involvement.

My test for the Bill was the views of Lord Smith of Kelvin. He has been absolutely clear that, with the amendments made to the Bill on Report and with the fiscal framework as negotiated, the Bill fully meets the Smith commission recommendations. That is the test—the objective test—that should be applied to the Bill.

I welcome the contribution that all Members have made, particularly in Committee. We have had some lively discussions on the Floor of the House. I very much welcome the work of the Devolution (Further Powers) Committee in the Scottish Parliament. I have said in correspondence with Bruce Crawford—I am happy to put this on the record in this Parliament—that its scrutiny of the Bill has been exemplary and has contributed significantly to improving it. We of course recognise the detailed scrutiny of the Bill in the other place.

The Bill is now on the final stage of its journey, so it is appropriate briefly to consider what lies ahead. The co-operation between Scotland’s two Governments and Parliaments that has underpinned the Scotland Bill and fiscal framework will be fundamental to the success of the work that now needs to take place to implement the new powers. Last week, the Deputy First Minister and I discussed the initial plans for the transfer of powers following commencement, and I will continue that dialogue with the Scottish Government immediately after the Holyrood elections.

To date, both Governments have agreed that the full devolution of income tax rates and thresholds for non-savings and non-dividend income will commence in April 2017. Air passenger duty will be devolved in April 2018, and the implementation dates for welfare will be agreed by the joint ministerial working group on welfare. The majority of the remaining provisions will be commenced either on Royal Assent or two months after Royal Assent.

Political discourse in Scotland is already changing as a result of the Bill, moving on from a debate on process to one about how the powers will be used. I am expecting a lively debate during coming weeks about how these powers should be used for the benefit of the people of Scotland. I look forward to working further, after the elections, with the Scottish Government to ensure their smooth and effective transfer. I urge the House to accept the Lords amendments.

Lords amendment 1 agreed to.

Lords amendments 2 to 62 agreed to, with Commons financial privileges waived in respect of Lords amendment 22.

Sir William Cash (Stone) (Con): On a point of order, Mr Speaker. Under section 5 of the European Communities (Amendment) Act 1993—the Maastricht Act of Parliament—there is a requirement on the Government:

“Before submitting the information required in implementing Article 103(3) of the Treaty...to report to Parliament for its approval an assessment of the medium term economic and budgetary position in relation to public investment expenditure”. Interruption.

Mr Speaker: Order. This is a serious point of order to which I hope Members will want to attend. If they do not, they can always pursue their enthusiasms elsewhere. I want to listen to the hon. Gentleman’s point of order, as should those on the Treasury Bench.

Sir William Cash: As the Minister knows, that provision concerns convergence criteria, and stability and growth factors. The trouble is that the document we have been given, entitled, “2014-15 Convergence Programme for the United Kingdom: submitted in line with the Stability and Growth Pact”, contains in pages 141 to 145 a detailed assessment of the position on welfare caps and other spending, including matters relating to disability benefits and personal independence payments, about which there has been a great deal of controversy over the past few days.

I therefore submit to you, Mr Speaker, that it is impossible for the Government to be able to submit that document, which has now been significantly changed as a result of the controversy of the past few days, and it is therefore inappropriate for them to proceed with this debate. What is your view?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order, which I think I will describe as a conscientious effort at derailment of the Government’s intended programme of business. I say that not in a pejorative sense, as it is a perfectly legitimate attempt. I hope that those on the Treasury Bench, and other Government Members, are cognisant of what the hon. Gentleman has said, and that they have followed the logic of his argument and the substance of his thesis. I am not altogether sure that all expressions on ministerial faces have been entirely comprehending of his point,
even though it is pretty straightforward, but my advice to the hon. Gentleman is that if at the end of the debate he is dissatisfied he will have to register that with his vote. He is saying that the terms of trade have changed, but that is often the case, and he should seek to catch my eye to develop his arguments more fully in the course of the debate.

Sir William Cash rose—

Mr Speaker: I am not sure that there is really a further point of order, but as it is the hon. Gentleman, I am minded to indulge him.

Sir William Cash: Further to that point of order, Mr Speaker. I just wanted to mention the ministerial code. After all, it is incumbent on Ministers to give accurate information to Parliament, and I wish to register that point.

Mr Speaker: The hon. Gentleman has registered that point, although, as he will know, I am not responsible for the ministerial code. Others are, however, bound by it, and therefore have a responsibility to it. That point is on the record.

John Redwood (Wokingham) (Con): Further to that point of order, Mr Speaker. I wonder whether it would be sufficient for Ministers to report orally to the House on how they propose to amend the figures, which are clearly wrong.

Mr Speaker: It is entirely open to Ministers to do that in the course of the debate. I have no desire to steer the debate as that would be very wrong, but I have a hunch that if the Minister does not provide satisfaction on that front, he might be peppered with attempted interventions from either the hon. Member for Stone (Sir William Cash) or the right hon. Member for Wokingham (John Redwood). We will leave it there for now.

Section 5 of the European Communities (Amendment) Act 1993

6.24 pm

The Financial Secretary to the Treasury (Mr David Gauke): I beg move to move.

That this House approves, for the purposes of Section 5 of the European Communities (Amendment) Act 1993, the Government’s assessment as set out in the Budget Report and Autumn Statement, combined with the Office for Budget Responsibility’s Economic and Fiscal Outlook and Fiscal Sustainability Report, which forms the basis of the United Kingdom’s Convergence Programme.

After four days of debating the Budget I am sure the whole House will welcome a further opportunity to debate the UK economy, given the information that will be provided to the Commission this year under section 5 of the European Communities (Amendment) Act 1993.

As in previous years, the Government inform the Commission of the UK’s economic and budgetary position as part of our participation in the EU’s stability and growth pact. The convergence programme explains the Government’s medium-term fiscal policies as set out in the 2015 autumn statement and Budget 2016. It also includes the Office for Budget Responsibility forecasts. As such, it is based entirely on previously published documents that have been presented to Parliament. It is the content, not the convergence programme itself, that requires the approval of the House for the purposes of the 1993 Act.

Mr David Nuttall (Bury North) (Con): Will my hon. Friend explain, for the benefit of the House, what he understands by the meaning of the word “convergence”?

Mr Gauke: The important point here is that the United Kingdom is not obliged to converge with other EU member states. If I remember correctly, the terminology dates back to the Maastricht treaty, and this is a part of the process that originates from that. The UK is not subject to any sanctions as a consequence of our participation in this process, nor are we required to take any directions from the European Commission in respect of our economic policies.

John Redwood (Wokingham) (Con): But surely the purpose of tabling the numbers to the Commission is that it puts it under what it calls “surveillance”? It can then make an adverse report. It is very clear that the intention is that our budget deficit should never be more than 3% of GDP. I note that, for the first time in some time, the Government will at least get the budget deficit below 3%. I am in favour of doing that anyway, but is it not the case that they have to do that because that is what convergence is all about?

Mr Gauke: It is the case that the provision dates back to the Maastricht treaty—no doubt my hon. Friend the Member for Stone (Sir William Cash) can provide further details on its history—which was incorporated into the European Union (Amendment) Act 1993. That requires us to submit a report. The important point for the House is that this does not give the European Commission the ability to impose sanctions on the UK. I am in complete agreement with my right hon. Friend that the UK should not have excessive deficits, but that is a matter ultimately decided by this House, this Parliament and the elected Government of the United Kingdom.
Sir William Cash (Stone) (Con): I know my hon. Friend listened to what I said in my point of order, so I would like to address the point to him personally. Section 5 states:

“Her Majesty’s Government shall report to Parliament for its approval”—on the basis that it is accurate—“an assessment of the medium-term economic and budgetary position”.

It is absolutely clear, unless he can tell me that this document was prepared since the controversy of the past few days, that this cannot be accurate and nor can it be a proper assessment. To report to Parliament something that is not accurate is quite an important and rather difficult problem for the Minister, is it not? What measures will he take to correct the position, so that Parliament can approve it on the basis of an accurate assessment?

Mr Gauke: I will return to that point later, but let me address it in short now. The information provided to the Commission under this process is and has always been based on information already published. It is not a new exercise. We do not ask the OBR to go through the process once again. It is required to produce its documentation and make its assessments at the times of Budgets and autumn statements, and we do not think that our requirement under European legislation is such that we should require the OBR to go through that process again.

The essential position of the public finances remains the same. Notwithstanding the announcement on personal independence payments, it remains the case that from next year debt will be falling every year, that the deficit will be falling each and every year of this Parliament and that we will be in surplus in 2019-20. I suspect that my hon. Friend the Member for Stone (Sir William Cash) would not be keen for us, as a consequence of this requirement—I suspect he is no enthusiast for our going through this process in the first place, but the fact is we have to go through it—

Mr Nuttall: Why?

Mr Gauke: Because that is what the law requires us to do.

It would not seem proportionate, in these circumstances, to do anything other than submit documentation previously prepared by the OBR.

Sir William Cash: I just want to put this to bed. I have made the point that the documentation cannot be accurate—unless my hon. Friend is going to tell me the Government have changed the figures since publication—but there is a second point. It appears from the figures, which can be a bit confusing for some people, that there is a black hole. Some people allege it is as much as £4 billion and others say it is only £1.3 billion—it relates specifically to PIP—but he will appreciate that it is not possible for the documentation to be accurate. This has nothing to do with the OBR as such—it is not the OBR report being submitted—but concerns the Government’s own assessment. Will he be kind enough to get that right? It is important that we are accurate.

Mr Gauke: Our principled approach over several years has been that the documentation provided to the Commission is based on the most recent publications. I do not think it would be sensible or proportionate to rerun elements of a Budget process purely for an EU audience. That would not be the right thing to do.

George Kerevan (East Lothian) (SNP): On the accuracy of the information being transmitted to the Commission, there is another matter, which has not been brought up. The figures for February’s tax receipts have led to a significant increase in February borrowing. It is therefore impossible in the final month of the financial year for the Government to hit their declared target for borrowing. It will be greater than the target—so, again, the information is inaccurate.

Mr Gauke: Again, I make the same principled point. We provide information already published in these reports—we do not seek to amend it—although the hon. Gentleman makes an interesting point: should this be updated monthly in the light of public finance numbers? I would make a second point about the public finances, however. Having been in the Treasury for a little while now, I know that public finance numbers can be quite volatile, so one should take good news and bad on a monthly basis with a pinch of salt. It is only when one steps back that one has a good view of the overall position, and that is what the OBR does twice yearly.

On the process, I remind the House that although the UK participates in the stability and growth pact, by virtue of our protocol to the treaty opting out of the euro we are required only to endeavour to avoid excessive deficits. The UK cannot be subject to any action or sanctions as a result of our participation in the pact. Following the House’s approval of the economic and budgetary assessment that forms the basis of the convergence programme, the Government will submit that programme to the European Commission. The Commission is expected to make its recommendations to all EU member states in mid-May. These recommendations will then be agreed by Heads of State or Government at European Council.

Mr Nuttall: This process takes place, as we both know, every year, and we have this debate every year. What, however, is its purpose? What possible benefit is there in going through the motion or charade of submitting this document to Brussels every year? What are the benefits for this country and for my constituents?

Mr Gauke: Apart from the fact that the law requires us to do this, I would tell my hon. Friend that the UK has a proud record of structural reform. We are performing better than many other EU member states. To the extent that other such states are able to examine the measures that we have been taking to improve the performance of the UK economy and to the extent that they see it as an example well worth following, this will help to strengthen other EU member states’ economies, which might have a benefit to the constituents of my hon. Friend. The fact that we are leading the way as the fastest-growing major western economy means that we have a proud record. We should not be hiding our light under a bushel.

Budget 2016 set out the Government’s assessment of the UK’s medium-term economic and budgetary position. In uncertain times and against a deteriorating global
economic outlook, the Budget delivers security for working people. It takes the next bold steps in the Government’s long-term economic plan. The UK is forecast to grow faster than any other G7 economy this year, with employment at record highs. Against that, productivity growth is weaker than forecast, while globally the economic picture is less positive than it was six months ago.

The OBR tells us that, in every year of the forecast, our economy grows and so, too, does our productivity, but it has revised down growth in the world economy and in world trade. The OBR also notes concerns across the west about low productivity growth, and has revised down potential UK productivity growth. In the face of the new assessment of productivity and the slowing global economy, the OBR now forecasts that UK GDP will grow by 2% this year, 2.2% again in 2017 and then 2.1% in each of the three years after that.

I shall not go through all the figures that have been debated at some length relating to the deficit and the debt, and I shall not go through all the Government’s measures. What is clear is that we are restoring our public finances, heading towards a surplus at the end of this Parliament and reducing the deficit year on year. I hope that the House will, in line with section 5 of the European Communities (Amendment) Act 1993, approve the economic and budgetary assessment that forms the basis of the convergence programme. I look forward to hearing this evening’s debate.

6.38 pm

Rob Marris (Wolverhampton South West) (Lab): I have to say that I have some sympathy with the hon. Member for Stone (Sir William Cash) and the right hon. Member for Wokingham (John Redwood). I draw the House’s attention to the wording of the motion, which states:

“That this House approves...the Government’s assessment as set out in the Budget Report and Autumn Statement”.

Even the Chancellor of the Exchequer does not accept the assessments made in the autumn statement, yet we are now going off to Brussels and—if the motion is passed; I hope it is not—saying that we accept them.

I hope you will give me a little latitude, Mr Speaker, because I would like to start by setting the scene of where we are with our economy and looking at some of the history behind it. We must look at credibility. In the 2015 general election, Labour lacked economic credibility and people voted accordingly. It is true that most of the economic meltdown in the UK in 2008 was due to world factors such as the Lehman Brothers collapse and so forth. Let me try, however, to dispose of the myth to the assessments made in the autumn statement, yet we have to say that I have some sympathy with the hon. Gentleman accept that that is the real position?

Rob Marris: Network Rail should be included; future pension liabilities should not.

The Chancellor is fond of saying that the current Government and the last coalition Government have fixed the roof while the sun was shining, and that Labour failed to do so. Well, only 20% of infrastructure projects have been started over the last six years. Under Labour Governments we had many more hospitals and schools, and we also had the £12 billion decent home programmes for doing up social housing. As a result, there was a great deal more social housing, including housing association and council properties, than there has been under the current Conservative Government and the coalition.

I welcome the creation of 2 million more jobs since 2010—that is the jewel in the Chancellor’s crown—but it has been bought with a sea of debt, a point to which I shall return. The proportion of part-time workers in the work force has remained broadly the same for the last 10 years, but there is concern about the growth of zero-hours contracts, although I must say that that concern is sometimes overblown. There is also concern about regional imbalances between London and the rest of the country, although I am pleased to say, as a west midlands Member, that they have lessened somewhat in the last two years. However, according to the Office for National Statistics, median gross weekly earnings in the United Kingdom fell by about 4.5% in real terms under the coalition Government.

A theme of the Chancellor’s Budget statement was “We choose to put the next generation first.”—[Official Report, 16 March 2016, Vol. 607, c. 951.] What happened about student fees and loans in England? What happened about the abolition of the education maintenance allowance in England? What happened about the spiralling cost of housing in the last six years because the Government singularly failed to address that issue, thereby increasing intergenerational imbalance?
What happened about this Government’s selling of a record amount of state assets this year? Those assets could have gone to the next generation. What happened about this Government’s carrying on with the disastrous policy of PFI? And what happened about the deficit and the national debt?

We were told that the deficit was not going to be eliminated by 2015. Well, these things happen. Is it going to be eliminated by 2020? Barely any commentators besides the Chancellor of the Exchequer himself believe that. The Financial Secretary to the Treasury says this evening that we are doing better than other member states. I have to tell him that that is not true. In the G7, for example, our deficit compared with those of the other seven states is the sixth worst; only that of Japan is worse. In 2014, the deficit in Greece—poor old meltdown Greece—was less as a proportion of GDP than the deficit in the United Kingdom. In 2015, according to the International Monetary Fund, they will be the same. That is not a great example to set.

The changes, positive as they may be, with some anaemic growth and considerable growth in employment, have been bought on a sea of debt. Government spending is out of control. Let us look at the national debt. I am grateful to the economist Richard Murphy for providing me with these historical figures. In 2014 prices, the average borrowing by Labour Governments for each year in office since the war was £26.8 billion. The figure for Conservative Governments was £33.5 billion. The average borrowing, in 2014 prices, for each year in office excluding the period since the world crash in 2008—it could be argued to be unfair to the last Labour Government and the Conservative-led Governments to include that period—was £17.8 billion for Labour Governments and £20.6 billion for Conservative Governments.

Let us look at the percentage of years in which debt was repaid by Governments since the war. Part of the national debt was repaid in a quarter of post-war Labour Government years; the same happened in 10% of Tory Government years since the war. Let us now look at the total repayments of the national debt made by respective Governments, in 2014 prices. Conservative Governments have managed to pay off £19.9 billion of the national debt. Labour Governments, who have had more economic credibility, have paid off £108.8 billion. This Government’s spending is out of control. The national debt is up two thirds in six years, and this year it is forecast to increase slightly as a percentage of GDP.

It is a good thing that Mr Brown kept the United Kingdom out of the euro. Had he not done so, we would be in special measures big time under the terms of the growth and stability pact. The treaty defines excessive budget deficits as those that are greater than 3% of GDP. The current Chancellor has failed that test six years running, and on current forecasts—they could of course change next week—he is set to scrape in that test 10 years running.

The Chancellor is borrowing on the credit card to pay the day-to-day bills. He is also borrowing on a mortgage to buy bricks and mortar. That is fine for infrastructure—that is what Labour would do and it is what many families do. We borrow on a mortgage to pay for the bricks and mortar, but we should not borrow on the credit card to pay the day-to-day bills.

This Chancellor has been in office for six years and it is time that he took some responsibility. Frankly, it is wearisome, juvenile and harmful to our economy to keep blaming the previous Labour Government. I urge all Members of the House to vote against the motion tonight.

Several hon. Members rose—

Mr Speaker: Order. I will just point out for the benefit of the House that we have an hour and four minutes of the debate left, which should be enough.

6.50 pm

Sir William Cash (Stone) (Con): I have already made my point about the inaccuracy embedded in the report and need not repeat any of that; I am sure that the Minister heard what I said. In a way, it is an impossible situation for him, but that does not remedy the inaccuracy, and I need to hear what the Government propose to do. It may be inconvenient or fortuitous, but the reality is that it is there. The approval by Parliament of these documents for the purposes of onward submission to the European Commission simply cannot be conducted on the basis of the documents under consideration. I will now park the issue, but I am inclined to vote against the Government this evening on account of the inaccuracy, because it just does not make sense. I will be glad if the Minister tries to put things right in some manner, even if only orally, but he may be unable to do so. It is perhaps just as well if I leave things as I have just stated.

What I really want to refer to is the question of national debt, which I mentioned in an intervention. The problem is that the stability and growth pact, the convergence criteria and the 3% are important because they are the basis upon which countries decide whether to run their economies in line with European law or to be cavalier, and there are massive problems in the European Union relating to all that. My right hon. Friend the Member for Wokingham (John Redwood) mentioned that we are just about on the cusp of 3% at the moment, but that is simply not the case in other countries, which raises an important question. For example, the Italians are in dire trouble and are in an enormous battle to try to get some wiggle room into the stability and growth pact, which has led to extremely bad relations with Germany.

In 2003-04, however, nobody blinked an eye when it suited Germany to play around with the pact and not comply with its provisions. Italy is in difficulties and Greece remains in monumental difficulties, infringing the rule of law in Europe as expressed in the stability and growth pact and the convergence criteria, but Germany insists that everybody else obeys the rules until it does not suit it to do so. I find that difficult to accept. In fact, I do not accept it; I reject it. Either there is a rule of law or there is not. The bottom line is that there is a great deal of talk in the European Union about the rule of law, but unfortunately Germany does pretty much what it wants.

John Redwood: I remind my hon. Friend that, even today, when Germany would say that she is very virtuous in having no budget deficit, she still has a
much bigger proportion of debt to GDP than the 60% criterion and no obvious means of getting back down there.

Sir William Cash: My right hon. Friend is, of course, right about that, as he really understands all these things. There are massive problems with the whole of this European project, not only because of the inconsistencies but because of the laying down of requirements and obligations that are, in effect, disregarded when it suits certain countries but not when it suits others. The performance required under section 5 relates not only to the accuracy of the figures, to which I have already referred, but to social, economic and environmental goals, as set out in article 2 of the treaty, and a range of submissions in respect of article 103, which deals with economic growth, industrial investment, employment and the balance of trade.

I am happy to agree that the Conservative Government have managed to retrieve the appalling situation that faced us before 2010, but that does not alter the fact that we are talking about a debt level of £1.5 trillion when it is actually very much more than that. I have suggested that if we include the pension liabilities, it could be as much as £3 trillion to £4 trillion. One really has to take that on board, because if someone running a company conveniently parked an element of required debt, the auditors would never give them a clean bill of health. I do not see how pension liabilities can legitimately be off balance sheet, given the scale of this debt and the fact that all those public pensions have to be paid.

I want to move away from that issue, and I would be interested if the Minister would be good enough to refer to one these points in his reply, if he has time. I want to refer now to another aspect of this paper being presented to Parliament for its approval. Page 19 is headed: “Economic opportunities and risks linked to the UK’s membership of the European Union”. What follows on the whole of the page is a litany of reasons why we should stay in the EU. All the arguments of those who say, as I do, that we should leave are dismissed, and I find it tendentious. I have already criticised the three White Papers on the grounds that they lack accuracy and impartiality, which I was promised by the Minister for Europe when I put the point to him during a ping-pong between the Lords and the Commons on the duty to provide information under sections 6 and 7 of the European Referendum Act 2015. Yet, here we are, confronted with exactly the same problem. It is not just that there is inaccuracy embedded in this document, which I am bound to say I do not think the Government can get out of, but there is inaccuracy that conflicts with the provisions of those sections. There is a real list of problems here.

I should also mention the reference on page 19 to the virtues of the single market. I voted for the Single European Act in 1986 but I did table an amendment to say, in effect, that nothing in the Act shall derogate from the sovereignty of the United Kingdom Parliament. Things have moved on enormously since those difficult days, because if I table an amendment now to preserve the sovereignty of the UK Parliament, you, Mr Speaker, will allow it to be debated, and the Clerks of the House of Commons will not raise the difficulties that I was faced with then. In a nutshell, I was told by the then Speaker, and indeed by the Clerk of Public Bills, that I was not allowed to move such an amendment—it was as bad as that. Mr Enoch Powell came up to me in the Lobby and said, “I see that you have put down this amendment, and I agree with you.” As in so many other matters relating to economics, he was not exactly wrong.

The reference to the single market has to be weighed against whether it has achieved its objectives. Page 19 says that the single market is full of virtue and is entirely necessary for the United Kingdom.

7 pm

The debate stood adjourned (Standing Order No. 15).

BUSINESS OF THE HOUSE

Motion made, and Question put forthwith (Standing Order No. 15 and 41A(3)).

That, at this day’s sitting—

(1) Standing Order No. 41A (Deferred divisions) shall not apply in respect of Questions on:

(a) the motion in the name of Mr David Gauke relating to Section 5 of the European Communities (Amendment) Act 1993; and

(b) the motion in the name of Chris Grayling relating to Opposition Parties (Financial Assistance); and

(2) proceedings on the motion in the name of Chris Grayling relating to Opposition Parties (Financial Assistance) may be proceeded with, though opposed, until any hour.—(Julian Smith.)

Question agreed to.

SECTION 5 OF THE EUROPEAN COMMUNITIES (AMENDMENT) ACT 1993

Debate resumed.

Question again proposed.

Sir William Cash: I wish to put on the record again the position with regard to the single market, and I would really like the Minister, for whom I have a lot of respect, to answer my question, which I have put out and over again. It is based on figures from the Office for National Statistics and the House of Commons Library.

There is no disputing the fact that we run a trade deficit on current account transactions—imports and exports and good and services—of £58 billion a year, which is a lot of money. That £58 billion deficit is with the other 27 states of the European Union. We run a loss of £58 billion a year, and I do not regard that as small change. However, Germany runs a surplus of £67 billion with the same 27 member states. If someone can tell me that that is a single market that we need, I would like to hear them repeat it from the Dispatch Box, because it cannot be in our interests.

Furthermore, if we take that same criterion of current account transactions, we run a surplus of well over £36 billion with respect to the rest of the world, and that is selling the same goods and services. Clearly, therefore, there is nothing wrong with our goods and services, but such trade does not work for us in the way that it could and should when we are dealing with the European Union and the single market.
John Redwood: Does my hon. Friend agree that £12 billion of the £58 billion deficit with the European Union is the money that we have to send to it and that we do not get back? It is payment in order to buy its imports. One does not normally have to make a contribution to a country in order to import things from it.

Sir William Cash: It has been said in the past that the House of Commons is the only lunatic asylum that is run by the inmates, but I think we pale into insignificance compared with the European Union. This just does not work. I ask the Minister to make a note on the piece of paper in front of him to remember to answer my question relating to that deficit and surplus issue, because every time I raise it I get no answer. Although I agree that we will continue to trade and to co-operate with Europe—we want to do so and they want to do it with us—when it comes to this question of the need to stay in the single market, it simply does not stack up. This document is put forward for approval by Parliament, so we are entitled to an answer to that question.

George Kerevan (East Lothian) (SNP): In case the Minister does not answer, let me say that a sizeable proportion of the imports that Britain takes from the EU are in fact intermediate products, such as automotive parts, that go into goods that we then re-export. We are talking about supply chain interconnection, not free-standing goods.

Sir William Cash: I can only refer to the fact that there are ONS figures. They are endorsed and verified by the House of Commons Library, and I will leave my point at that.

The argument on page 19 moves forward to a suggestion that any “new relationship which gives the UK...access to the single market that it needs”—that assertion continues to be made—“would involve contributing financially to the EU”, which we are certainly doing to the very substantial extent of about £10 billion a year, and “accepting the free movement of people”.

The European Scrutiny Committee has been trying to have a debate on that for the best part of 18 months, but without success. I had a meeting with the Minister about it only today. That goes right to the heart of the viability of free movement and the immigration that flows from it. The argument continues: “and adopting EU rules without having any say over them.”

I repeat: without any say over them.

Today, the European Scrutiny Committee embarked on an investigation into the influence it is claimed we have and the manner in which decisions are taken in the European Union. This document implies that, somehow or other, we have massive input. The European ombudsman is looking into the question of trilogues, but within the decision-making process of the Council of Ministers it is horrendous to observe the extent to which votes are not taken. The so-called consensus on all matters, including those dealt with on page 19, is arrived at without a proper degree of accountability—in fact, I would say no degree of accountability of any kind. Decisions are taken in what I would describe as a Dan Brown’s “Da Vinci Code” situation, in which the Illuminati—otherwise known as COREPER—make deals behind the closed doors of unsmoke-filled rooms. We do not know and cannot find out how the decisions are arrived at. There is no agenda; nobody knows who decided what and on what basis. It is an affront to the democracy of this country that the decisions that affect the daily lives of everyone in it in respect of the whole gamut of European rule making are made almost entirely without majority voting taking place, in COREPER. It is deeply offensive. It is a black hole and the European Scrutiny Committee is looking into it.

Finally, page 19 talks about productivity. All I would say on that is that, as I understand it, the OBR, whose report is contained in this document, says that the biggest problem this country has is lack of productivity.

The whole of our economic performance is being presented to the European Commission for approval under the 1993 Act and to Parliament for approval today. I will not vote in favour of the motion and I certainly will not approve this load of rubbish. I will vote against the Government because I do not believe that page 19 is true or accurate. I do not agree that the basis of the statistics relating to PIP is such that the document is sufficiently valid to be presented to Parliament. It is a serious matter. We have become far too accustomed to saying, “Oh well, it’s just a blip—just a slight mistake. Someone got something wrong. Let’s not take too much notice of it.” Well, I am going to take notice of it and I shall vote against the Government this evening on that account.
if, as the Minister says, the Government can ignore the advice and the policy laid down by the European Union to control the deficit and get the debt down, what is the point of the Government having to table 300 pages of carefully selected documentation, go through the surveillance procedure, on some occasions receive a report saying that their policy is not good enough or they are not converging in the way that the European Union wishes, and the Government then saying, “Well, fortunately, there is no penalty on us so we will ignore that”? It is strange to belong to a club, accept the rules and then, when we do not like the rules, say, “Of course, we didn’t really want any of that and fortunately we have been opted out of the penalty bit of it.” It is a strange exercise. I suspect that the official machine of the Government, which goes on wherever is in office, is quite guided by all this. There is probably a wish on the part of officials to get the British Government policy and the figures closer to the convergence requirements. It is high time the European Union itself had an honest debate about the most pressing and most difficult target it has set—the target that all member states should keep their stock of debt to 60% of their national income.

Practically every member state is way above that, and some of them violate the target by having more than double the level set down by the European Union. Why does that body think it is sensible to persevere with a target that none of the member states wish to keep and none of them are trying to reach?

**George Kerevan:** May I add that the rule that sets the 60% target also states that member states in breach must have a rectification programme and bring their debt level, whatever it is, down by five percentage points a year, which this Government have significantly failed to do and significantly will fail to do for a long, long time?

**John Redwood:** All the Governments are failing to do that, and it is even more pressing and difficult for a country such as Greece, where the penalties do apply because it is in the euro scheme. Despite all the best efforts of the European leadership, the European Central Bank and others, and very cruel and difficult expenditure cuts that Members in this House would not have accepted for the United Kingdom, Greece is still miles off getting anywhere near the stock-of-debt target and it has struggled until recently to get down to the deficit target.

We need to ask fundamental questions of our European partners about why we go through this routine and what malign influence it has on some economies and some economic performances around the European Union, which should be a matter of common concern all the time we remain in that body. The Minister says this is not a new exercise and it is not much of a burden on the British state; it is just one of those things, and we send in figures that we produce for other purposes. That is not quite true. The introduction to the document clearly has to be written, the selection has to be made, it is clear throughout the document that it is written for domestic purposes and for the purpose of forwarding it to the European Union, and we try to produce figures that we would not otherwise produce in order to conform with the workings of the European Union.

Next, I would like to highlight the figure for the convergence criteria and the so-called treaty deficit on page 186 of the report. That shows that in 2016-17, if all goes well and these figures work out, for the first time in many years we will get below the 3% target to 2.9%. That makes my point: we would not have to calculate that treaty deficit, think that it was significant or use it as part of the guidance for the British economy if we were not signed up to this surveillance and management system within the European Union. The Minister has to bear it in mind that there is actually some subtle guidance in the European policy. I think that many of my constituents would find it quite surprising that we have to table 300 pages of detailed financial and economic information in order to comply, and that that is then put through a scrutiny and surveillance process.

The next figure that I would like to highlight is on page 156, which shows how much in “expenditure transfers” we have to make to the European Union institutions—in other words, how much money we send that we do not get back. We see that the November forecast for 2016-17 was £10.7 billion, which is a very considerable sum, and that the March forecast, just four months later, has gone up to £11.8 billion. Between the autumn statement and the current Budget there is an increase of £1.1 billion in next year’s expenditure transfers to the EU institutions.

That figure of £1.1 billion is very close to the figure that the Government had pencilled in for disability cuts. I do not know about you, Mr Deputy Speaker, but I would rather not have the disability cuts and not pay £1.1 billion extra to the European Union. Why can we not make those kinds of choices? The reason, of course, is that we are signed up to membership of an organisation that thinks it knows better than we do how to spend our own money. I think that people in the United Kingdom are getting very frustrated at being told that we have to be very careful about our priorities, only to discover, if they get guidance from these complex figures, that the European Union can take £1.1 billion extra off us for next year without a by-your-leave. That leaves us struggling to find that money when we try to make the Budget add up, ending up with options and choices that I am sure Ministers did not really want to make, and which Parliament, in its wisdom, has decided should not be made.

I draw the House’s attention to some very important figures on page 205 that the Government are sending to our European partners and masters about projected net migration into the United Kingdom. I was very happy to campaign with my right hon. and hon. Friends at the previous general election on a sensible and sensitive policy of controlled migration, wishing to get it down to the tens of thousands by the end of the Parliament. It was a very popular policy, because I think that people liked the idea that there would be a fair system offering sensible rules so that people could understand it before deciding whether or not to come to our country. Interestingly, the forecast that we are sending to the European Union shows that the level of migration will stay much higher than the Government’s target—it shows 256,000 in 2016, declining to 185,000 in 2021. There is also a further projection in which net migration stays considerably higher, actually above 250,000 in every year.
I think that matters, because the Government’s intentions are very clear: they would like to get net migration well below these forecast figures. Why, then, is the forecast so high? I think that it is very simple: the forecast is that high because the European continental economies, particularly in the south of our continent, are performing very badly and have created mass unemployment on an extremely worrying scale, so the UK, which has a more successful economic policy that is generating a lot of jobs, is acting as a magnet for people who are otherwise without hope of employment.

That policy is making it very difficult for the United Kingdom Government to hit their very popular target on migration. I hope that when this document is submitted Ministers will follow it up by pointing that out to the European Union and saying that they have a solemn promise to keep to the United Kingdom electorate, who helped elect them to government, and that this set of EU policies, creating joblessness and therefore triggering a lot of foot-loose migration around the European Union, is making it very difficult to honour that promise.

It also leads us to worry about the quality of some of these forecasts, because I am sure that the Government wish to get the level down, but there is a great danger that the variant of a much higher level has been put in, because actually that is what they are afraid will happen. I hope the Minister will consider that when he replies and that if we are going to go through the process of submitting our homework on economic matters to the European Union to be marked—by sending it 300 pages of figures—we will also say to it, “You are making it impossible for us to meet our legitimate wish to create more jobs to mop up unemployment in our country and to get wages up, as we would like to, because your failing economic policies in many parts of the euro area are bringing a number of migrants into our country that makes it impossible for us to meet our targets.”

Those are just a few brief comments on an extremely complex set of documents and numbers, which show that, while we stay in this body, we need to engage much more and to get some change so that there is honesty in the targeting and an understanding of the damage that some of the targets and policies are creating. However, it will not be a surprise to hon. Members that the simplest thing would be for us to leave the European Union so that this is the last one of these documents we ever have to produce. We can then take control of our own money, banish austerity, spend the £10 billion on things that we want and leave the European Union free to get on with its political union, which is clearly what it will need to do to try to deal with the mass unemployment, the lack of cash transfers and the inadequacy of its regional policies.

I hope tonight’s debate will be of use to the general public and that they will understand that we can take back control, spend our own money, and have prosperity, not austerity. That is what we will get if we leave the European Union.

7.21 pm

Mr Gauke: The debate has addressed both the Budget and our membership of the European Union, so I am grateful to be on my feet at this point, and not later.

Let me respond to some of the points that have been made. To come back to what I said to my hon. Friend the Member for Stone (Sir William Cash) about the numbers, it is important that the document is based on information that has been published in advance and that we do not produce a mass of separate information and documentation for the purposes of meeting this requirement.

As my right hon. Friend the Member for Wokingham (John Redwood) will be aware—indeed, he touched on this—the requirement goes back to the 1993 Act. We are complying with obligations in our domestic law to provide this information, and it is therefore right that we do so.

The point raised by my hon. Friend the Member for Stone about our trade deficit with the European Union brings me to the wider issue of our membership of the EU. I know that he shares with me a belief in free trade, and in transactions where there is a willing buyer and a willing seller, both parties benefit from the transaction. The point I would make in the context of our membership of the EU is that, whereas 44% of our exports go to the European Union, only 7% of the European Union’s exports come to the United Kingdom.

My right hon. Friend the Member for Wokingham mentioned the contributions we make to the EU. It is worth pointing out that, thanks to the deal secured by the Prime Minister, our net contributions—whether in cash terms, in real terms or as a proportion of GDP—are in fact falling.

Let me turn to the remarks made by the hon. Member for Wolverhampton South West (Rob Marris), who speaks as a shadow Treasury Minister. For the first time in the six years I have been a Treasury Minister, we have heard an apology from the Labour Front Bench for borrowing too much money before the crash. That is something the hon. Gentleman deserves some credit for, because, try as we might on many occasions, we never got one out of Ed Balls.

The hon. Gentleman criticised the Government’s record on borrowing, but let us be clear: had we stuck with the structural deficit that we inherited, by 2020 we would have borrowed an additional £930 billion over 10 years. It is also worth pointing out that in May 2010, the International Monetary Fund forecast the UK to have had the largest budget deficit in the G20 that year. Between 2010 and 2016, the UK is forecast to have reduced its headline deficit at the second fastest rate in the G7—it is second only to the United States. The IMF forecasts that the UK will reduce its net debt as a share of GDP by more than any other G7 country between 2015 and 2020. If the hon. Gentleman believes that the problem is that we are borrowing too much money, perhaps he could explain why, time and again, the Labour party has opposed every measure we have taken to reduce the deficit.

We have had a lively debate, and I hope the House will support and approve the motion.

Question put.

The House divided: Ayes 241, Noes 180.

Division No. 232] [7.26 pm

AYES

Aldous, Peter
Allan, Lucy
Allen, Heidi
Amess, Sir David
Andrew, Stuart
Ansell, Caroline

Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baldwin, Harriett
Barwell, Gavin
Bebb, Guto
Section 5 of the European Communities (Amendment) Act 1993

1711

Bellingham, Sir Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Blunt, Crispin
Boles, Nick
Bradley, Karen
Brazier, Mr Julian
Bridge, Andrew
Brine, Steve
Brokenshire, rh James
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Caims, Alun
Carmichael, Neil
Cartlidge, James
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glynd
Davies, Dr James
Davies, Mims
Dinenage, Caroline
Djanogly, Mr Jonathan
Double, Steve
Dowden, Oliver
Drax, Richard
Drummerd, Mrs Flick
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Elliott, Tom
Ellis, Michael
Ellison, Jane
Elwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evennett, rh Mr David
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Fraçois, rh Mr Mark
Frazer, Lucy
Freeman, George
Freer, Mike
Fuller, Richard
Fysh, Marcus
Gale, Sir Roger
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Glen, John
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damian
Greening, rh Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Haflon, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harris, Rebecca
Haskellhurst, rh Sir Alan
Hayes, rh Mr John
Heappey, James
Heaton-Jones, Peter
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Holloman, Mr Adam
Hopkins, Kris
Howarth, Sir Gerald
Howell, John
Howlett, Ben
Huddleston, Nigel
James, Margot
Javid, rh Sajid
Jenkyns, Andrea
Jennick, Robert
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Philip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lilley, rh Mr Peter
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Maithouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Karl
Menzies, Mark
Mercer, Johnny
Menimian, Huw
Metcalf, Stephen
Mills, Simon
Milton, rh Anne
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Parish, Neil
Patel, rh Priti
Paton, rh Mr Owen
Pawsey, Mark
Perry, Claire
Philp, Chris
Poulter, Dr Daniel
Pouw, Rebecca
Prentis, Victoria
Prisk, rh Mr Mark
Purseglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Mary
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Simpson, rh Mr Keith
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Soames, rh Sir Nicholas
Solloway, Amanda
Soubry, rh Anna
Speelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturry, Julian
Sunak, Rishi
Swayney, rh Mr Desmond
Swire, rh Mr Hugo
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tohur, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tugendhat, Tom
Tyrer, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whately, Helen
White, Chris
Whittaker, Craig
Wigg, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wood, Mike
Wrack, William
Zahawi, Nadhim

Tellers for the Ayes:
Guy Opperman and Jackie Doyle-Price

Noes:
Abrahams, Debbie
Ali, Rushanara
Anderson, Mr David
Ashworth, Jonathan
Baker, Mr Steve
Barron, rh Kevin
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Blackford, Ian
Blackman, Kirsty
Blackman-Woods, Dr Roberta
Blenkinsop, Tom
Bone, Mr Peter
Boswell, Philip
Brennan, Kevin
Brock, Deidre
Brown, Alan
Brown, Lyn
Buck, Ms Karen
Burden, Richard
Burton, Richard
Butler, Dawn
Cadbury, Ruth
Campbell, rh Mr Alan
Cash, Sir William
Chapman, Douglas
Coaker, Vernon
Cooper, rh Yvette
Cowen, Ronnie
Cox, Jo
Coyne, Neil
Crabsby, Mr David
Cree, Creag
Creevy, Stella
Cryer, John
Cummins, Judith
Cunningham, Alex
Cunningham, Mr Jim
Dakin, Nic
Del Piero, Gloria
Dodds, rh Mr Nigel
Doughty, Stephen
Dowd, Jim
Dowd, Peter
Dromey, Jack
Eagle, Maria
Evans, Chris

23 MARCH 2016
Resolved,

Question accordingly agreed to.

Communities (Amendment) Act 1993
Section 5 of the European

That this House approves, for the purposes of Section 5 of the European Communities (Amendment) Act 1993, the Government’s assessment as set out in the Budget Report and Autumn Statement, combined with the Office for Budget Responsibility’s Economic and Fiscal Outlook and Fiscal Sustainability Report, which forms the basis of the United Kingdom’s Convergence Programme.

ROYAL ASSENT

Mr Deputy Speaker (Mr Lindsay Hoyle): I have to notify the House, in accordance with the Royal Assent Act 1967, that the Queen has signified her Royal Assent to the following Acts:

Riot Compensation Act 2016
Access to Medical Treatments (Innovation) Act 2016
NHS (Charitable Trusts Etc) Act 2016
Scotland Act 2016.

OPPOSITION PARTIES (FINANCIAL ASSISTANCE)

Ordered,

That, in the opinion of this House, the following provisions shall apply in respect of financial assistance to opposition parties:

1. The Resolution of 26 May 1999 relating to financial assistance for opposition parties, as codified and modified by the House of Commons Members Estimate Committee pursuant to Standing Order No. 152D(3) (as set out in section 2 of Annex 2 of that Committee’s report to the House of March 2015 (HC 1132)), is amended as follows with effect from the beginning of 1 April 2016—

(1) In paragraph 2.2, after sub-paragraph (b) insert—
“2.5A Paragraphs 2.5B and 2.5C apply in the case of an opposition party where there are no more than five Members of the House who—
(a) are members of the party, and
(b) were elected at the previous General Election after contesting it as candidates for the party.

2.5B If the amount found under paragraph 2.2 above exceeds the amount corresponding to 50% of the relevant IPSA staffing budget for the period ("the minimum amount"), the amount of financial assistance given to the party under paragraph 2.1 in relation to that period must not exceed the maximum amount.

2.5C If the amount found under paragraph 2.2 above is less than the amount corresponding to 50% of the relevant IPSA staffing budget for the period ("the minimum amount"), the amount of financial assistance which may be given to the party under paragraph 2.1 above in respect of the expenses incurred by the party in that period shall instead be the minimum amount.

2.5D For the purposes of paragraphs 2.5B and 2.5C, “the relevant IPSA staffing budget” for a period is the standard annual staffing expenditure budget provided in relation to the period for a non-London area Member by the Independent Parliamentary Standards Authority.”
(6) In paragraph 2.9—
(a) for “2015” substitute “2016”, and
(b) for “£186,269” substitute “£186,073.”

(7) In paragraph 2.10—
(a) for “2015” substitute “2016”, and
(b) for “£789,979” substitute “£789,146.”

(8) In paragraph 2.11, for “paragraph 2.1” substitute “paragraph 2.10”.

(9) For paragraph 2.13 and 2.14 substitute—

“2.13 As soon as practicable, but no later than two months after 31 March each year, a party claiming financial assistance under the provisions set out at paragraphs 2.1 to 2.11 above shall—

(a) furnish the Accounting Officer of the House with the certificate of an independent professional auditor, in a form determined by the Accounting Officer, to the effect that all expenses in respect of which the party received financial assistance during the period ending with that day were incurred exclusively in relation to the party’s parliamentary business, and

(b) publish accounts in relation to all such expenses, audited by an independent professional auditor, in a form determined by the House of Commons Members Estimate Committee and in accordance with any requirements imposed by that Committee.

2.13A The requirements that may be imposed under paragraph 2.13(b) are such requirements as the Committee considers necessary or expedient for the purpose of enabling proper scrutiny of expenses in respect of which the party has received financial assistance, and may in particular include requirements for the audited accounts—

(a) to contain details of such expenses during the period to which the report relates, and

(b) in the case of the Official Opposition—

(i) to state the total remuneration (including benefits in kind) paid in respect of persons employed, or otherwise engaged, to assist the party (“relevant persons”) during the reporting period,

(ii) to state each relevant person’s pay band, by reference to the pay bands specified by the Committee,

(iii) if a relevant person is appointed to assist a particular Member, to identify that Member, and

(iv) to identify each relevant person whose remuneration exceeds an amount specified by the Committee and to state the amount of remuneration, and

(c) in the case of any other opposition party, to identify the number of persons employed, or otherwise engaged, to assist the party during the reporting period who are within each of the pay bands specified by the Committee.

2.14 If the requirements imposed by paragraph 2.13 above have not been complied with within the time specified, no further financial assistance under the provisions set out at paragraphs 2.1 to 2.11 above shall be paid until those requirements have been complied with.”

3. (1) The House of Commons Members Estimates Committee shall—

(a) consider the provisions of the Resolution of 26 May 1999 in the light of the proposed reduction in the number of Members of this House, and

(b) before the end of the next session, report to the House its views on whether any changes ought to be made to that Resolution in respect of any period after the reduction is expected to take effect.

(2) References in sub-paragraph (1) to the Resolution of 26 May 1999 are to the resolution of that date relating to financial assistance for opposition parties as codified and modified by the House of Commons Members Estimate Committee pursuant to Standing Order No. 152D(3) (as set out in section 2 of Annex 2 of that Committee’s report to the House of March 2015 (HC 1132) and as amended by paragraph 1 of this Resolution).—(Chris Grayling,)

PETITION

HMRC Closure Walsall

7.38 pm

Valerie Vaz (Walsall South) (Lab): This is a petition of the residents of the United Kingdom, who declare that in November 2015 Her Majesty’s Revenue and Customs, the tax and revenue office, announced that the Walsall HMRC site will close in March 2017. This means that HMRC will no longer have a presence in Walsall. With the closure, over 60 permanent jobs will be lost from Walsall. There could be a loss of £1 million in the local economy. This loss will inevitably impact on businesses in the locality. The petitioners therefore request the House of Commons to urge HMRC to reverse the decision to close the Walsall HMRC site and carry out a full public consultation exercise on this closure. A petition in similar terms has been signed by 500 people.

Following is the full text of the petition:

[The petition of residents of the UK]
Declares that in November 2015 Her Majesty’s Revenue and Customs (HMRC) announced that the Walsall HMRC site will close in March 2017; further that HMRC will no longer have a presence in Walsall; further that this closure will result in over 60 permanent jobs losses in Walsall; further that this could lead to a loss of £1 million in the local economy; further that this loss will inevitably impact on businesses in the locality; and further that a local petition on a similar matter has been signed by 500 individuals.

The petitioners therefore request that the House of Commons urges HMRC to reverse the decision to close the Walsall HMRC site and carry out a full public consultation exercise on this closure.

And the petitioners remain, etc.]
Steven Paterson (Stirling) (SNP): Is the hon. Gentleman aware of the article in the Sunday Herald from 6 March 2016, entitled “Huge drop in construction safety inspections triggers fears for workers”? An academic from Stirling University in my constituency, Professor Andrew Watterson, who is part of the occupation and environmental health research group at the university, said:

“Westminster has savagely cut the budgets of the enforcement agency, the HSE, over many years... HSE increasingly looks and sounds like a toothless tiger—a lot of noise and increasingly little action.”

Does the hon. Gentleman recognise that description?

Mr Hepburn: I do recognise that description. It is the work of academics and trade unions that has brought about today’s debate. They are bringing these shortcomings to our notice.

There can be few worse experiences for a family than to lose a father, husband or son who has gone to work normally, like we all do, but, unlike the rest of us, has never come home. Even if a prosecution is mounted by the HSE, the agony of the bereaved family does not stop there. The delays between construction accidents occurring, then prosecution and conviction are excruciating. The problem is getting worse, not better. Families are being forced to put their lives on hold for years and years, with no hope of closure until they see those responsible for the death of their loved one brought to justice. Justice delayed is nearly as great a failure as justice denied.

In 2005, the average time between the death of a worker and a prosecution was over two years. Ten years later, it has increased to two-and-a-half years. I must stress that these are averages, so the worst cases are a lot worse. The HSE has admitted that in 15% of cases prosecution does not even begin for three to four years. Beginning the prosecution, however, is just the beginning of the judicial process. There are many further stages that need to be completed before a conviction is achieved. In 2006-07, the average delay between a fatal accident and a conviction was 985 days. That was bad enough, but the latest figures are so much worse. In 2014-15, the average time between a fatal accident and a conviction in construction was now 1,267 days—or three-and-a-half years. I need to stress again that that figure is just an average. Delays in justice can be a lot longer.

Last week, Falcon Crane Hire was fined £750,000 following the collapse of one of its cranes in Battersea, which lead to the deaths of Jonathon Cloke, the crane driver, and Michael Alexia, a member of the public. That accident occurred in September 2006. It took nine-and-a-half years for justice to be done—nine-and-a-half years for the families of the victims of that accident to witness justice. I am sure the House agrees that nine-and-a-half years is far too long.

The Battersea crane accident might be the case with the longest delay, but it is not unique. I can give other examples. There are other ongoing cases where delays are highly significant. In January 2011, in the worst single accident for many years, Daniel Hazelton, Tom Hazelton, Adam Taylor and Peter Johnson were killed in a construction accident in Great Yarmouth. In February this year, over five years after the deaths of these workers, the case was finally referred to the magistrates courts. The eventual conviction of those concerned is still to come.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. If there is a case before the courts, we should not comment on it. We really ought to be aware that we do not want to put the House in the position of seeming to prejudge an individual case.

Mr Hepburn: Thank you for that advice, Mr Deputy Speaker.

UCATT and I have raised concerns about the delays in prosecutions and convictions. In response, the HSE says that the delays are due to other bodies and agencies, such as the police, the coroners courts and even the justice system itself, especially if the matter is referred to the Crown Court. In other words, the HSE is saying it is not its fault.

Well, this House and the families of the victims of construction workers deserve to know exactly who is to blame. The one group certainly not to blame is the victims and their families who are being treated in such an abominable manner. It is time for the HSE to stop passing the buck and blaming others. These are straightforward cases where a worker has died. They are not major inquiries into a war, or how the Government covered up their failures following Hillsborough. They should not take this long. These cases are straightforward. If these problems are to be laid at the door of the HSE, we need to know whether they are a result of the 35% real-terms grant cuts the organisation has suffered over the last five years, as was mentioned earlier.

At the start of my contribution, I said how important it was that the HSE had a high profile in order to discourage the breaking of safety laws in construction. There is another area where its performance has been found wanting. A freedom of information request by UCATT has revealed that since 2012-13, as the hon. Member for Strangford (Jim Shannon) mentioned, the number of unannounced inspections made in the construction industry in the UK has declined by 8.7%. This decline occurred at a time when the industry was expanding and the number of sites in operation was increasing, following years of decline owing to the recession and Government cuts.

Within that overall decline were some truly shocking figures: the number of inspections in Scotland has dropped by 55%; in my region of the north-east, the number is down by 28.5%; in the north-west, the figures have declined by nearly a third; and in the south-east, where construction is booming, the number is down by 19%.

Steven Paterson: There are numbers that make this even clearer. The hon. Gentleman referred to the 55.7% drop. Some years ago, there were 1,248 inspections, but that has dropped to 552. It just shows how big a swing there has been.

Mr Hepburn: I thank the hon. Gentleman for making the statistics more graphic and showing how disgraceful they are.
These inspections are vital. They are the deterrent that keeps the industry honest and observant of safety laws. If companies think they will not be inspected and that there will never be a surprise knock at the door, the HSE loses all its authority in pressuring companies not to break safety laws. Laws will be flouted, workers will be put in danger and tragedies will occur. The House needs to know why the number of inspections is declining in an industry that is growing. Is it due to the cuts to the HSE’s budget, which must be affecting front-line services, is it because of the Government’s pressure to cut so-called red tape, or is it because the leadership of the HSE does not believe that such inspections are necessary?

I hope that my contribution today underlines just how vital it is that the HSE is given the resources, powers and confidence to do its job effectively. That means making sure that workplaces are safe for workers; that if laws are broken, action is taken quickly to resolve problems; that if a workplace tragedy should occur and if there is guilt, those responsible are punished and their penalties properly publicised; and that the quest for justice does not drag on indefinitely. Only by achieving these aims can the HSE properly play its role in keeping workers safe. I hope the Minister will agree and confirm that action will be taken to ensure that the problems I and others have addressed this evening are resolved.

7.53 pm

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): It is a pleasure to respond to this debate. I congratulate the hon. Member for Jarrow (Mr Hepburn) on securing it and welcome the opportunity to respond to his concerns. I know he is very active in this area, having received several parliamentary questions on it in recent weeks, and that his interest is long standing.

The hon. Gentleman made a powerful speech. He rightly wishes to hold to account duty holders who fail to manage serious risks to their workers in the construction industry—failures that can give rise to indescribable suffering for loved ones. That is a desire we all share on both sides of the House. My thoughts go out to all the families of those tragically killed when working in the construction industry, particularly those recently affected by the catastrophic building collapse at the Didcot power station.

The House will be interested to hear that recovery operations on the debris pile of the collapsed structure at Didcot resumed at the weekend, with the aim of recovering the missing men as quickly as possible while ensuring that no harm comes to the recovery workers. HSE’s main role at Didcot is to investigate jointly with Thames Valley police the circumstances of the incident to find out what went so tragically wrong with the demolition process.

I pay tribute to the hon. Members for Rotherham (Sarah Champion) and for Swansea West (Geraint Davies) and my hon. Friend the Member for Wantage (Mr Vaizey), who have been very active throughout recent weeks making representations on behalf of their constituents. I formally put on record my thanks to all the professionals who have been working tirelessly to try to resolve this as quickly as possible, particularly for the families still waiting for conclusions about their loved ones.

The investigation of workplace fatalities is HSE’s top operational priority. Fatal incidents are investigated by HSE to determine the underlying causes; to learn lessons and prevent recurrence; to establish whether there have been breaches of health and safety law; and, if so, to hold those responsible to account though the criminal courts. HSE’s enforcement policy statement makes it clear that where a failure to comply with the law has caused death, the expectation is that a prosecution will result.

It is clearly in everyone’s interests—especially those of the bereaved—that fatal incident investigations and decisions about any prosecution proceed as quickly as possible; the hon. Member for Jarrow made that point very powerfully in his speech. However, some investigations can be complex, involving painstaking forensic analysis, interviewing large numbers of witnesses and examining the roles and interactions between a number of parties, including workers, contractors, suppliers, architects, designers and clients, some of whom may be based overseas.

Jim Shannon: We had an event in the last Parliament that HSE and the industry attended. An issue about equipment being up to the British standard was brought to our attention. Are checks regularly performed on safety equipment such as helmets to ensure it matches the British standard, as we believe it should?

Justin Tomlinson: I shall come on to the point about proactive inspections, which the hon. Gentleman raised in an earlier intervention. I shall cover this issue. Checking against standards is an important point to highlight.

Several factors can affect the pace at which fatal accidents are investigated before any prosecution can be brought to court. The police normally assume primacy for the investigation to identify whether serious offences, such as corporate manslaughter, are involved. This can take many months, or in some cases years, during which HSE is unable to initiate proceedings. The police and Crown Prosecution Service might be in charge of the case right through to any court cases.

In the majority of cases, once HSE has primacy, a prosecution cannot start until after the coroner’s inquest. This does not always happen quickly and sometimes further evidence emerges at an inquest and HSE has to make further inquiries. Once a defendant has been charged, it can take several months before the case comes to trial, especially if it is defended in the Crown court.

The hon. Member for Jarrow has publicly raised concerns that, on average, it takes nearly three and a half years from the death of a worker to the point at which those responsible are convicted. I questioned that when I became the Minister and had my first briefings. We all agree that we want this period to be as short as possible, and HSE works closely with its partner agencies, the Courts Service and its counterparts in Scotland, to minimise any delays.

HSE has a performance standard for completing investigations of fatal incidents within 12 months of receiving primacy. Currently, more than 80% of prosecution decisions for construction incidents meet this standard, and most take considerably less time. Indeed, half of HSE’s decisions to prosecute are made within two years of the date of a fatal construction incident, which
includes any time during which the police had primacy and a coroner’s inquest decision was awaited.

HSE has signed the work-related deaths protocol with fellow regulators to ensure that investigations are completed and that any decision to prosecute is made as quickly as possible, taking into account the nature of the case. There is now a new practical guide for investigators, which should ensure that all parties work effectively together and that any prosecution is brought as soon as possible. Other than in exceptional circumstances, it should be no later than three years after the date of the death. To be very clear, HSE recognises the need to maintain pace in all these investigations.

I appreciate how the hon. Member for Jarrow has raised through parliamentary questions the important issues in this area. We need to make it clear, however, that there has been no fall in HSE conviction rates in recent years; conviction rates for those prosecuted for breaking health and safety laws in construction have actually risen in recent years from 92% to 94%. The number of HSE prosecutions being approved following fatal construction accidents is not falling over time and there has been no increase in the time taken to make a decision on prosecution. The average number of days between fatal incidents and prosecution approval over the last five years has reached a relatively settled position. Average figures can be heavily influenced by the fact that a small number of complex investigations take several years to conclude, but the HSE expects the average time for inspection between its taking primacy and a prosecution decision to continue to fall in future years.

In connection with the debate, I have asked the HSE to look again at the way in which such figures are presented, and to consider whether it would be possible to produce median figures so that we could see how long a typical investigation would take. However, we must remember that we would do a real disservice to those who have lost loved ones if we introduced an artificial pressure to speed up investigations at the cost of quality, increasing the risk of prosecution failure through inadequate evidence collection and failing to learn lessons.

The HSE fully recognises the important role that investigation, inspection and enforcement play in securing improvements. However, sustained improvement requires an integrated strategic approach. That includes ensuring that the legal framework and guidance are flexible and easier for small businesses to understand. I have received positive feedback on that, suggesting that there is much more engagement on their part. It also includes encouraging all players in the industry to play their part, working with industry and others to develop practical solutions, and encouraging industry supply chains to provide help and support for small businesses. That approach has contributed to a very significant reduction in the number of fatal construction incidents over the last 15 years, which is currently less than a third of the rate in 2000-01. I am sure we all welcome the fact that the number of fatal injuries fell from 5.9 per 100,000 workers in 2000-01 to 1.62 per 100,000 in 2014-15.

The hon. Member for Strangford (Jim Shannon) pointed out that the Health and Safety Executive for Northern Ireland makes surprise visits. That happens here as well, and rightly so, because it is vital to keep people on their toes.

Members have given various figures for the number of inspectors in the HSE’s construction division, so let me give the House the actual figures. In 2011-12, there were 196. In 2012-13, there were 193. In 2013-14, there were 184. In 2014-15, there were 180. In 2015-16, there were 187, and the HSE is in the process of recruiting more. The position is clearly relatively settled, and numbers are currently growing.

Construction work is, all too often, an unnecessarily high-risk activity. We know that the risks can be properly managed—I do not need to remind the House of the exemplary record that was achieved during the construction of the 2012 Olympic Park—but some duty holders still fail miserably. The HSE will continue to prioritise its investigation work in order to hold the right people to account for those who are harmed by construction work, and to do so as quickly as possible.

If the hon. Member for Jarrow wishes to know more about the HSE’s work, I—or HSE officials—would be happy to meet him to discuss the matter further with him, along with representatives of the Union of Construction, Allied Trades and Technicians. I thank him for raising this important issue this evening.

Question put and agreed to.

8.3 pm

House adjourned.
Deferred Divisions

ELECTRICITY

That the draft Renewables Obligation Closure Etc. (Amendment) Order 2016, which was laid before this House on 25 January, be approved.

The House divided: Ayes 287, Noes 232.

Division No. 226]

AYES

Davies, Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howell, John
Howlett, Ben
Huddleston, Nigel
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Lilley, rh Mr Peter
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Karl
McLoughlin, rh Mr Patrick
Menzies, Mark
Morgan, Penny
Moran, rh Nicky
Morriss, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Paton, rh Mr Owen
Pawsey, Mark
Penrose, John
Perry, Claire
Philp, Chris
Pickles, rh Sir Eric
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, rh Mr Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Simpson, rh Mr Keith
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosyton
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tohubor, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh

Alvazez, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Bonwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgen, Andrew
Brine, Steve
Brooks, r Rearms, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burt, rh Alistair
Caims, Alun
Cameron, rh Mr David
Campbell, Mr Gregory
Carmichael, Neil
Cartidge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chishti, Rehman
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleaver, James
Clifton-Brown, Geoffrey
Coffey, Dr Therese
Collins, Damian
Colville, Oliver
Costa, Alberto
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, Mr T. C.
Davies, Glynn
Davies, Dr James
Harris, Rebecca
Hayes, Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Henderson, Gordon
Hollingbery, George
Hollinrake, Kevin
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howell, John
Howlett, Ben
Huddleston, Nigel
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnson, Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Lilley, rh Mr Peter
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Karl
McLoughlin, rh Mr Patrick
Menzies, Mark
Morgan, Penny
Moran, rh Nicky
Morriss, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neill, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Paton, rh Mr Owen
Pawsey, Mark
Penrose, John
Perry, Claire
Philp, Chris
Pickles, rh Sir Eric
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, rh Mr Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Robertson, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Simpson, rh Mr Keith
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Rosyton
Solloway, Amanda
Soubry, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tohubor, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Ayes 287, Noes 211.

AYES

De Piero, Gloria
Docherty-Hughes, Martin
Donaldson, Stuart Blair
Doughty, Stephen
Dowd, Peter
Dromey, Jack
Duran, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Elliott, Tom
Ellman, Mrs Louise
Evans, Chris
Farrell, Paul
Fellows, Marion
Ferrier, Margaret
Field, Frank
Fitzpatrick, Jim
Fletcher, Colleen
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Foxcroft, Vicky
Gapes, Mike
Gardiner, Barry
Gibson, Patricia
Glass, Pat
Glindon, Mary
Grady, Patrick
Grant, Peter
Gray, Neil
Green, Kate
Greenwood, Lilian
Greenwood, Margaret
Griffith, Nia
Hamilton, Fabian
Hanson, rh Mr David
Hayes, Helen
Hayman, Sue
Healey, rh John
Hendry, Drew
Hepburn, Mr Stephen
Hermon, Lady
Hillier, Meg
Hodge, rh Dame Margaret
Hodgson, Mrs Sharon
Hollem, Kate
Hopkins, Kelvin
Hunt, Tristram
Huq, Dr Rupa
Husain, Imran
Jarvis, Dan
Johnson, rh Alan
Jones, Gerald
Jones, Mr Kevan
Jones, Susan Elan
Kane, Mike
Kaufman, rh Sir Gerald
Kerevan, George
Kerr, Calum
Kinahan, Danny
Kinnock, Stephen
Kyle, Peter
Lavery, Ian
Leslie, Chris
Lewell-Buck, Mrs Emma
Long Bailey, Rebecca
Lucas, Caroline
Lucas, Ian C.
MacNeil, Mr Angus Brendan
Mactaggart, rh Fiona
Madders, Justin
Mahmood, Mr Khalid
Mahmood, Shabana
Malhotra, Seema
Mann, John
Marris, Rob
Marsden, Mr Gordon
Maskell, Rachael
Matheson, Christian
Mc Nally, John
McCabe, Steve
McCaig, Callum
McCarthy, Kerry
McDonald, Andy
McDonald, Stewart Malcolm
McDonald, Stuart C.
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGarry, Natalie
McGinn, Conor
McGovern, Alison
McInnes, Liz
Meale, Sir Alan
Mearns, Ian
Monaghan, Carol
Monaghan, Dr Paul
Moon, Mrs Madeleine
Morden, Jessica
Morris, Grahame M.
Mulholland, Greg
Mullin, Roger
Murray, Ian
Newlands, Gavin
O’Hara, Brendan
Onn, Melanie
Onwurah, Chi
Osamor, Kate
Oswald, Kirsten
Owen, Albert
Paterson, Steven
Penneycook, Matthew
Phillips, Jess
Powell, Lucy
Pugh, John
Qureshi, Yasmin
Rayner, Angela
Reed, Mr Steve
Rees, Christina
Reynolds, Jonathan
Rimmer, Marie
Ritchie, Ms Margaret
Rotheram, Steve
Salmond, rh Alex
Saville Roberts, Liz
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheppard, Tommy
Sherriff, Paula
Shuker, Mr Gavin
Skinner, Mr Dennis
Slaughter, Andy
Smeeth, Ruth
Smith, rh Mr Andrew
Smith, Angela
Smith, Cat
Smith, Jeff
Smith, Nick
Smith, Owen
Smyth, Karin
Spellar, rh Mr John
Stephens, Chris
Streetering, Wes
Stringer, Graham
Tami, Mark
Thewlis, Alison
Thomas-Symonds, Nick
Thompson, Owen
Thomson, Michelle
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turley, Anna
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Weir, Mike
West, Catherine
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wilson, Corri
Wilson, Phil
Winterton, rh Dame Rosie
Wishart, Pete
Woodcock, John
Wright, Mr Iain
Zeichner, Daniel

Question accordingly agreed to.

PUBLIC SERVICE PENSIONS

That the draft Public Service Pensions Revaluation (Prices) Order 2016, which was laid before this House on 1 February, be approved.

The House divided: Ayes 287, Noes 211.

Division No. 227]

AYES

Adams, Nigel
Aldous, Peter
Allan, Lucy
Allen, Heidi
Deferred Divisions

23 MARCH 2016

 Deferred Divisions

1730

Amess, Sir David
Andrew, Stuart
Ansell, Caroline
Argar, Edward
Atkins, Victoria
Bacon, Mr Richard
Baker, Mr Steve
Baldwin, Harriett
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Sir Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Blackman, Bob
Blunt, Crispin
Boles, Nick
Bone, Mr Peter
Borwick, Victoria
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brazier, Mr Julian
Bridgeman, Andrew
Brine, Steve
Brokenshire, rh James
Bruce, Fiona
Buckland, Robert
Burns, Conor
Burns, rh Sir Simon
Burrowes, Mr David
Burton, Alex
Cairns, Alan
Cameron, rh Mr David
Campbell, Mr Gregory
Carmichael, Neil
Cartledge, James
Cash, Sir William
Caulfield, Maria
Chalk, Alex
Chi, Reham
Churchill, Jo
Clark, rh Greg
Clarke, rh Mr Kenneth
Cleverly, James
Clifford-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colville, Oliver
Costa, Alberto
Crabb, rh Stephen
Davies, Byron
Davies, Chris
Davies, David T. C.
Davies, Glynn
Davies, Dr James
Davies, Mims
Davies, Philip
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Double, Steve
Dowden, Oliver
Doyle-Price, Jackie
Drax, Richard
Drummmond, Mrs Flick
Duddridge, James
Duncan, rh Sir Alan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Evans, Graham
Evennett, rh Mr David
Fabricant, Michael
Fallon, rh Michael
Fernandes, Suella
Field, rh Mark
Foster, Kevin
Frasier, Mr Mark
Garnier, rh Sir Edward
Garnier, Mark
Gauke, Mr David
Ghani, Nusrat
Gibb, Mr Nick
Gillan, rh Mrs Cheryl
Glen, John
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Chris
Green, rh Damien
Greening, rh Justine
Grievous, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halgren, rh Robert
Hall, Luke
Hammond, rh Mr Philip
Hammond, Stephen
Hancox, rh Matthew
Hands, rh Greg
Harper, rh Mr Mark
Harrington, Richard
Harris, Rebecca
Haselhurst, Sir Alan
Hayes, rh Mr John
Heald, Sir Oliver
Heappey, James
Heaton-Harris, Chris
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoare, Simon
Hollingbery, George
Hollinrake, Kevin
Hollobob, rh Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howell, John
Howlett, Ben
Hudson, Nigel
James, Margot
Javid, rh Sajid
Jayawardena, Mr Ranil
Jenkin, Mr Bernard
Jenkyns, Andrea
Jenrick, Robert
Johnstone, Mr Joseph
Jones, Andrew
Jones, rh Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kennedy, Seema
 Kirby, Simon
Knight, rh Sir Greg
Knight, Julian
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Sir Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, rh Dr Julian
Lilley, rh Mr Peter
Loughton, Tim
Lumley, Karen
Mackinlay, Craig
Mackintosh, David
Main, Mrs Anne
Malthouse, Kit
Mann, Scott
Mathias, Dr Tania
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McLoughlin, rh Mr Patrick
Menzies, Mark
Mercer, Johnny
Merriman, Huw
Metcalfe, Stephen
Miller, rh Mrs Maria
Milling, Amanda
Mills, Nigel
Milton, rh Anne
Mitchell, rh Mr Andrew
Mordaunt, Penny
Morgan, rh Nicky
Morris, Anne Marie
Morris, David
Morris, James
Morton, Wendy
Mowat, David
Mundell, rh David
Murray, Mrs Sheryll
Murrison, Dr Andrew
Neil, Robert
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Dr Matthew
Opperman, Guy
Osborne, rh Mr George
Parish, Neil
Patel, rh Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penrose, John
Perry, Claire
Philp, Chris
Pickles, rh Sir Eric
Poulter, Dr Daniel
Pow, Rebecca
Prentis, Victoria
Prisk, Mr Mark
Pursglove, Tom
Quin, Jeremy
Quince, Will
Raab, Mr Dominic
Redwood, rh John
Rees-Mogg, Mr Jacob
Roberts, Mr Laurence
Robinson, Gavin
Robinson, Mary
Rosindell, Andrew
Rudd, rh Amber
Rutley, David
Scully, Paul
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Simpson, rh Mr Keith
Smith, Chloe
Smith, Henry
Smith, Julian
Smith, Royston
Solloway, Amanda
Souby, rh Anna
Spelman, rh Mrs Caroline
Spencer, Mark
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Streete, Mr Gary
Stride, Mel
Stuart, Graham
Sturdy, Julian
Sunak, Rishi
Swayne, rh Mr Desmond
Swire, rh Mr Hugo
Syms, Mr Robert
Thomas, Derek
Throup, Maggie
Timpson, Edward
Tohurhur, Kelly
Tomlinson, Justin
Tomlinson, Michael
Tracey, Craig
Tredinnick, David
Trevelyan, Mrs Anne-Marie
Tugendhat, Tom
Turner, Mr Andrew
Tyrie, rh Mr Andrew
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Warburton, David
Warman, Matt
Watkinson, Dame Angela
Wharton, James
Whatley, Helen
White, Chris
Whittaker, Craig
Whittingdale, rh Mr John
Wiggin, Bill
Williams, Craig
Williamson, rh Gavin
Wilson, Mr Rob
Wilson, Sammy
Wollaston, Dr Sarah
Wood, Mike
Wragg, William
Zahawi, Nadhim
Question accordingly agreed to.
Oral Answers to Questions

ENERGY AND CLIMATE CHANGE

The Secretary of State was asked—

Indebted Prepayment Customers

1. Colleen Fletcher (Coventry North East) (Lab): What steps she plans to take to reduce energy prices for indebted prepayment customers. [904290]

4. Liz McInnes (Heywood and Middleton) (Lab): What steps she plans to take to reduce energy prices for indebted prepayment customers. [904293]

9. Dawn Butler (Brent Central) (Lab): What steps she plans to take to reduce energy prices for indebted prepayment customers. [904301]

The Secretary of State for Energy and Climate Change (Amber Rudd): The Government want energy bills to reduce for all consumers, and one of the best ways to achieve that is by switching supplier. However, the hon. Member for Coventry North East (Colleen Fletcher) has raised an important point by highlighting the barriers that indebted prepayment customers face in doing so. The Competition and Markets Authority’s report on provisional remedies rightly includes a recommendation that Ofgem should take steps to address those barriers, and I will consider the issue carefully following the publication of its final report.

Colleen Fletcher: The Competition and Markets Authority’s proposal regarding a safeguard price control for prepayment customers is welcome and will go some way towards redressing an inherent unfairness that affects the most vulnerable people, but the authority and the Government should go much further. Will the Secretary of State commit to ensuring that prepayment customers are prioritised during the smart meter roll-out?

Amber Rudd: I share the hon. Lady’s support for the CMA’s proposal for the most vulnerable customers, a larger proportion of whom are on prepayment meters, and we welcome that approach to ensure that we look after those people. On smart meters, while some energy companies are prioritising prepayment meters, we are not obliging them to do so because the roll-out of smart meters is so inherently important to managing people’s bills.

Liz McInnes: Will the Secretary of State tell the House, so that I may inform the 9,255 of my constituents who have prepayment meters, why her Department will not bring forward its fuel poverty strategy for another two years?

Amber Rudd: The Department and the Government take fuel poverty very seriously and we take steps to address that issue. We are reforming the renewable heat incentive and the energy company obligation to focus more on those most in need, who are those in fuel poverty. I ask the hon. Lady to reassure her constituents that we are absolutely committed to doing that and that we will continue to address the issue.

Dawn Butler: The CMA report exposes one of the biggest scandals of this generation: the £1.7 billion that customers are being overcharged. The recommendations in the report will not kick in until 2018, by which time people will be overcharged by £2.4 billion a year. The Secretary of State must oblige energy companies to roll out smart meters now, especially if the Government are not compelling them to do so because the roll-out of smart meters is so inherently important to managing people’s bills.

Andrew Bridgen (North West Leicestershire) (Con): Prepayment customers are among the most vulnerable in our society. They have fewer tariff options and find switching more difficult. What steps is my right hon. Friend taking to remove barriers such as debt issues so that it is easier for these people to switch and get a better price?

Amber Rudd: My hon. Friend is absolutely right. The CMA investigation represents the biggest investigation into the energy market since privatisation, and the Prime Minister promoted it by referring the market to Ofgem and on to the CMA. The CMA has focused
specifically on indebtedness. We will look at its recommendations to ensure that the most vulnerable customers also have the option to switch and are not excluded from competition within the market.

**Caroline Flint** (Don Valley) (Lab): But the CMA found that 70% of customers were being overcharged, while those on prepayment meters represented only 16%. It found that there had been overcharging of £1.7 billion a year since 2012, rising to £2.5 billion in 2015. A cap is available for those on prepayment meters, but what about the rest of the 70% of customers who are being overcharged? What will happen for them, apart from urging them to switch?

**Amber Rudd**: It was, of course, disappointing that the Labour party opposed referring the energy market from Ofgem to the CMA. It is the CMA that has come forward with the recommendations, which I think is a welcome development. The right hon. Lady asks what can be done for other customers. The answer is that more competition in the market will allow people to switch so that her constituents will be able to have access to cheaper bills. I hope she will welcome the reform in the market that has allowed more competition to develop, resulting in lower bills for her constituents and everybody else.

**Caroline Flint**: That is misleading the House.

**Mr Speaker**: Order. The right hon. Lady certainly should not accuse anybody of misleading the House—[Interruption.] Order. I do not require any advice from other Members. I am perfectly capable of dealing with these matters. If the right hon. Lady wants to insert the word “inadvertently”, that would make it moderately less disorderly, although she still should not chunter from a sedentary position in evident disapproval of the stance taken by the Secretary of State. That is rather beneath the dignity of a distinguished former Minister.

**Caroline Flint**: Thank you, Mr Speaker. I think the Secretary of State inadvertently—

**Mr Speaker**: Just withdraw.

**Caroline Flint**: I withdraw.

**Mr Speaker**: Well done.

**Caroline Flint**: On a point of order, Mr Speaker.

**Mr Speaker**: Order. Points of order come later.

**Lisa Nandy** (Wigan) (Lab): I welcome the action that the CMA recommended for prepayment customers, but I urge the Secretary of State to heed the words of my hon. Friends who urged her to go further. I am sure that she is as angry as I am about the treatment of these customers. I am sure she is also as angry as we are about the treatment of 70% of customers who have been overcharged to the tune of £1.7 billion a year. The Energy and Climate Change Committee said that the Secretary of State’s “sudden and numerous policy announcements...lack of transparency...insufficient consideration of investor impacts...Policy inconsistency and contradictory approaches”, coupled with the “lack of a long-term vision”, have raised the cost of investing in UK energy by £3.14 billion a year. Given that she is costing bill payers almost twice as much as the big energy companies, will she refer herself to the CMA?

**Amber Rudd**: Let me start by answering the key point that the hon. Lady makes about the 70% of consumers who are not on prepayment meters and are overpaying. The central way to address the 70% is to make sure that there is more competition in the market. When we came into office in 2010, there were six suppliers; there are now 31 new independent suppliers. Switching times are now down to 17 days and, with Ofgem’s guidance, we hope to move to same-day switching by 2018. All those measures will enable consumers to access a competitive market.

The hon. Lady’s comments regarding the Energy and Climate Change Committee are a random selection of some of the Committee’s thoughts. I do not share its views. In fact, I have been advised by a number of people who have attended the Committee and by major investors that they take great comfort from the clear direction that has been set out from the Government Benches for future energy policy.

**Lisa Nandy**: It is extremely disappointing that after this lengthy investigation, the Secretary of State has decided to blame customers for not switching and to let energy companies off the hook, so perhaps I will try another one. The CMA inquiry has also found that price comparison websites are taking tens of millions of pounds a year in commission from the biggest energy companies. In 2014 alone, they were paid £24 million. Following her announcement that she will not hesitate to take forward the CMA’s recommendations, does she plan to implement the recommendation to allow the same websites to now deliberately hide the cheapest deals from customers?

**Amber Rudd**: The hon. Lady has misunderstood me. There is no blame on customers and no blame is being apportioned. We are saying that the CMA has provided a wake-up call to the energy companies, which now need to take action to address competition within the area. We are confident that its recommendations will be key to delivering the competition and low prices that Labour so clearly failed to deliver before 2010.

**Lisa Nandy**: What about price comparison websites?

**Amber Rudd**: We already have a price comparison website to which we refer people. The “be an energy shopper” website will then give customers a choice. I urge the hon. Lady to take a look herself and perhaps consider switching.

**Onshore Wind**

2. **Tom Pursglove** (Corby) (Con): What estimate she has made of the number of onshore wind applications made since June 2015.

[904291] The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): My hon. Friend will be delighted to know that we are delivering on our manifesto commitment to end new subsidies for onshore
wind and to change the law so that local people have the final say on onshore wind farm applications. As of 14 March, 64 onshore wind farm applications above 1 MW had been submitted across the UK since 18 June 2015, only five of which were in England.

Tom Pursglove: As the director of the national anti-wind farm campaign, I obviously declare an interest. What impact is this change to the subsidy regime having on ensuring that emerging generation technologies can come forward, which ultimately is what the subsidies are intended to encourage?

Andrea Leadsom: My hon. Friend is exactly right. The Government want to promote a wide range of energy sources, including renewables, to help us to meet our de-carbonisation targets, while keeping the lights on and bills down. For example, the Chancellor announced in the Budget our intention to hold three contracts for difference allocation rounds over this Parliament, allocating £730 million of annual support over the three auctions for new and emerging technologies such as, very importantly, offshore wind. As he rightly points out, however, as the cost of technologies comes down, we will make sure that subsidies do so as well.

Cat Smith (Lancaster and Fleetwood) (Lab): Does the hon. Lady agree with me and many of my constituents that it flies in the face of Ministers’ claims to be the greenest Government ever when local people have a veto on onshore wind, but that when it comes to fracking, particularly for my constituents in Lancashire, local views are not heard or represented?

Andrea Leadsom: The hon. Lady is of course completely wrong, because all shale applications are subject to the local planning system, so communities absolutely do have a say on every planning application for hydraulic fracturing.

Jim Shannon (Strangford) (DUP): In my constituency, we have had many applications for wind turbines, both on land and in the sea. As an alternative, SeaGen has a marine project harnessing tidal wave power. When it comes to alternatives that protect the environment, does the Minister agree that such projects should be given prominence?

Andrea Leadsom: The hon. Gentleman is exactly right that there are huge prospects for marine and tidal technologies, but they remain very expensive. The Government have supported some demonstration projects and are looking closely at all the possibilities. As they become good value for bill payers, we will bring forward proposals for how we can support them further.

Ms Margaret Ritchie (South Down) (SDLP): Does the Minister expect the number of onshore wind applications to fall in the coming year, and what impact will that have on renewable wind’s proportion of the electricity mix?

Andrea Leadsom: I can tell the hon. Lady that a lot of onshore and offshore wind projects are in the pipeline, so we expect renewables’ share to increase in the coming years. She will be aware that we have announced further CfD auctions specifically to support offshore wind, so we expect further increases in the deployment of offshore wind as the costs come down. That is an absolutely key requirement. As the costs have come down significantly, I certainly expect that it will be possible to deploy onshore wind farms, if communities want them, and without bill payer subsidy.

Mr Speaker: We need to speed up a tad, and I am sure that we can be led in our mission by the hon. Member for East Worthing and Shoreham (Tim Loughton).

Energy-saving Products: VAT

3. Tim Loughton (East Worthing and Shoreham) (Con): What assessment she has made of the implications for her Department’s policies on energy efficiency of EU proposals to increase the level of VAT applicable to energy-saving products.

The Secretary of State for Energy and Climate Change (Amber Rudd): The UK has applied a reduced rate on 11 different types of energy-saving materials since 2001. That remains in place and unchanged—and that is where we want it to stay.

Tim Loughton: For 13 years, Gordon Brown laboured to reduce VAT on energy-saving materials in the face of EU opposition, even getting President Sarkozy onside in 2007, but to no avail. With VAT on installations set to increase to 20% after the European Court of Justice judgment, does the Minister agree that the most likely route to allow the British Government to incentivise energy saving in the interests of British consumers and the planet is to vote leave on 23 June?

Amber Rudd: Let me take issue with my hon. Friend’s first point, which was that there will be no changes. If he checks the Finance Bill, which is published today, he will see that VAT is not rising as had been foretold. One reason why is the Prime Minister’s VAT action plan: he was able to go to Brussels and negotiate a better relationship so that countries can have their own VAT rates stayed. It seems to me that that is a very good example of the EU working for this country.

Clive Lewis (Norwich South) (Lab): I would like to follow up on that. It is just two days since the Government accepted the amendment that I and my hon. Friends the Members for Wigan (Lisa Nandy) and for Salford and Eccles (Rebecca Long Bailey) tabled to the Budget resolution. The Chancellor was the first in history who had to accept an Opposition amendment to his own Budget, and that was within a week of its delivery. Now we discover that the Finance Bill makes no provision whatsoever regarding VAT on energy-saving products. In fact, it is worse than that, because my hon. Friend the Member for Salford and Eccles has just received a written answer from the Financial Secretary stating that the Government are “still considering” their policy, and that the lower rate of VAT will continue only “in the meantime”. Will the Secretary of State tell us whether there is a now a U-turn on the U-turn?

Mr Speaker: May I gently point out that a bit on energy saving would help?
Amber Rudd: Thank you for that advice, Mr Speaker.

Let me point out to the hon. Gentleman that while it might be only two days since the amendment was moved, Government Members have been aware of the problem and have been engaging with Brussels, as was declared previously at the Select Committee, so we are clear that this approach is in the interest of the industry. I welcome the hon. Gentleman’s rather belated support for it.

**Gas-fired Power Stations: Capacity Mechanism**

5. Jeremy Lefroy (Stafford) (Con): What steps she is taking to ensure the effectiveness of the capacity mechanism for new gas-fired power stations.

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): New gas is already coming forward. Since 2010, six new combined cycle gas turbines have been commissioned, representing over 8 GW of capacity, but we will need more new gas as we close our coal-fired power stations as part of our decarbonisation objective. We have announced changes to the capacity market to buy more capacity, and to buy it earlier, thereby ensuring security of supply during the transition, as well as promoting investment in new plant such as gas.

Jeremy Lefroy: Given that Rugeley power station, which is coal fired and based in the constituency of my hon. Friend the Member for Cannock Chase (Amanda Milling), is scheduled to close, may I suggest that Rugeley would be an ideal site for a new gas power station?

Andrea Leadsom: I pay tribute to my hon. Friend the Member for Cannock Chase (Amanda Milling) for her excellent work in representing those affected by the closure of Rugeley. The decision on how to use the site is obviously a commercial issue for ENGIE, but I encourage the company to discuss its plans with the Planning Inspectorate, which can clarify the process for building a new gas plant, and particularly how long it might take to do so.

Callum McCaig (Aberdeen South) (SNP): Yesterday marked the end of an era with the sad closure of Longannet power station. I put on record our thanks to the Lords and女士s who worked there and kept the lights on in Scotland for over 40 years. When does the Minister expect new CCGT gas in Scotland to replace Longannet?

Andrea Leadsom: I, too, wish to express enormous gratitude, on behalf of Conservative Members, for all the work that has been done at Longannet over the past 47 years. It certainly is the end of an era. It is astonishing that the plant was expected to last for only about 25 years, and the extension of that to 47 is pretty impressive.

As I have said, the capacity market needs to buy earlier and buy more capacity at a time when wholesale prices are so low and various plants are struggling, partly to ensure that new gas is available. The location of the combined cycle gas turbines will, of course, be a matter for individual developers.

Callum McCaig: It will be a matter for developers, but one of the biggest hurdles to new CCGT in Scotland, and one of the reasons for the early closure of Longannet, has been the imposition of transmission charges, along with the additional costs that are levied on generators in Scotland, primarily owing to their location. Margins are tight, and they are getting tighter. Can we remove this barrier to new gas generation?

Andrea Leadsom: It is extraordinary that the hon. Gentleman should say that, because Scottish consumers are huge beneficiaries of locational charging. He needs to look at the situation in the round. Scottish consumers benefit from being part of a Great Britain-wide energy market. Had the Scots voted for independence, today would have been the day when they were on their own. Issues such as the price of energy and the locational pricing would have worked very much to their detriment without that GB-wide market.

Amanda Milling (Cannock Chase) (Con): I thank my hon. Friend the Member for Stafford (Jeremy Lefroy) for raising the possibility of a gas-fired power station at Rugeley B if the existing power station is closed. Existing infrastructure with national grid connectivity and a highly skilled work force could be used in that event. What measures are being taken to encourage the development of gas-fired power stations on sites such as Rugeley B, where energy generation has been taking place for decades?

Andrea Leadsom: My hon. Friend has done a great job in promoting that idea, and, while I do not want to stray into the realms of telling a private company what to do, we would be very pleased if this company looked into the opportunities for establishing a new gas plant. The capacity market auction will give certainty to potential providers of new gas plants, and should lead the company to consider those opportunities very seriously.

Mr Dennis Skinner (Bolsover) (Lab): Is it not very odd that the Tory Government never seem to talk about the 40 million tonnes they are importing from countries abroad that they cannot even trust? Rather than keeping the British pits open, this Tory Government have presided over even more coal imports. Which of the power stations will use that coal? They will not be using gas.

There will have to be power stations to use that coal. Where are they going to be?

Andrea Leadsom: I am sure the hon. Gentleman will be pleased to know that a new opencast coal mine has recently started producing—

Mr Skinner: That is not a coal mine. It is opencast.

Andrea Leadsom: The hon. Gentleman must surely acknowledge that the time for deep coal mines is over, because of the health implications and the carbon implications.

Mr Skinner: In Britain.

Andrea Leadsom: The hon. Gentleman must be aware that my Department is committed to moving away from coal, through gas, to a clean energy future.
Dr Alan Whitehead (Southampton, Test) (Lab): The Secretary of State has produced no impact assessment to accompany her proposals to bring forward the first year of the application of auctions to the capacity market, but all estimates confirm that the auction will have to clear at a far higher price than has hitherto been the case if any new capacity is to be produced by means of this device, with a consequent huge cost to bill payers—an extra £20, according to some estimates. What does the Minister think the additional cost to customers will be, and can she look me in the eye and tell me with reasonable conviction that she is sufficiently certain that the auction will lead to substantial long-term capacity agreements for new plant to make that huge cost anywhere near justifiable?

Andrea Leadsom: I can absolutely look the hon. Gentleman in the eye and tell him that bringing forward the capacity market a year early—I am trying to make serious eye contact with him; I am not looking away for a moment—is absolutely in the interests of consumers. He will know that, with wholesale prices where they are at present, old plants are struggling to continue. By bringing forward the capacity market, we are giving them the certainty they need to ensure security of supply. If you like, this is an insurance policy on security of supply, and it is absolutely in the interests of consumers.

Low-carbon Economy

6. Jeff Smith (Manchester, Withington) (Lab): What steps her Department is taking to increase investor confidence in the low-carbon economy. [904298]

The Secretary of State for Energy and Climate Change (Amber Rudd): My Department is committed to providing investors with certainty, and I set out a clear vision for this Government’s energy policy last November in order to achieve just that. In the past month, we have provided certainty on the capacity market, on contracts for difference auctions over the next four years and on taxation for the UK’s oil and gas industry.

Jeff Smith: As a result of changes in Government policy, Greater Manchester Community Renewables has had to scale back its solar PV project from 20 sites to four, meaning that 16 schools have missed out on solar panels and the local economy has missed out on more than £1 million of investment. It is estimated that there are 8 MW of stalled schemes in Greater Manchester, equating to about £10 million of investment. Is this not an indication that Government policy is in fact leading to a fall in investor confidence?

Amber Rudd: I do not share the hon. Gentleman’s interpretation. In fact, we have seen increased investment this year in solar and other renewables. We have changed the subsidies on solar, so solar will go forward only this year in solar and other renewables. We have changed the interpretation. In fact, we have seen increased investment to accompany the hon. Member for Wakefield (Barry Gardiner)’s question to the Secretary of State has produced no impact assessment to accompany her proposals to bring forward the first year of the application of auctions to the capacity market, but all estimates confirm that the auction will have to clear at a far higher price than has hitherto been the case if any new capacity is to be produced by means of this device, with a consequent huge cost to bill payers—an extra £20, according to some estimates. What does the Minister think the additional cost to customers will be, and can she look me in the eye and tell me with reasonable conviction that she is sufficiently certain that the auction will lead to substantial long-term capacity agreements for new plant to make that huge cost anywhere near justifiable?

Amber Rudd: The hon. Lady will be aware that what the Chancellor did set out in the Budget was certainty on the amount and timing of contracts for difference, which was very welcome for the investment community. There will be further announcements on the levy control framework, but let us bear in mind that the LCF was the first of its kind and that it runs until 2020–21. We have said that we will set out how much will be available in future, but for now the hon. Lady will just have to be a little more patient.

Barry Gardiner (Brent North) (Lab): Last September, the independent Committee on Climate Change warned that the Government’s stop-start investment profile was undermining investor confidence and increasing the cost of low-carbon generation. The Secretary of State ignored it. Last month, the Energy and Climate Change Committee reported its concern that increased policy uncertainty was leading to increased risk premiums for investors, which will result in consumers paying more in the long run. Can the Secretary of State look me in the eye and explain exactly how she thinks this ties in with the Prime Minister’s insistence that his Government are safeguarding the interests of future generations?

Amber Rudd: I can assure the hon. Gentleman that I am quite capable of looking him—and indeed the whole shadow Front Bench—in the eye. I can also assure him that we are absolutely focused, as are the Prime Minister and the Chancellor, on delivering for the future generation and looking after bill payers. This is about getting the right balance and supporting renewable energy until it can stand on its own two feet.

Zero Emissions

7. Andy Slaughter (Hammersmith) (Lab): What steps her Department is taking to enshrine the commitment to net zero emissions made at the Paris climate change conference of December 2015 in UK law. [904299]

The Secretary of State for Energy and Climate Change (Amber Rudd): As confirmed last Monday during the Report stage of the Energy Bill, the Government will take the step of enshrining into UK law the long-term goal of net zero emissions, which I agreed in Paris last December. The question is not whether we do it but how we do it.

Andy Slaughter (Hammersmith) (Lab): I am sure we all welcome that change of heart from the Government thanks to the campaign waged by my right hon. Friend the Member for Doncaster North (Edward Miliband), but how does the Secretary of State think the Government’s antipathy towards the renewables industry—and the fact that she has a Minister who is actively campaigning for Brexit—will help to achieve that target?

Amber Rudd: There has been no change of heart. I was at the Paris climate change talks and we fought for a high ambition. We ran the high ambition coalition meetings and we are absolutely committed to delivering on our existing commitments and to looking further ahead. This Government are committed to that and we believe we can do it better by staying within the EU.
David Mowat (Warrington South) (Con): After we passed the Climate Change Act 2008, we hoped that other EU countries would follow with similar commitments: none did. Indeed, many countries, including Austria, Holland and Ireland, have made no emissions savings since 1990. We saw the result of that in the Paris COP 21 when the EU submission was significantly lower than the UK’s targets. Can the Secretary of State look me in the eye from her position and tell me that we will not be acting unilaterally this time?

Mr Speaker: Order. May we have an end to this rather tedious business of requests for looks in the eye? I say that in the context of answering the hon. Gentleman because the Secretary of State’s responsibility is to address the House. If she looks at anybody, she should look at the Chair. She certainly should not be looking behind her at the hon. Gentleman, a very agreeable sight though it may be.

Amber Rudd: Thank you for that guidance, Mr Speaker. May I point out to my hon. Friend that a positive element of the Paris deal is that other countries are now making commitments? I know that he is concerned that other EU countries are not making the same commitments as us, and it is correct that our Climate Change Act is one of the most ambitious, but I am proud of it and other EU countries are beginning to emulate it, although there is more work to do.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Since 2010, the Government have presided over a sharp reduction in the number of households receiving energy efficiency measures. Does the Secretary of State agree that meeting a net-zero emissions target will require a step change in the Government’s energy efficiency policies? If so, when might we see that?

Amber Rudd: I wonder whether the hon. Gentleman is aware of the EU directive coming in in 2020 to make all new houses nearly net-zero. We will be sticking to it, is aware of the EU directive coming in 2020 to make all new houses nearly net-zero. We will be sticking to it, is aware of the EU directive coming in 2020 to make all new houses nearly net-zero. We will be sticking to it, is aware of the EU directive coming in 2020 to make all new houses nearly net-zero. We will be sticking to it.

Amber Rudd: I reassure the hon. Gentleman that we always think very carefully about such issues. Conservative Members believe it is right to protect family incomes and that it is welcome that the cost of fuel is down. However, we do not take it for granted that we can make changes to important vehicle emissions, so we are also investing in electric vehicles. For example, we have committed £600 million up to 2021 to support the uptake and manufacture of ultra-low emission vehicles, which is projected to save 65 million tonnes of carbon.

Biomass

11. Nigel Adams (Selby and Ainsty) (Con): What assessment has made of the effect on the feedstock supply chain of her Department’s proposals to improve the sustainability of the use of biomass in the heat and electricity sectors.

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): May I gently point out, Mr Speaker, that as my right hon. Friend the Secretary of State and I are mothers, we have eyes in the back of our heads and are able to make eye contact right around the Chamber?

As my hon. Friend the Member for Selby and Ainsty (Nigel Adams) knows, mandatory biomass feedstock sustainability criteria came into force under the renewables obligation from 1 April 2015 and under the renewable heat incentive from 5 October 2015. The criteria will ensure that biomass is sourced from sustainably managed forests and provides a minimum 60% life-cycle greenhouse gas saving over our average fossil fuel mix.

Nigel Adams: I am grateful for that reply and congratulate the Minister and her Department on the UK’s sustainability criteria for solid biomass being among the most robust in the world, but why is the Department holding back from further deployment of this affordable, reliable source of low-carbon power?

Andrea Leadsom: On 17 March, the Chancellor announced that the overall budget for three CfD auctions in this Parliament will total £730 million of annual support. That is for pot 2, which includes biomass, combined heat and power, advanced conversion technologies, and anaerobic digestion. We see the use of biomass in coal conversions as a transitional technology, helping us on our path to a low-carbon economy. We have already made significant commitments to the sector, supporting 1.6 GW of biomass conversions.

Rebecca Pow (Taunton Deane) (Con): I recently met a group of EU foresters—it was a very unusual meeting—at a symposium in Milverton in my constituency to discuss sustainable forestry. They expressed concerns that our growing biomass industry is putting pressure on many countries further afield to supply wood, possibly causing deforestation. Will the Minister assure us that sustainability is a key part of encouraging this exciting new biomass industry?

Mr Speaker: An exciting gig indeed!

Andrea Leadsom: My hon. Friend enjoys that kind of meeting very much. I can absolutely assure her that we keep the whole question of sustainability under review.
She will be interested to know that analysis of the 2013-14 sustainability data that companies report to Ofgem under the renewables obligation shows that all the reported biomass achieved the greenhouse gas saving target and met the land criteria, two years before they are mandatory. But we do keep this under review.

**Shale Gas**

12. **Mr David Nuttall** (Bury North) (Con): What steps she is taking to prevent protected areas from being adversely affected by the development of shale gas.

**The Minister of State, Department of Energy and Climate Change (Andrea Leadsom):** Shale gas could become a valuable new industry and it is in the strong interests of the UK to explore its potential. However, we are determined to protect our most valuable spaces, and therefore it is our intention to ban surface-level drilling in the most precious areas, including national parks and sites of special scientific interest. We have also regulated to make sure hydraulic fracturing cannot take place at less than 1,200 metres under protected areas.

**Mr Nuttall:** I thank the Minister for that reply. Although I am sure it will allay the concerns of some, does she believe that more can be done to extol the positive virtues of shale gas, including, for example, the new jobs and security of energy supply it will bring?

**Andrea Leadsom:** My hon. Friend is right to point out that there are lots of benefits of shale gas. The first is energy security, as we could be importing about 75% of our gas by 2030. The second is jobs, as the industry could mean jobs and opportunities for the UK, with a report by Ernst & Young estimating that a thriving shale industry would create up to 64,000 jobs. The third is benefits to communities, as those hosting shale developments will see a direct share of the benefits through an industry-funded package, and the shale wealth fund will mean that up to 10% of the tax revenues from shale gas deliver investment directly to local communities.

**Renewable Energy: Subsidies**

13. **Jason McCartney** (Colne Valley) (Con): What assessment her Department has made of recent trends in the rate of switching in the retail energy market.

**The Secretary of State for Energy and Climate Change (Amber Rudd):** The Government announced a package of proposed cost control measures last year to tackle the projected overspend on renewable support schemes. As the costs of technologies come down, as they have, it is right that subsidies do so as well. We are fully committed to supporting renewable energy, but will do so at least possible cost to consumers and businesses.

**Jason McCartney:** I regularly meet the great number of businessmen and businesswomen in my constituency who are engaged in the renewables industry. Does the Secretary of State agree that we must support this kind of innovation and entrepreneurship in the renewables industry?

**Amber Rudd:** My hon. Friend is absolutely right about that, and the entire purpose of subsidies is to give new industry and innovations in the renewables industry a good start. Subsidies are not intended to be permanent; they are about getting these things started and giving them a good start so that they can then carry on and deliver secure renewable energy, subsidy-free.

**Retail Energy: Switching Suppliers**

14. **Jake Berry** (Rossendale and Darwen) (Con): What steps she is taking to support oil and gas exploration and development.

**The Secretary of State for Energy and Climate Change (Amber Rudd):** My Department has taken action to make it simpler and quicker to switch supplier. I am happy to tell my hon. Friend that the number of households switching supplier is increasing—in 2015, it reached a four-year high. The latest figures released by Ofgem show that 6.1 million domestic energy supply accounts were switched in 2015, which is a 15% increase on the 2014 figure.

**Jake Berry:** I thank my right hon. Friend. Friend for that reply and for her assistance in my work with the Behavioural Insights Team on trying to create the receipt of the winter fuel payment letter as a switching point for those who are retired. What further steps are she and her Department going to take to ensure that older citizens in this country are encouraged to switch, because they have traditionally been the hardest-to-reach group?

**Amber Rudd:** My hon. Friend is entirely right to focus on that older group, who sometimes are more resistant to switching. I thank him for the help he has given through his work with the Behavioural Insights Team and the Department on ways to encourage more elderly people to switch supplier through our communications to those eligible for winter fuel payments. The Competition and Markets Authority made proposals just last week that are designed to encourage all consumers to switch, including those over 65. The Government have committed to appropriate implementation of the recommendations, following publication of this report in full.

**Oil and Gas**

15. **Kirsty Blackman** (Aberdeen North) (SNP): What steps she is taking to support oil and gas exploration and development.

**The Minister of State, Department of Energy and Climate Change (Andrea Leadsom):** Last week, the Chancellor announced a £1 billion fiscal package to reduce the additional taxes historically imposed on the North sea as well as to introduce targeted measures to encourage investment in exploration, infrastructure and late-life assets. That builds on the Prime Minister’s January announcement of a £20 million package of new investment in exploration, innovation and skills; a new interministerial group; and funding for the £250 million Aberdeen city region deal.
Kirsty Blackman: I appreciate the Minister’s answer. Oil & Gas UK, the industry body, has said that we need a fourfold increase in exploration to ensure that the 20 billion barrels that are still there are recoverable. The extra funding for the seismic surveys has been most welcome and we appreciate it. Will the Minister expand a little on what other action the UK Government will take to increase the confidence in the industry and to encourage further exploration?

Andrea Leadsom: The industry is vital for the UK, and we will continue to support it in every way we can. I have already mentioned some of the measures. Perhaps I will just reiterate that, in setting up the Oil and Gas Authority on Sir Ian Wood’s recommendations, we are establishing an authority that is welcome by the industry, that will improve the economic recovery of the sector, and that will ensure that we do not move to early decommissioning, which is all very good news for the North sea sector.

Tidal Lagoon Energy

16. Carolyn Harris (Swansea East) (Lab): What progress has been made on the independent review on tidal lagoon energy announced in February 2016.

The Secretary of State for Energy and Climate Change (Amber Rudd): My Department has made good progress in setting up the review team and we will shortly be announcing the name of the individual who will lead the independent review. The review is on track to start this spring and, we hope, complete in the autumn.

Carolyn Harris: It has now been six weeks since the Department announced the independent review into tidal lagoon energy, and it is two weeks since the Minister assured me in Westminster Hall that the make-up of the review was being considered “right now”. Why, six weeks later, has the review not started? Although I appreciate that the Department is probably very genuine in its desire to get this work done, we need the work done urgently.

Amber Rudd: I appreciate completely the urgency of the situation. However, we want to get this right, so we have gone ahead in the Department with preparing for the review. It is a question of appointing the independent reviewer who will lead that and agreeing the formal terms with them. The hon. Lady should be in no doubt that we appreciate the urgency of this matter, that we are serious about the review and that we will move with all due speed and keep her posted.

Energy Storage Devices

17. Matthew Pennycook (Greenwich and Woolwich) (Lab): What progress has she made on developing a legislative and regulatory framework for energy storage devices in the UK energy market.

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): Energy storage has been identified as one of the eight great technologies in which the UK can genuinely lead the world. More than £80 million of public sector support has been committed to UK energy storage research and development since 2012. Last December, my Department published the document, “Towards a smart energy system”, and we are urgently investigating the potential barriers to deployment of energy storage. We will be issuing a call for evidence in the very near future.

Matthew Pennycook: I welcome that statement from the Minister. However, regulatory barriers, some minor, are having a chilling effect on the roll-out of innovative energy storage technologies. Can the Minister give the House an assurance that the Government are approaching the removal of these barriers with the degree of urgency that is required if we are to remain a world leader in this field?

Andrea Leadsom: Yes, I can absolutely give the hon. Gentleman that assurance. Very recently, I held a roundtable meeting with players in the storage sector and heard at first hand exactly where they think the challenges lie. I can absolutely assure the hon. Gentleman that my Department is working very hard to try to ensure that we remove barriers in the easiest and quickest way possible.

Andrea Leadsom: The industry is vital for the UK, and we will continue to support it in every way we can. I have already mentioned some of the measures. Perhaps I will just reiterate that, in setting up the Oil and Gas Authority on Sir Ian Wood’s recommendations, we are establishing an authority that is welcome by the industry, that will improve the economic recovery of the sector, and that will ensure that we do not move to early decommissioning, which is all very good news for the North sea sector.

Topical Questions

T1. [904316] Jeff Smith (Manchester, Withington) (Lab): If she will make a statement on her departmental responsibilities.

The Secretary of State for Energy and Climate Change (Amber Rudd): Since we entered government in 2010, we have more than trebled our renewable electricity capacity. A total of £52 billion has been invested in renewables, and more than 99% of solar capacity has been installed. In 2010, renewables provided just over 7% of our electricity needs. That went up to nearly one fifth of the UK’s electricity needs in 2015, and we are on track to deliver 35% by 2020-21, exceeding our ambition of 30%.

Jeff Smith: At the last Energy and Climate Change Question Time, my hon. Friend the Member for Ashton-under-Lyne (Angela Rayner) asked the Minister about the planned rise in VAT on solar, and she told us that the Government had “no choice” but to implement the European Court’s decision. On Monday, when the Financial Secretary was filling in for the Chancellor, he told us that they had decided not to go ahead weeks ago. Did she inadvertently mislead the House, or was she not kept informed by her colleagues in No. 10—I mean No. 11?

Amber Rudd: I think we should just welcome the outcome. It is always unwise to underestimate my right hon. Friend the Prime Minister, who achieved a great victory for VAT and for solar at the Brussels meeting just 10 days ago.

T2. [904317] David Rutley (Macclesfield) (Con): Does my right hon. Friend agree that the best way for consumers to get the best deal on their energy bills is for energy companies to take seriously the possibility that consumers will quickly and easily switch to other suppliers? Will she therefore confirm that the Government remain committed to driving down the time it takes for people to switch?
Amber Rudd: I very much agree with my hon. Friend. Friend that reliable switching between energy suppliers underpins a competitive energy market and, above all, puts consumers in control. That is why the time it takes to switch has already been halved from five weeks to two and a half weeks. We do not want to stop there, which is why we are working with Ofgem and the industry to deliver reliable next-day switching for consumers, with an aspiration to do this by 2018. We will introduce legislation to achieve that.

Lisa Nandy (Wigan) (Lab): With fresh doubts over whether a new nuclear station will ever be built at Hinkley Point C, it appears that Britain’s energy security is now in the hands of the French and Chinese Governments. If the French Government decide not to offer up more money for the Hinkley project, will our taxpayers be on the hook or does the Secretary of State have a plan B?

Amber Rudd: I can reassure the hon. Lady. Lady that this proposal in Hinkley Point will be going ahead. I do not share her doubts. To further reassure her, let me tell her that although Hinkley Point is an important part of our low-carbon future, it is not the only nuclear initiative. If she had paid attention during the Budget, she might have heard the Chancellor announce further support for small modular reactors, which could also be an important part of a low-carbon future.

T3. [904319] Mark Menzies (Fylde) (Con): The Government’s affordable warmth obligation has enabled thousands of low-income households to upgrade and replace their boilers, but there is no obligation on energy companies to upgrade the rest of the heating system, which is often required to make the new boiler work. That has left a pensioner in my constituency with no heating over the winter. Will the Secretary of State look into this and ensure that when energy companies are upgrading people’s boilers, they are following through and not leaving people short?

Amber Rudd: My hon. Friend raises an important point. My Department is absolutely committed to taking steps to support those in most need. Since April 2015, boiler replacements under the affordable warmth obligation to which my hon. Friend has referred have come with a one-year warranty, covering the function of both the boiler and the heating system that it serves. I would encourage all customers who have faced problems to register a complaint with their installer or energy supplier so that remedial action can be taken. I hope that that assists my hon. Friend.

T4. [904320] Dawn Butler (Brent Central) (Lab): In 2012, the Prime Minister stated that “we will be legislating so that energy companies have to give the lowest tariff to their customers”.—[Official Report, 17 October 2012; Vol. 551, c. 316.]

This has not been done. The Secretary of State has 11,287 constituents who are on prepayment meters, at a loss of £3.3 million to the local economy. If she is reluctant to legislate or to oblige energy companies to roll out smart meters rather than dumb meters, will she at least agree to total transparency in the energy sector?

Amber Rudd: The hon. Lady should know that there is no reluctance on the Government Benches to take action when required. It was this Government who took action in referring the energy companies to the Competition and Markets Authority and this Government who took further action with initiatives to help the poorest customers. We will be supporting the proposals from the CMA on prepayment customers, helping my constituents and the hon. Lady’s.

T5. [904321] Rebecca Pow (Taunton Deane) (Con): I congratulate the Minister on the progress made steering us towards a low-carbon economy. For business, this makes absolute sense, with many companies addressing the issue head on. The value of the low-carbon economy is now £122 billion, but we still need to make progress in tackling energy efficiency for our homes. Will the Minister please give us an indication of whether she might consider reintroducing a zero-carbon policy for our houses?

Amber Rudd: I thank my hon. Friend for her comments and I draw her attention to two things. One is the Bonfield review, which we announced in June 2015 and which will report shortly. It is looking at consumer protection in energy efficiency matters, which is a really important element of ensuring that the energy-efficient items that are taken forward deliver what they set out to do. Secondly, as I told the hon. Member for Stalybridge and Hyde (Jonathan Reynolds), the EU’s energy performance of buildings directive requires all new buildings to be nearly net-zero energy by 2020.

Rob Marris (Wolverhampton South West) (Lab): The Government have already offered ridiculously large subsidies to build Hinkley Point C. I bet the Secretary of State £100—proceeds to charity, of course—that that nuclear power station will not be built without even more public subsidy being offered. Will she take that bet?

Amber Rudd: Apart from looking people in the eyes, I am not in the habit of taking bets across the Chamber, but I am very happy to reassure the hon. Gentleman that I am completely confident that the Hinkley Point C project will go ahead, and it will not be the only new nuclear reactor commissioned under this Government.

T6. [904323] Sir David Amess (Southend West) (Con): As the promoter of the Warm Homes and Energy Conservation Act 2000, I am naturally disappointed that, some 15 years later, fuel poverty has not been eliminated. I know that my right hon. Friend is genuinely determined to eliminate fuel poverty, but will she continue to consult widely on energy efficiency measures, so that we actually meet those targets?

Amber Rudd: I thank my hon. Friend for that question. He was an early campaigner on the issue. My Department is putting in place the measures needed to meet our ambitious target for fuel poverty, requiring us to bring as many fuel-poor homes as reasonably practicable up to the band C energy efficiency standard by 2030. As part of that, we have proposed reform to the energy company obligation so that we can support those most in need, and we shall consult widely in the next few months on our proposals to reform the scheme.

Caroline Flint (Don Valley) (Lab): Would the Secretary of State like to reflect on her earlier answer to a question, in which she may have inadvertently misled the House
by suggesting that Labour did not support the investigation by the CMA? We did support that investigation, but before it was announced we also acknowledged that the majority of customers were being overcharged. Will she, for the record, acknowledge that the CMA reports have now twice confirmed what Labour said—that the majority of customers are being overcharged for their energy?

Amber Rudd: Like the right hon. Lady, I would not want the House to be misled in any respect, so let us be clear. Labour supported the referral to the CMA in 2013, but then argued in 2014 that another investigation was not needed. It is that investigation that has delivered the results, which we will be legislating for, that will make the most significant difference for delivering lower bills for consumers.

T7. [904324] Jake Berry (Rossendale and Darwen) (Con): I know the Secretary of State is aware of the horrendous flooding in Irwell Vale in my constituency on Boxing day. With that in mind, will she say what steps her Department is taking to ensure security of the supply of energy to flood-hit areas in Lancashire?

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): I took part in the Cobra meetings over Christmas, and it was devastating to see the distress and the awful problems that that flooding caused. As part of the national flood resilience review, we are working with industry to assess flood risk for energy infrastructure, and will be looking at options to improve resilience wherever we can. In addition, the Environment Agency is reviewing its advice on flood risk, and we are working with energy companies to ensure there is an appropriate response to any revised advice.

Mr David Anderson (Blaydon) (Lab): Last Christmas saw the end of deep-mined coal in this country, and during the past year 32% of the coal imported came from Colombia. Is the Secretary of State happy that, when coalfield communities are still struggling, her Government’s long-term economic plan is being fuelled on the back of child and slave labour?

Andrea Leadsom: I am sorry that the hon. Gentleman takes that approach. He will be aware that domestic coalmining has been in decline for the past 60 years, that imports are a great deal cheaper, and that it is for private companies to decide to choose the cheapest options. The Government have done all we can to reduce the impacts of the most recent closures, by injecting up to £20 million to help the directors of Hatfield to manage the closure of the business and £17 million to help UK Coal deliver its two-year closure plan for Kellingley and Thoresby, and by agreeing to meet UK Coal’s concessionary fuel allowances.

Martin Vickers (Cleethorpes) (Con): I thank the Minister of State for the recent meeting she held with me in connection with the Able development in my constituency, which has the potential for 4,000 new jobs. Is there any news of the implementation of the memorandum of understanding with DONG Energy?

Andrea Leadsom: I am grateful to my hon. Friend. Friend for continually holding my feet to the fire on this matter. I have had a number of individual meetings with developers to press for UK content as far as possible in the offshore wind sector, and I am getting some very good responses. In particular, he will be aware that there is to be a strategy review of the east of England, which will include the potential for the development at Able. I am very positive about the prospects.

Mr Dennis Skinner (Bolsover) (Lab): Is the Minister admitting, as she seems to be doing, that this Government are more concerned about bringing in coal from Colombia because it is cheap, even though it is produced by child slave labour? She has a chance to amend that.

Andrea Leadsom: Private companies in the UK choose their suppliers. It is not Government bringing in coal. The hon. Gentleman must understand that. This Government urge all private companies to look very carefully at their supply chain. They will choose cheaper imports, but equally, they have to stand up and be counted for their own policies on the conditions at suppliers. The Government do not purchase coal. The hon. Gentleman realises that.

Alex Chalk (Cheltenham) (Con): Many people in Cheltenham share my wish to see a strong and vibrant solar sector. Reducing the solar feed-in tariff is no doubt necessary and appropriate, given the plummeting cost of solar, but what reassurance can the Minister provide that the new price will continue to sustain jobs in this important industry?

Amber Rudd: I know that my hon. Friend has been a champion of the solar industry in his constituency, where there are a number of businesses that thrive on the solar sector. I reassure him that we are still seeing high levels of solar installation, but they will not be as high as they were when the feed-in tariffs were delivering such a high yield. It is right to get a balance between supporting solar—supporting renewables—which delivers important jobs, and looking after the consumer.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Is it this Government’s intention to build Hinkley Point C at any price?

Amber Rudd: I am sure the hon. Gentleman is aware that it is not for this Government to build Hinkley Point C; it is for EDF to build Hinkley Point C. That is why we have put the arrangement in place whereby we pay only when the electricity is generated. That is the sound arrangement that we have, and the plant is due to start generating that electricity, when we will start paying, in approximately 10 years’ time.

Kevin Foster (Torbay) (Con): Will the Secretary of State confirm that in any assessment of the Hinkley Point project, she will look at the wider economic benefits to the south-west peninsula from what would be the largest civil engineering project?

Amber Rudd: My hon. Friend is right. There are wider benefits to Hinkley Point C going ahead—benefits in the form of low-carbon electricity, in meeting our targets, and in security, but he is right that there are also benefits in terms of jobs and developing skills. It is a great loss to this country that under Labour we did not develop more nuclear skills and nuclear reactors. We are putting that right.

Several hon. Members rose—

Mr Speaker: Order.
Junior Doctors: Industrial Action

10.33 am

Heidi Alexander (Lewisham East) (Lab) (Urgent Question): To ask the Secretary of State for Health if he will make a statement on what steps he is taking to avoid further industrial action by junior doctors.

The Parliamentary Under-Secretary of State for Health (Ben Gummer): Yesterday, the junior doctors committee of the British Medical Association, in continuation of their dispute over how junior doctors should be paid for working on Saturdays, announced that they would be withdrawing emergency cover during two days, 26 and 27 April. If the BMA proceeds with this action, it will be unprecedented in the history of the national health service.

Let me be clear first about the impact on patients. We will do all in our power to ensure that patients are protected. However, given that patients presenting at hospitals in an emergency are often at a point of extreme danger, the action taken by the BMA will inevitably put patients in harm’s way. That the BMA wishes to do that to continue a dispute over how junior doctors are paid on Saturdays is not only regrettable but entirely disproportionate and highly irresponsible.

The hon. Lady asks what the Government have done to avoid industrial action. Let me be clear on this also. Consistent with our promise to the British people to reduce variations in care across the seven days of the week, the Government could not have done more in their efforts to avoid industrial action. Although both the BMA and NHS Employers believe the current contract to be seriously flawed, the BMA has walked away from negotiations not once, not twice, but three times—unilaterally thwarting the efforts, made in good faith, to come to a negotiated settlement on a better contract.

Time and again, the Government have implored the BMA to return to talks. Time and again, the Government have extended deadlines. Time and again, the Government have listened and responded to the BMA’s concerns, making agreed changes to the proposed contract. The Government have provided every possible means to ensure productive talks. We have charged the most experienced negotiators in the NHS to work with the BMA. At our invitation, we have discussed the contract at ACAS not once, but twice. We have asked one of the most respected chief executives in the service, Sir David Dalton, to attempt to reach a solution. Yet, despite all this, the BMA has set itself against talks, refusing to negotiate on the few remaining points of contention, even though it had previously promised to discuss them.

We are in the very odd situation of being faced with a trade union that is escalating strike action, despite having been consistent only in its refusal to negotiate on behalf of its members.

The country cannot be held to ransom like this. At some point, a democratically elected Government must be able to proceed to fulfill the promises they have made to the people. Governments cannot be held hostage by a union that refuses to negotiate. That is why, having exhausted every single option open to us with the BMA—with the BMA refusing to talk—and having listened to the advice of Sir David Dalton and others to move on from the uncertainty that this dispute was creating, the Government have, to their regret, decided to move on and implement the contract.

We will very soon be presenting the new contract directly to doctors so that they can see for themselves that the new contract is safer than the one it replaces, is fairer than the one it replaces, is better for patients than the one it replaces and is better for doctors than the one it replaces. By seeing the detail of the contract for themselves, I am confident that doctors will see the strike for what it is: disproportionate, ill-judged, unnecessary and wrong.

Heidi Alexander: The Minister has spoken for a number of minutes, but he has not answered the question. I asked what further action the Government will take to avert industrial action and the escalation planned for the 26th and 27th, and there was absolutely no response.

This is a worrying time for patients and the NHS, and it is nothing short of a disgrace that, yet again, the Health Secretary has failed to turn up. If this walkout goes ahead, it will be the first time ever that junior doctors have fully withdrawn their labour. Nobody wants that to happen, so let me focus my questions on how we might find a way through this very heated and deeply distressing dispute.

Yesterday, the Health Secretary was reported to have said that “the matter is closed.” May I urge the Minister to think again? He should think about how it will look to patients if the Secretary of State spends the next four weeks sitting on his hands, instead of trying to avert this action. Was the Government’s former patient safety adviser, Don Berwick, not right to have called on Ministers to de-escalate the situation? How does describing the junior doctor element of the BMA as “radicalised”, as the Minister did on Monday, help to de-escalate things? May I gently suggest to him that his tone and choice of words are making a resolution harder, not easier, to achieve?

The Minister is an intelligent man, and I know he will be talking to the same senior NHS leaders I talk to. Deep down, he knows that this contract has nothing to do with seven-day services and everything to do with setting a precedent to save money on the NHS pay bill—change the definition of unsociable hours in this contract and pave the way for changing it for nurses, porters and a whole host of other NHS staff. Am I wrong, Minister?

Finally, may I simply ask the Government to start listening to patients? The Patients Association has said:

“The Government’s decision to impose contract terms on junior doctors is unacceptable…It is clear that the acrimonious dispute…is unnecessary and damaging.”

National Voices, which represents 160 health and care charities, said yesterday:

“We are calling on government to drop the imposition of a new contract”.

The Government have 32 days to prevent a full walkout of junior doctors. The Secretary of State may think that the matter is closed; I say that that is arrogant and dangerous in the extreme. This is an awful game of brinkmanship and the Government must press the pause button before it is too late.
Ben Gummer: I thank the hon. Lady for her detailed questions, put with her customary grace—and I mean that. She raised a number of issues, and I will deal with her first point last, if I may. She mentioned the Secretary of State’s comments to the Health Service Journal earlier this week. We have been negotiating a contract for three and a half years and have reached the point where the counter-party—the British Medical Association—refuses to discuss the remaining 10% that is not agreed, despite the best efforts of the most experienced of negotiators and one of the most respected chief executives in the NHS. In his judgment, there was no further purpose to negotiations, because the BMA refused to discuss those points. The Government are therefore faced with a choice: either they allow the BMA, with that refusal, effectively to veto a contract, or they implement the 90% of the contract that has been agreed and make a decision on Saturday pay rates, on which they have provided considerable movement from the recommendations of the independent doctors and dentists pay review body. I suggest to the hon. Lady that it is not the Government who are causing or calling industrial action, but the British Medical Association.

Heidi Alexander: Look at your actions over the past year!

Ben Gummer: The hon. Lady asks both in her urgent question and from her seat about our actions. All I can say is that I personally have implored the leaders of the BMA to come to talks on a number of occasions, but there is a point at which it is not possible to continue discussions, first because the counter-party refuses to talk, and secondly because the BMA has promised to talk on so many occasions, only to renege on that promise at a future point. We have to move ahead with a contract that is better for patients and better for doctors.

The hon. Lady asked about the reasons for the contract and claimed that it has nothing to do with seven-day services and something to do with the pay bill. Not only is this contract cost neutral, but transition payment is being funded from outside the pay envelope. This has nothing to do with the pay bill; it is about recognising a core concern of the British Medical Association, the Government and NHS Employers that the current contract is not fit for purpose and needs reform.

One of the many reasons for that is to make sure that care can be delivered more consistently across seven days of the week. It introduces for junior doctors terms for Saturday working that in several senses are more generous than those afforded to “Agenda for Change” employees. It could be a judgment for the House as to whether it is equitable for that to be the case, but that was the negotiated position, as far as we reached one, with Sir David Dalton. I ask the hon. Lady and junior doctors to think carefully about resisting a pay offer that is more generous in form and in number than the one that is given to porters and nurses working in the same teams.

The hon. Lady asked whether she was wrong to say that this was part of a wider narrative to reduce the pay bill for “Agenda for Change” unions. I say to her unequivocally that she is. This has nothing to do with the form or payment of “Agenda for Change” staff. It is to do with the terms of contract and employment for junior doctors. It is about making a contract that is safer and fairer for them and better for patients.

Finally, I return to the point that the hon. Lady made at the beginning of her question. It is not the Government who have caused the industrial action. We have bent over backwards to try to avert it, and I suggest that we have done more than some previous Labour Secretaries of State to avert industrial action. The one thing that will help to stop this industrial action is clear condemnation from the Labour party. There is one remaining question in the whole debate, and that is the position of Her Majesty’s Opposition.

The hon. Lady has been assiduous in holding the Government to account. She has been right to do so, and she has done so with the decency that has earned her respect on both sides of the House, but she has not yet told us what the Opposition’s position is. I can understand that, although I do not agree with it, when industrial action is to do with elective, non-emergency care. The call for strike action on emergency care is of an altogether different order, however, and it demands a response from the Opposition, because this is about emergency cover for patients. The Opposition need to say clearly whether they support or condemn the action. If the hon. Lady remains silent on the matter, I will only say I personally have implored the leaders of the BMA to come to talks on a number of occasions, but there is a point at which it is not possible to continue discussions, first because the counter-party refuses to talk, and secondly because the BMA has promised to talk on so many occasions, only to renege on that promise at a future point. We have to move ahead with a contract that is better for patients and better for doctors.

Mr Speaker: Order. I gently say to the Minister, whose emollient and statesmanlike tone is widely admired across the House, that briefly to refer to the stance of the Opposition is legitimate, but dilation upon it is not. I know that he is drawing his remarks to a close.

Mr Dennis Skinner (Bolsover) (Lab): That is exactly what I said.

Ben Gummer: I am glad to see, Mr Speaker, that you are in agreement with the hon. Member for Bolsover (Mr Skinner).

Mr Speaker: No, I think the hon. Member for Bolsover is in agreement with me.

Ben Gummer: We have mutual agreement, in that case. You were right to draw attention to this, Mr Speaker. All I will say is that the strike would be more easily averted if Her Majesty’s Opposition were to condemn it absolutely. If they do not, all that says is that Her Majesty’s Opposition are in thrall to the militants within the unions and are putting decent members of the Labour party in an impossible position.

Several hon. Members rose—

Mr Speaker: There is much interest. I will start by culling not a medical doctor, but a generally brainy bloke, Dr Julian Lewis.

Dr Julian Lewis (New Forest East) (Con): I am greatly obliged, Mr Speaker, as always. Will the Minister tell me whether, having quite rightly balloted its members on general strike action, the BMA has balloted the junior doctors on the withdrawal of emergency care?

Ben Gummer: My right hon. Friend raises an important point. I believe that the legality of the action is correct and that the BMA is within its rights to do as it is doing.
but that does not change whether it is right or wrong. Many junior doctors who may have supported the BMA in the withdrawal of elective care will be profoundly worried about that escalation.

Kirsty Blackman (Aberdeen North) (SNP): It is disappointing that, as both the Minister and the shadow Minister pointed out, negotiations are not currently ongoing. Junior doctors are rightly concerned. The Secretary of State has promised that more junior doctors will work at weekends, while, at the same time, no fewer will work during the week. The UK Government decided this week that the best way to reform disability welfare payments is to listen to disabled people. Will the UK Government now make a similar U-turn on NHS reform and concede that the best way to reform the junior doctors contract is to listen to junior doctors?

Ben Gummer: I thank the hon. Lady for her question, but I suggest that listening to junior doctors on their need to have a better work-life balance, to ensure that the contract is safer for patients and to address their legitimate complaints about the way the existing contract works is significantly different from listening to the junior doctors committee, whose actions seem to have ulterior motives. All I would say is that we have listened consistently to the concerns of junior doctors both through the negotiators they have appointed and in relation to those they have raised on the ground. That is why we have come to an agreement on 90% of the contract.

Many of the issues settled within the contract were not requested by the BMA. For instance, one of the complaints made by junior doctors for many years is the fact that they have to book leave so far in advance that they often have to miss important family events. We sought to change that, and we did so in the new contract of our own accord. It is one of myriad changes that will make this contract better for junior doctors. That is why the sooner they have it in front of them—we are working very hard to make sure that happens soon—the sooner they will see that this contract is better for them and that they have been misled.

Andrea Jenkyns (Morley and Outwood) (Con): I thank the Minister for coming to the House today to set out the Government’s position on this dangerous and irresponsible strike. Quite frankly, I am appalled by the fact that the Labour party has not condemned these strikes. Throughout the negotiation, the Government’s door has been open, and the BMA was given more than enough notice before the Government were forced to impose the contract. In this negotiation, the BMA got 90% of what it wanted, so this strike is essentially about pay for working on Saturdays. What other essential public servants, from firefighters to the police, would get such terms for working on a Saturday? Will my hon. Friend please tell me what impact the strikes will have on patient safety?

Ben Gummer: We will do everything in our power to ensure that patients are protected. We have a very robust assurance programme, conducted by NHS Improvement and NHS Employers. We will do everything we can to ensure both that the number of elective operations cancelled is as low as possible, consistent with the needs of safety, and that emergency cover is provided. Withdrawing the number of doctors that the BMA will withdraw in this action means that there is an increased risk of patient harm, and I am afraid that the BMA and its members need to consider that very carefully in the weeks ahead.

Kevin Barron (Rother Valley) (Lab): It is clear that the Government are in a very difficult position, hence the Minister’s attack on Opposition Front and Back Benchers. I have to say that, from my experience of nine years on the General Medical Council, I do not recognise the various descriptions of the doctors’ profession that the Government have given over the past few weeks, including as being radicalised. We all know that this dispute should and will be settled not by imposition but by negotiations around a table. It seems to me that instead of using, at the Dispatch Box and elsewhere, rhetoric that has fired this up, Ministers would do much better to react to what the BMA said yesterday, which is that it wants “to end this dispute through talks”.

Why do the Government not get on with it, keep us out of it and just do what people expect them to do?

Mr Speaker: Before the Minister replies, may I remind the House that this is an urgent question, not a debate under Standing Order No. 24 or a series of speeches? There seems to be a predilection among colleagues to preface whatever question they ultimately arrive at with an essay first. A number of Members say, “Oh, I have to say this.” No, Members do not have to say anything; they have to ask a question, preferably briefly. That is all we want to hear.

Ben Gummer: The right hon. Gentleman should know that we have negotiated with the BMA for more than three years. We have a choice either to cave in, which would produce a bad contract—much like the 2000 and 2003 contracts, which we are trying to correct, because everyone agrees they are wrong—or to move forward, accepting the fact that 90% of this contract has been agreed. We believe that it is in the interests of patients and doctors to do the latter.

Helen Whately (Faversham and Mid Kent) (Con): Does my hon. Friend agree that this time the BMA has gone too far, and will he join me in calling on junior doctors to reach beyond the BMA and put their patients first and the BMA leadership second? Junior doctors are the future of the NHS, and they must play their role in constructively solving this problem.

Ben Gummer: I agree entirely with my hon. Friend, and we need this new contract to help junior doctors to achieve a better work-life balance, so that they can maintain their studies, training and experience in a better way than is currently allowed. We must also ensure that they are not exhausted by the contract, which is what happens under the current failed contract. It is in their interest for the new contract to be introduced, and I hope that in the coming weeks they will revise their view of whether this industrial action is truly necessary.

Paul Flynn (Newport West) (Lab): Thanks to the Welsh Assembly, my constituents will not suffer the anxiety caused by the future strike. Does the Minister
expect the public to support doctors who dedicate their lives to the health service, rather than the nasty party that opposed the set-up of the health service, and whose support for it has always been half-hearted and grudging?

Ben Gummer: It is unfortunate that the hon. Gentleman needs to use such language. The Conservative party is achieving better outcomes for patients in every single metric than the Labour party in Wales, which is consistently letting down patients in the Principality—an appalling aspect for people who are in need of care in Wales.

Mike Freer (Finchley and Golders Green) (Con): Will the Minister confirm that the escalation by the BMA makes a settlement less, not more, likely?

Ben Gummer: It is hard to have any discussions on any matter with the BMA in good faith when there is an escalation to the withdrawal of emergency cover on a matter of pay only. That unprecedented situation makes our collective bargaining arrangements with the BMA very difficult.

Mr Dennis Skinner (Bolsover) (Lab): The Minister is also on premium pay, and he would be on strike if other Ministers were getting more than him. Is he aware that nearly all patients who are in work and go to hospital to be treated by these doctors are also on premium pay at the weekend? Does he realise that the Government are not in a very strong position just about now? They have had to retreat on their Budget. Does he understand that in this world, where nearly everybody in a trade union gets premium payments on Saturday, the same should apply to those in hospital by the same amount? Then we should pay the nurses and all the rest of them an equivalent amount. That is the Minister’s problem—get weaving!

Ben Gummer: I have had this discussion with the hon. Gentleman before, and he is wrong. The Review Body on Doctors’ and Dentists’ Remuneration carefully considered this issue, and its proposals for Saturday pay for junior doctors were improved on by the Government unilaterally. We made a better offer than that in the review body’s independent report, which studied other comparable professions. This comes back to a question for the hon. Gentleman: will he really turn down better terms for junior doctors, in both term and number, than those for Agenda for Change unions? If so, that is a very difficult.

Peter Heaton-Jones (North Devon) (Con): Does the Minister agree that the most important people in this are the patients? They should be at the forefront of our mind, and it is for their sake that this wholly unnecessary escalation of action must come to an end.

Ben Gummer: I agree wholeheartedly with my hon. Friend, which is why it would be helpful to have an unequivocal condemnation of the strike from the Labour party, which would send a message from this House that the withdrawal of emergency care is wrong.

Tom Brake (Carshalton and Wallington) (LD): A junior doctor at St Helier hospital states that “this contract is unfair, unsafe, uncosted, unevidenced, ineffective, unassessed for impact and risk, and unnecessary.” With doctors depressed and demoralised, and with the revelation in David Laws’s book that the NHS required £15 billion to £16 billion, does the Minister agree that the failure to resolve this dispute is putting a huge amount of unnecessary pressure on the NHS, and that the Government and the BMA must settle?

Ben Gummer: This is what the Liberal Democrats have come to: quoting the books of their own losing candidates—a very odd situation. I think it sad for the right hon. Gentleman to come to this House not having read Sir David Dalton’s letter, which refutes every single one of the points he quoted at the beginning of his question. The fact is that the contract will be fairer and safer—better for patients and better for doctors.

Bob Blackman (Harrow East) (Con): Does my hon. Friend share the frustrations of a former Health Minister, namely Nye Bevan? The BMA battled against him when he was trying to set up the NHS, leading him to state in this place that it was not his fault he could not agree with the BMA as the Government had never appointed a Minister who could agree with the BMA.

Ben Gummer: Reading Bevan’s remarks from 1948, as from 1946, are a revelation. There is so much truth in them. The fact is that there are parts of the BMA that want to come to a good and constructive deal with the Government. The general practitioners have just done so. It is just very sad that this once-respected trade union is being dragged to this position by the junior doctors committee. It is doing great damage to the reputation of the BMA, and, in allying themselves to that part of the BMA, great damage to the reputation of the Labour party.

Valerie Vaz (Walsall South) (Lab): If the Minister really wants to avert the strike, I suggest he writes to the BMA today with a list of the sticking points and dates on which to meet.

Ben Gummer: Sir David Dalton wrote to the BMA with precisely that list. The BMA refused to reply to him. He made the judgment that there was no point in continuing negotiations because it was refusing to discuss, in any event, the remaining matters. The Government have to move ahead. We have been on this for three and a half years and it is better that we move ahead.

Jeremy Lefroy (Stafford) (Con): It was with great sadness that I learned of the BMA’s decision, which is not in the interests of patients and not in the interests of its members. I urge it to withdraw the threat of action. At the same time, will the Minister consider pausing the discussions? Those discussions have to take place in the context of a withdrawal of strike action.

Ben Gummer: I say gently to my hon. Friend that meaningful discussions require both good faith and a will to talk from both sides. That is consistently the case on the Government side, but it has not been consistently the case for the junior doctors committee of the BMA. The fact is that this contract is better for patients, the patients he seeks to represent. It is better for doctors, the same doctors he seeks to represent. Therefore, any
further delay would be bad for patients and bad for doctors. That is why we must move ahead with the implementation of this contract.

Dawn Butler (Brent Central) (Lab): The Minister's tone, language and approach today show how and why he has failed in these negotiations. I am sure my hon. Friend the Member for Lewisham East (Heidi Alexander) could easily teach him how to negotiate and how to avert the strike. Will the Minister please explain how he proposes to have more junior doctors working at the weekends, without having fewer working during the week?

Ben Gummer: The point of the new contract has, in part, been to try to achieve fairer rostering through the week and weekend. It is in response to the doctors and dentists pay review body, which took evidence from managers and senior clinicians within the service. It is their judgment that we, as Ministers, have to respect. It is not for us to make up new terms; it is to listen to those who have experience. We have been talking for three and a half years. Part of those talks were led by Sir David Dalton, who is one of the most respected people in the NHS. If he could not achieve a conclusion, I doubt very much that I, or any other Minister, would be able to do so.

Oliver Colville (Plymouth, Sutton and Devonport) (Con): How many junior doctors are members of the BMA? If the BMA is set on this activity, I encourage my hon. Friend to start talking to those who are not members. Perhaps he could talk to other health workers, too, including pharmacists, and get them involved in trying to deal with this.

Ben Gummer: My hon. Friend is right to point out that not all junior doctors are members of the BMA. In fact, a significant minority are not, which is why fewer than half have been turning out for industrial action. The number has been decreasing with each successive strike, and I have no doubt that as we move to the withdrawal of emergency cover, most junior doctors will say, “This is not something I went into medicine to do”, and will want to show their support for patients, rather than an increasingly militant junior doctors committee.

Paula Sherriff (Dewsbury) (Lab): I plead with the Minister to respond to the comments from Jeremy Taylor, chief executive of National Voices, which represents 160 health and care charities and which has called on the Government to drop imposition and on both sides to get back around the negotiating table. In his words, if they do not, “the only people who will suffer are patients.”

Ben Gummer: I disagree with the gentleman on two points. First, we have been trying to get around the negotiating table for over three and a half years, but it requires both sides to negotiate, and I am afraid the BMA has refused to do so. When only one party is at the table, negotiations cannot continue. Secondly, it is not just bad for patients; it is also bad for doctors in terms of their careers and what they want, which is to provide the best possible care for patients. That is why I urge all doctors not to withdraw emergency cover at the end of next month.

Kevin Foster (Torbay) (Con): Does the Minister agree that whatever the dispute, the threat to withdraw emergency cover is one that nobody should condone, and will he join me in urging the BMA to withdraw the threat immediately?

Ben Gummer: I will join my hon. Friend. I only hope those on the Opposition Front Bench will also join him.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The Minister has described those seeking to protect our national health service and their own work-life balance as being radicalised. Will he apologise for this insult to junior doctors and the English language and urgently seek a more consensual and inclusive resolution?

Ben Gummer: If the hon. Lady had been at the debate, she would know that I did not say that. It is important to understand that there is a wide gap between junior doctors and a few of the people who seek to represent them on the junior doctors committee, who have taken an increasingly militant view and whose motives, I would suggest, are not entirely in the interests of their members.

Andrew Bridgen (North West Leicestershire) (Con): Given the BMA’s completely irresponsible announcement yesterday that it was willing to walk out on even emergency patients, which seemingly shows that the doctors union is willing to put patients’ lives at risk, will my hon. Friend look at how the law on emergency medicine could be brought into line with that for the Army and other such services to prevent emergency doctors from taking such irresponsible and appalling action in the future?

Ben Gummer: The new trade union legislation does not apply to doctors in the way my hon. Friend suggests, but I appeal to them and their consciences not to withdraw emergency cover and put patients at an increased risk of harm.

Jim Shannon (Strangford) (DUP): In Northern Ireland, we have become experts in compromise and reaching agreement. We have had to come to terms with difficult issues and compromise on many things. The Northern Ireland Assembly Health Minister is in talks with the BMA and junior doctors to find a tailored solution for Northern Ireland that is affordable and has patient safety at its heart. Does the Minister not agree that it is time to get round the table, meet the BMA and junior doctors and realise that compromise between all parties can and often does reach a fair solution for all?
David Mowat (Warrington South) (Con): Seven-day working was a clear manifesto commitment, and the BMA’s position is highly regrettable, but to implement it we will clearly need more junior doctors to backfill rosters, rotas and all that goes with it. For the avoidance of doubt, will the Minister confirm to the House that he has enough junior doctors to do that?

Ben Gummer: We are increasing the number of junior doctors and the number of other doctors, consultants and nurses over the next five years in order to meet the increasing challenges facing our national health service.

Andy Slaughter (Hammersmith) (Lab): The Minister said that he had reached agreement on 90% of matters, including some that were not on the table, and he is to be warmly congratulated on that. Perhaps he has a future at ACAS. What my constituents would like, however, is for him to go back to negotiate the other 10%. Is it not the case that the junior doctors want a resolution and have said that they will negotiate? The Minister should square the circle: he says they will not negotiate; they say they will. Will he give it one more chance?

Ben Gummer: The credit that the hon. Gentleman has kindly given me is due to Sir David Dalton, who achieved the 90% agreement on the contract. As for the remaining 10%, his judgment was that the junior doctors committee would refuse to negotiate. At that point, the Government had to make a decision about whether to proceed or to cave in. We decided to proceed, which is why we will implement the contract later this year.

Liz McInnes (Heywood and Middleton) (Lab): I worked for the NHS for 33 years, so I know that NHS staff do not take strike action lightly. The Government’s failure to negotiate has fuelled this crisis in our NHS. The BMA said in its statement yesterday that it wanted to end the dispute through talks. I implore the Minister to get back round that table for the sake of patients and every citizen of this country.

Ben Gummer: Back in November, the BMA said that it wished to discuss Saturday pay rates, and then went back on that promise—one that it had made at ACAS. That is something that, in my experience, normal trade unions do not do. In my experience, they hold to their word when they have made a promise at ACAS. Given that repeated breach of good faith, it is hard to understand how a return to talks would achieve what the hon. Lady thinks it would. That is why it is so important to move ahead with the vast majority that has been agreed, and introduce this contract, which is better for patients and better for doctors.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): What an absolutely shambles of the Government’s own making! Will the Minister accept that in view of the language he is using today and the tone that the Government have struck—not just today, but throughout this week and before that—they have given the impression to junior doctors and the country that what they really seek is a fight and a confrontation rather than the resolution that the public deserve?

Ben Gummer: The hon. Gentleman is the last person to speak from the Opposition Benches. I note that he of all people—this saddens me—also fails to condemn this withdrawal of emergency cover. I am afraid that in the absence of that condemnation, the House will only draw the conclusion that the Labour party supports the withdrawal of emergency action in this strike.

Liz McInnes: On a point of order, Mr Speaker.

Mr Speaker: That will come after business questions, and I feel sure that the hon. Lady will be in her place, perched and ready to pounce with her point of order at the appropriate moment. We will await that prospect, I am sure, with eager anticipation.
**Business of the House**

11.12 am

Melanie Onn (Great Grimsby) (Lab): Will the Deputy Leader of the House give us the future business?

The Deputy Leader of the House of Commons (Dr Thérèse Coffey): The business is as follows.

**Monday 11 April**—Second Reading of the Finance Bill.

**Tuesday 12 April**—Debate on a motion on reform of support arrangements for people with contaminated blood. The subject of this debate was determined by the Backbench Business Committee. The Chairman of Ways and Means has named opposed private business for consideration.

**Wednesday 13 April**—Opposition day (unallotted day). There will be a debate on an Opposition motion. Subject to be announced.

**Thursday 14 April**—Debate on a motion on national security checking of the Iraq inquiry report, followed by debate on a motion on diversity in the BBC. The subjects of these debates were determined by the Backbench Business Committee.

**Friday 15 April**—The House will not be sitting.

The provisional business for the week commencing 18 April will include:

**Monday 18 April**—Debate on a motion on the introduction of the national living wage and related changes to employee contracts, followed by debate on a motion on educational attainment in Yorkshire and the Humber. The subjects of these debates were determined by the Backbench Business Committee.

I should also like to inform the House that the business in Westminster Hall for 14 and 18 April will be:

**Thursday 14 April**—General debate on the pubs code and the adjudicator.

**Monday 18 April**—Debate on an e-petition relating to funding for research into brain tumours.

Melanie Onn: This week we remember those who died in the terrorist attacks in Brussels. It happened so close to home, which is an immediate reminder of how fragile our peace is, and of how important it is for nations to stand together against extremism in all its forms. I thank the House authorities for taking threats to this place seriously, and for the security guide that they have issued. I recommend that all Members note that document and share it with their staff.

I welcome the fact that today we have three women speaking for their parties in business questions. I shall be doing my best to avoid being hostile. When I found out that I would be standing in, I feared that I might have nothing to talk about, but I need not have worried. In fact, so much has happened that I have made my own list.

It has been a truly dismal week for the Government. Ever since the Ozzyshambles Budget, they have been in complete confusion and chaos. This must be a record for the number of Government U-turns in seven short days. First the disgraceful personal independence payment cuts were dropped on a Friday, with the pre-election promise of £12 billion in welfare cuts disowned altogether by Monday; then, yesterday, the Prime Minister said that the Government would fulfil their manifesto commitment on overall welfare cuts.

Can the Deputy Leader of the House explain to me—in simple terms, please—how the £4.4 billion black hole in the budget will be filled? As my hon. Friend the Member for Blaydon (Mr Anderson) asked on Tuesday, if it was so easy to absorb the £1 billion a year U-turn, “why on earth did the Chancellor introduce it in the first place and frighten the life out of disabled people...?”—[Official Report, 22 March 2016, Vol. 607, c. 1394.]

Nearly 3,000 people in Great Grimsby on disability living allowance will be transferred to the personal independence payment, and they will have had sleepless nights wondering how they were going to manage. Will the Deputy Leader of the House now do what both the Chancellor and the Prime Minister failed to do, and offer her apologies for the stress and anxiety that have been caused to the hundreds of thousands of disabled people by this needless upset?

I welcome the new Secretary of State for Work and Pensions to his post, although I am not sure how grateful he is to have been dropped into such hot water. It seems that the claws are out already; and let us hope that he does not have a soft shell. Almost immediately after his appointment, he faced calls for him to step down as patron of his local Mencap branch because of his support for the Government’s disability benefit cuts. He is also taking his own constituents to court to force them to pay the bedroom tax. He may be a new face, but it seems that it is just more of the same from the nasty party.

There were more U-turns as the Government changed course on Tuesday to allow the VAT hike on solar panels and the tampon tax to be defeated. I congratulate my hon. Friend the Member for Dewsbury (Paula Sherriff) on that major achievement on the tampon tax. She is a feisty campaigner, having become the first ever Opposition Back Bencher to secure an amendment to a Budget, and all that in her first year. We wait with bated breath for her next target.

On the same day, the Home Office quietly announced that it would no longer be banning poppers—so the hon. Member for Reigate (Crispin Blunt) can relax now. [Laughter.] Ah, the laughter is coming. I can hear it now.

According to the Education Secretary, all Government announcements are really just “consultations”, and not concrete policy, so may I suggest one more U-turn? Following the vote in the House of Lords on Monday, will the Government allow 3,000 children to take refuge in Britain, and when will this House debate the issue? There are 26,000 refugee children in mainland Europe who are travelling without a parent, relative or guardian. It is time for Britain to act in accordance with its best traditions, and to give those children a home and a childhood.

May we also have a statement on the country’s energy security? EDF Energy, the company behind the Hinkley project, told the Energy and Climate Change Committee yesterday that the decision on the nuclear site’s future has been delayed until May, and rests in the hands of the French Government. If the Hinkley project does not go ahead, there will be serious questions about...
whether the Government can keep the lights on and meet our climate change commitments. Will the Energy Secretary come to the House and make a statement on what she is doing to ensure that this crucial project goes ahead, and what is her plan B if Point C does not proceed?

Many responded to the resignation of the previous Secretary of State for Work and Pensions, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith), by warning “Beware the IDS of March”, but there is really no comparison between the two events. In fact, they could not be more different. The Ides of March marks the brutal end of the career of someone who was in favour of closer European integration, had filled the legislature with his followers, and was feared to be setting himself up as the unfettered leader of his country. That is not quite the record of the right hon. Member for Chingford and Woodford Green.

Dr Coffey: I echo the comments of the hon. Member for Great Grimsby (Melanie Onn) about what happened in Brussels. She is right to point out that the sentiments of the British people are with the victims there. It is important that we should be alert but not alarmed, and we recognise the ongoing work of the police and the domestic services to ensure that we are all safe.

I should like to pay tribute to Milburn Talbot, who retires as Deputy Principal Doorkeeper today. I know that he will be much missed, including from his role in the parliamentary choir: his dulcet tones have echoed out across the chapel and many concert halls. I first met Milburn, and his lovely wife Christine, back in 2003 at a garden party. His wife is a senior county councillor in Lincolnshire, and he was, rightly, supporting her. After his service in the armed forces and to this House and his dedication to democracy, I really wish Milburn well in the next stage of his life. [HOn. MEMBERS: “Hear, hear!”]

I welcome the hon. Members for Great Grimsby and for Ochil and South Perthshire (Ms Ahmed-Sheikh) to their places. My constituency and that of the hon. Member for Great Grimsby have similar attributes in that we are on the coast, where fishing is important and green energy offers a vibrant future. She has not yet knocked the hon. Member for Rhondda (Chris Bryant) off his perch, but she has shown that she is a dab hand at the Dispatch Box. That said, as she is in the “hostile” gang, and it seems that the hon. Member for Rhondda has been neutered, she will have to put her skates on if she wants to get back into the good books of Captain BirdsEye.

What a week it has been. It has been far from dismal. We have had a turbo-charged Budget, backing businesses of all sizes—the frontline of the economy—and providing work to millions more people. I am sure that the hon. Member for Great Grimsby will welcome the fact that more than 600,000 businesses, more than 70,000 of which are in Yorkshire and the Humber, will no longer pay business rates from 2017. Meanwhile the Labour party is between a rock and a hard place, floundering to get off the hook of the fact that it left office with the largest deficit ever. After six years of progress, my right hon. Friend the Prime Minister and the Chancellor have navigated through choppy waters with a steady hand on the tiller. We have weathered the storms and, while there are still storm clouds ahead, our long-term economic plan means that we are ship-shape to reach a safe harbour of economic security, living within our means and working towards tackling the deficit that was at risk of dragging down the country.

The hon. Lady asked several questions, and she can of course use Labour’s Opposition day to debate some of those matters. On the question of personal independence payments and disabilities, I want to stress that we are a one nation Government who want to support everyone to achieve their full potential and live an independent life. In the last 12 months alone, 152,000 more disabled people have moved into work. That represents real lives being transformed as we help people with disabilities and health conditions to move into work and to benefit from all the advantages that that brings.

Dare I say that, even though Labour had the largest peacetime deficit ever, spending on those with disabilities or health conditions will be higher in every year to 2020 than it was in 2010. However, as my right hon. Friend the Prime Minister told the House on Monday, the Government will not be going ahead with the changes to PIP and we have no plans for further welfare savings over and above those we have already announced. We have legislated to deliver the £12 billion of savings promised in our manifesto, including those made a fortnight ago in the Welfare Reform and Work Bill. We are committed to ensuring that disabled people live their lives free from discrimination, and that is why we have also strengthened the Equality Act 2010 to create a level playing field and to ensure that the law properly protects them.

The hon. Lady referred to the tampon tax, and I want to pay due tribute to the hon. Member for Dewsbury (Paula Sherriff) in that regard. I will let you into a secret. Mr Speaker. The hon. Member for Dewsbury and I had a bit of a back-and-forth on Twitter, but I am pleased to say that the Government have successfully negotiated—with prompting; I am not denying that—to ensure that we have a zero rate, and I am hoping that that will be introduced in legislation in due course.

The hon. Member for Great Grimsby talked about immigration and the refugee children. Everybody is moved by that situation, but I strongly support this Government’s policy of taking the most vulnerable people directly from the camps in the countries surrounding Syria. I think that that is the right approach. She will be aware that, since the decisions were made late last year, the United Kingdom has welcomed more than 1,000 Syrian refugees, and I am pleased that the communities have done their best to ensure that those vulnerable people are made to feel welcome in the United Kingdom.

On energy security, we have just had Energy and Climate Change questions and the hon. Lady referred to EDF and Hinkley Point. Sizewell happens to be in my constituency, and I hope that Sizewell C will follow Hinkley Point C. I assure her that my right hon. Friend the Prime Minister and the Energy Ministers continue to have discussions with people at the highest levels of the French Government.

It has been quite a week, Mr Speaker, and many MPs found some pre-recess fun at the British kebab awards last night. I might put in a plug here for the Tiffin cup, which is being promoted by the right hon. Member for Leicester East (Keith Vaz). The people who found fun at the awards included the Leader of the Opposition,
who, after being—dare I say it?—skewered at PMQs yesterday, may be looking for some donors, but instead found plenty of donors.

I hope that all hon. Members enjoy the Easter recess. They are welcome to visit the villages and towns of Suffolk Coastal, spending lots of money if they do—I know that some members of the Labour party do that. Members will need to recharge their batteries, because we have a full agenda of legislation when we come back, including the Finance Bill, further cementing this Government’s long-term economic plan.

Mims Davies (Eastleigh) (Con): Today is national Wear A Hat Day, about which many MPs have been contacted by their constituents. It highlights brain tumours, which kill more children and adults under the age of 40 than any other cancer, yet only 1% of the national cancer spend goes on brain tumour research. I pay tribute to Philippa Barber from Hamble and her family, who lost her precious husband Nigel in 2013. May we please have a debate on extra funding to support important research into tackling this devastating disease?

Dr Coffey: My hon. Friend is right to raise this important issue, into which the Petitions Committee conducted an inquiry. I am pleased to say that, luckily, there will be such a debate in Westminster Hall on 18 April. I commend my hon. Friend and other colleagues who do so much and perhaps wear stylish hats—not in the Chamber—to support this particular issue.

Ms Tasmina Ahmed-Sheik (Ochil and South Perthshire) (SNP): Given the appalling events in Brussels on Tuesday, will the Government find time in forthcoming business for a debate on how to address the underlying causes of terrorism? If we are to make our communities safer for us all, we need to tackle extremism at its root, not adopt the reactionary, often racist approach advocated by some figures home and abroad.

May we please also have a full debate on the “new” Budget? It would give Ministers a chance to apologise properly to the hundreds of thousands of disabled people who were left in limbo thanks to the Chancellor’s callous miscalculations. They have been given ample chance to do so this week, but they have not taken the opportunity.

How about a debate on the importance of unity in political parties? The SNP could lead it and others could learn how to inspire confidence in the electorate. The people of Scotland know that we are a party that puts people, not personal ambition, first, which is why they are backing us in record numbers.

The Equal Pay Act 1970 was enacted three decades ago, but pay inequality remains. We need a full debate to agree a programme and a specific timetable for achieving equality for women. In my time in this Parliament, real progress has been made when women work together, bridging party and political divides, and unite in pursuit of a common cause. I pay tribute to colleagues, including my hon. Friend the Member for Glasgow Central (Alison Thewliss), for the repeal of the tampon tax. Let us find more ways for the women of this House to join forces for the benefit of all. Today is an historic day. Here’s to the Deputy Leader of the House and the shadow Deputy Leader of the House; may they soon become Leaders.

I was proud to be one of the 1,617,989 people in Scotland who voted yes in Scotland’s referendum in 2014. Even though it was not the result for which I had hoped, I respect the decision made by the people of Scotland 18 months ago. Today was the proposed first day of an independent Scotland, so may we have a full debate on how Scotland has fared from being in the Union, including on the risks we face at the hands of this reckless and careless Chancellor and the fact that our vital EU membership is under threat? The majority of people in Scotland now believe that independence would have a positive effect on Scotland’s economy. We will certainly not be taking lessons on fiscal competence from a Chancellor who has seen the deficit grow by £555 billion under his watch. They agree with me that Scotland’s underlying fiscal position is weakened because we are not independent. We can discuss how Scotland will benefit from another 50 years of oil production and how, when the worldwide price recovers, we should find ways to save the proceeds for future generations, as other countries have. We can address the adverse impact on Scotland’s finance of our current commitments to renewing Trident, building at Hinkley Point and constructing a high-speed rail link from London to Manchester. Finally, we can debate why every recent poll shows that as well as placing their trust in the SNP, the people of Scotland are increasingly placing trust in themselves by supporting Scottish independence in record numbers.

Today is the last day of work for Milburn, the Deputy Principal Doorkeeper. May I, as a new Member, thank him for the advice, friendship and help he has given to all new Members, and, indeed, to all Members from across this House? We are truly grateful to him and very much wish him well in his future endeavours. May we also thank all House staff, along with you, Mr Speaker, and all the Deputy Speakers, for the help and support given in this Session? We wish you all a very happy recess.

Dr Coffey: I want to echo the hon. Lady’s comments about there being no room for racism in our society, here or anywhere, and we, as political leaders, need to send out that message strongly and repeatedly. On the middle east, we have taken a multi-pronged approach to tackling extremism; our military action, which I appreciate she did not support, goes alongside providing more than £1 billion of aid, making us the second highest donor. We are, thus, showing with our actions how we are trying to help tackle some of the issues at source. On radicalisation, we are undertaking our counter-extremism strategy in a variety of ways, and I know that issue is always under review by the Government.

The hon. Lady refers to the Budget. I am sure she will welcome the fact that my right hon. Friend the Chancellor delivered for Scotland in the Budget exactly what was requested: a freeze in fuel duty; a freeze in whisky duty; and support for the oil and gas industry. I am sure she will also welcome the fact that people are being taken out of paying income tax. That positive action enables people who work hard to keep more of their money in their pocket, and to do as they wish with it. That is certainly a Conservative value, which she probably used to espouse at one point.

The hon. Lady is right to pay tribute to the Equal Pay Act, and she will be aware that my right hon. Friend the Prime Minister is very focused on the issue of gender
Dr Thérèse Coffey: I have seen the report from the Women and Equalities Committee, and the Government will respond to it in due course. I should remind her that it was the Conservative Government who established that Committee in this Parliament. The gender pay gap is an important issue. It seems largely to have been eliminated for women under the age of 40, and that is to be welcomed, but there is still considerably more to do. I may even send her a copy of my report about the executive pipeline of talent and trying to improve the prospects of women going up the corporate ladder. Other work was undertaken in the review by Jayne-Anne Gadhia and the outcome of that is a charter, which we are encouraging financial firms to sign up to, whereby remuneration via bonuses is linked to progress on this matter—that is a welcome step.

I am surprised that SNP Members are not in black today, because I thought they would be in mourning as it is not Scottish independence day. As the hon. Lady pointed out, fortunately two years ago a clear majority voted to remain in the United Kingdom and are now breathing a collective sigh of relief, as the SNP’s fiscal plans would likely now be in turmoil, given the oil price. I expect she wrote her contribution before seeing the independent report today which points out that Scots would have started life today each £2,000 worse off and would be bearing the largest deficit in the developed world. Meanwhile, last night, the Scotland Bill was passed—I think the SNP did welcome that—and we have fulfilled the vow made by my right hon. Friend the Prime Minister such that the Scottish Parliament that returns in May will be a powerhouse Parliament. As such, I can say that I know other hon. Friends want to christen this “unity day” and long may that continue.

Dr Coffey: My hon. Friend is right to raise that important issue. I am sure that he agrees that it is something that deserves the attention of the whole House will join me in expressing its horror and sadness at these terrible murders and in sending our thoughts and heartfelt condolences to the victims’ families, especially the children, and to the local community at this terrible time.

A woman is killed every three days in this country. We have fantastic agencies and support organisations working with women at risk of violence, but they are stretched to breaking point as funding has been cut. Will the Deputy Leader of the House and the Home Secretary work together on the following: first, ensuring that Cleveland police have all the resources they need to pursue justice in this particular case and to support the victims’ families; secondly, reviewing the impact of cuts to the police, local agencies, refuges and local authority services on domestic violence rates; and, thirdly, giving the House an update on when the strategy on violence against women and girls will be implemented, and what funding will come with it for local services?

Dr Coffey: The case that the hon. Lady describes is clearly very distressing, and I am sure that the whole House shares her sentiments with regard to the families of the victims. She will be aware that, in the autumn statement, a decision was made not to cut the police budget. None the less, she raises an important point, and we have an opportunity now, dare I say it, with police and crime commissioner elections coming up, to ensure that every candidate puts domestic violence at the heart of their manifestos. I am not aware of what further action the Home Secretary is due to take, but I will bring the hon. Lady’s comments to her attention.

Mark Menzies (Fylde) (Con): May I take this opportunity to add my support to the calls from the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) for a debate on the United Kingdom? Mr Speaker, I am sure that you will agree that we represent the greatest country on earth—it is a privilege to do so—and in that debate, we could thank the 55% of the people of Scotland who had the good sense to stay with the United Kingdom, and to reject budget cuts and penury. May we celebrate that occasion by having a national public holiday? Let us call it unity day.

Dr Coffey: I feel a campaign for unity day coming on from my hon. Friend. I endorse what he says about the important decision that was taken by the people of Scotland. Now that we have acted on the vow and fulfilled the Smith commission, I really hope that, instead of arguing about process, the Scottish Parliament and the Scottish Government, who are up for re-election in the next few months, will now be debating the future of Scotland with these enhanced powers.

Barry Gardiner (Brent North) (Lab): The case of Dr Chris Day v. Health Education England has exposed a serious lacuna in the whistleblowing legislation. If a junior doctor blows the whistle to the HEE, his training can be cut short by the HEE as a punishment, with legal immunity. This situation is not remedied under the new junior doctors contract, but I hope the hon. Lady will agree that it is something that deserves the attention of this House.

Dr Coffey: I thank the hon. Gentleman for making me aware of that case. Health Ministers are not due to appear in the House in the next short while, but he
raises an important point about the issue of whistleblowing. My right hon. Friend the Secretary of State recently gave a speech about patient safety, which included this idea of a safe space. I am not sure how this case would relate to that but, again, I will ensure that he is made aware of the hon. Gentleman’s comments.

**Philip Davies** (Shipley) (Con): May we have a debate on Gypsies, particularly in relation to animal welfare? Despite numerous complaints from me, local residents and other campaigners about the appalling treatment of animals, especially horses, at Esholt Gypsy encampment in my constituency, Bradford council and the RSPCA have refused to take any enforcement action. There is no doubt in my mind that if those animals were the responsibility of anyone else, enforcement action would have been taken, but authorities appear to pussyfoot around and run scared when it comes to Gypsies. May we have a debate on this issue so that we can make it clear in this House that animal welfare should not be sacrificed on the altar of political correctness when it comes to Gypsies?

**Dr Coffey:** I was under the impression that the legislation successfully steered through the House in the previous Parliament by my hon. Friend. Friend the Member for York Outer (Julian Sturdy) could have dealt with the issue that my hon. Friend the Member for Shipley (Philip Davies) raises. It is concerning if councils are not prepared to use that legislation, but I would suggest that we do not need to single out any group of people as regards animal welfare. If there are specific issues, I encourage my hon. Friend to apply for an Adjournment debate to consider this more carefully.

**Mr David Anderson** (Blaydon) (Lab): Before I ask my question, I ask the House to send its sympathies regarding Adrian Ismay, the prison officer from Northern Ireland who died last week as a result of an attack from dissidents, and to say clearly to dissidents that we are never going to let them win, no matter what they do.

As we meet today, the leaders of councils in the north-east of England are discussing whether to sign up to a devolution deal that will give them a paltry £900 million over 30 years to spend between Berwick and Barnard Castle. That is happening on the same day that we have learned that Waterloo station will get £800 million to redevelop within three years. May we have a debate in Government time about the inequality and unfairness of how resources in this country are shared out?

**Dr Coffey:** The hon. Gentleman raises the issue of the prison officer, and I believe that I speak for my right hon. Friend the Prime Minister and the Leader of the Opposition appropriately paid tribute yesterday.

Devolution is an opportunity for different parts of the country to grab the powers, not just the cash, that can make a real difference to local communities. I am not aware of the situation with the devolution deal that the hon. Gentleman describes, but I assure him that the Government have continued to invest around the country, not just in London. I am sure that he will welcome the announcements that have been made about enhancing the A1 and all the contributions made by the Government, alongside the hon. Member for Sedgefield (Phil Wilson), to bring Hitachi to the region.

**Dr Matthew Offord** (Hendon) (Con): One sixth of all accidental deaths of children under the age of four are drowning-related, nearly twice the number for children of the same age who die as a result of fire. May we have a debate to commend the efforts of the Royal Life Saving Society UK and its work to prevent drowning, and also to ask the Government how they can support quality water safety education being delivered in all schools throughout the United Kingdom?

**Dr Coffey:** My hon. Friend is vice-chair of the all-party group on water safety and drowning prevention, and I commend him for his work. Swimming and water safety are part of the national curriculum for physical education at a primary level and the Government’s sport strategy, which was published in December, included a commitment to establish a working group to advise on how to ensure that no child leaves school unable to meet a minimum standard of capability and competence in swimming. I expect the working group to be established in the near future and to report by the end of this year.

**Liz Saville Roberts** (Dwyfor Meirionnydd) (PC): The Macur review into historical child abuse in Wales was published last week. Survivors are angered that the unredacted version has so far been seen only by Government Ministers and senior establishment lawyers, and the Children’s Commissioner for Wales believes that more transparency should be afforded to survivors. Macur was discussed in an hour-long Westminster Hall debate on Tuesday, but Members strongly expressed the need for a full debate in Government time. Could this be arranged?

**Dr Coffey:** The hon. Lady heard from the Minister yesterday the view of the Department on that matter. I also point out that the Secretary of State will be before the House answering Wales questions on the Wednesday we get back, when I suggest that she takes that opportunity to press this matter further.

**Chris White** (Warwick and Leamington) (Con): The Committees on Arms Export Controls have recently been reinstated and yesterday saw the first evidence session on the Yemen inquiry. May we have a debate on the importance of scrutiny of arms exports and the role of the Committees in that scrutiny?

**Dr Coffey:** My hon. Friend is being modest, because he was elected Chairman of those Committees last month. I noted that the inquiry had been launched and that the deadline for written submissions was tomorrow. The issue is important, and I think people across the House want to ensure that arms export controls are undertaken diligently. When the report is completed, my hon. Friend may wish to seek from the Liaison Committee or the Backbench Business Committee appropriate time in which to debate it.

**Paula Sherriff** (Dewsbury) (Lab): This week I have been contacted by the parent of a nine-year-old child who has Asperger’s syndrome and is threatening to commit suicide daily. The parent has been unable to access child and adolescent mental health services, largely due to underfunding and long waiting lists. May we have an urgent debate in Government time to discuss the ongoing crisis in mental health provision, particularly for our children and young people?
Dr Coffey: The hon. Lady raises an important case on behalf of her constituent and I am sorry to hear about those issues. The Government have put an extra £450 million specifically into children’s mental health, so I am concerned if that is not reaching the frontline. I will, of course, raise this with the Health Secretary on her behalf.

Jason McCartney (Colne Valley) (Con): A high school in my constituency had an inspirational visit by a Holocaust survivor in the past week, but this comes at a time when a West Yorkshire Labour councillor has been suspended for anti-Semitic comments on social media. May we have a debate on how we can all unite in this House in driving out the evil of anti-Semitism, which seems to be creeping back into our politics at the moment?

Dr Coffey: My hon. Friend is right to raise this issue. There is no room for racism or anti-Semitism at all, and it is important that people in public and private life stamp this out whenever they encounter it. He is right to call for a debate and I think it would be a popular topic for the Backbench Business Committee.

Kirsten Oswald (East Renfrewshire) (SNP): This week, on the 10-year anniversary of smoke-free legislation in Scotland, the World Health Organisation has commended the people of Scotland and the leadership shown by Members of the Scottish Parliament. Would the Deputy Leader of the House agree that we should commend this leadership and the bold vision of the Scottish Parliament, and may we have a statement on the importance of this work, and of doing everything that we can to stamp out smoking?

Dr Coffey: The hon. Lady will recognise that it is, of course, for Scottish Ministers to reply to the Scottish Parliament. However, I notice that, after raising the issue of medals, she was successful in procuring a debate, which will take place next week. I suggest that she applies for a debate because then we could have a full response from our Public Health Minister on the importance of trying to reduce smoking in our population.

Dr Julian Lewis (New Forest East) (Con): In the light of the sad closure of the print edition of The Independent, may we have a statement from the Secretary of State for Culture, Media and Sport on a future policy for the preservation of photographic archives? I know that the National Archives has done a great deal of work on preserving Government documentation in the digital age, but when a great newspaper closes, it would be a terrible shame to lose for the nation the photographic record that it has built up, and in the digital age, this raises serious practical problems for the long term.

Dr Coffey: My right hon. Friend may be joining the campaign alongside my hon. Friend the Member for Fylde (Mark Menzies). We spent quite a lot of time debating such points. My expectation is that ownership of the photographs lies either with the proprietors of that newspaper or the original photographers, so I am not sure that it is for Government to try and automatically ensure that what my right hon. Friend suggests happens. However, it might be possible to facilitate that discussion with our national museums. The Secretary of State will be back at the Dispatch Box a fortnight after we get back, and I recommend that my right hon. Friend the Member for New Forest East (Dr Lewis) asks the question then.

Paul Flynn (Newport West) (Lab): The leader of the Conservatives in the Welsh Assembly, Mr Andrew R.T. Davies, receives £97,000 a year in farming subsidy. When can we debate the campaign launched yesterday under the heading “Farmers will be better off” with Brexit, so that Members of this House can tell us how much they receive in their own farming subsidies, and how much more they expect from the taxpayer after Brexit?

Dr Coffey: I am not aware of the rules of the House on the declaration of receipts of farming payments, but clearly the hon. Gentleman has been able to find that information because it is on the public record. It is really important, I think, for the United Kingdom to stay in the European Union. The common agricultural policy is not perfect; far from it, but it has led to—how can I put it?—certainty of income for certain farmers.

Martin Vickers (Cleethorpes) (Con): May I congratulate my fellow north-east Lincolnshire Member, the hon. Member for Great Grimsby (Melanie Onn), on her role on the Front Bench? I thank her for sparing us the jokes of the shadow Leader of the House.

My Cleethorpes constituency is located in the Yorkshire and Humber region. A recent joint report from Transport for the North and the Department for Transport completely ignores northern Lincolnshire, even obliterating it from the rail network map. In view of the greater Lincolnshire devolution deal, may we have a statement on the possibility of realigning the regions so that the whole of Lincolnshire is looked at together as part of the east Midlands?

Dr Coffey: My hon. Friend makes an interesting point. I am not sure if he wants to be included in the transport strategy for the northern powerhouse or to move to the midlands—it sounds like the latter. Surely what would be of benefit in improving transport in the north, specifically going across to Hull, would also benefit Cleethorpes and, indeed, Great Grimsby, including the magnificent Humber bridge, whose tolls were halved four years ago.

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): May we have an urgent statement on the effect on employee share ownership schemes of HMRC’s abandonment of its valuation checks service because of Government cuts?

Dr Coffey: I am not aware of this matter. If the hon. Gentleman writes to a Treasury Minister, he may get an answer more quickly, although Treasury Ministers will be in the Chamber on 19 April.

Kevin Foster (Torbay) (Con): For those of us who believe that our four nations are greater together than the sum of their parts, today could have been the sad day of separation. May I therefore join the calls from the hon. Member for Fylde (Mark Menzies) and the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh) for a debate on the merits of the Union and on how all four countries are stronger within that Union than they would be apart?

Dr Coffey: My hon. Friend may be joining the campaign alongside my hon. Friend the Member for Fylde (Mark Menzies). We spent quite a lot of time debating such
matters during the passage of the Scotland Bill. If my hon. Friend the Member for Torbay (Kevin Foster) were to apply to the Backbench Business Committee for a debate, I am sure he would look upon his own recommendation favourably.

Mrs Madeleine Moon (Bridgend) (Lab): The Palace of Westminster is hosting a large additional workforce over the next few years. With reference to standards of behaviour towards young female members of staff, may we have confirmation that name-calling and off-tune whistling—that is the best way I can describe it—remains inappropriate on the Estate, no matter from whom?

Dr Coffey: I am not sure whether the hon. Lady is referring to the restoration and renewal of this place and therefore the presence of a larger construction workforce. I expect that when the Commission—or whichever authority we create to undertake those repairs—proceeds to the next stage, standards of behaviour will be included in the contracts.

Bob Blackman (Harrow East) (Con): This week sees the Jewish festival of Purim, which commemorates the deliverance of the Jewish people from Haman, the vizier of the Persian king. We have also seen the festival of Naw-Ruz and, of course, we celebrate Easter shortly. Today we celebrate the second day of Holi, which commemorates the festival of colours and the deliverance of great Hindu gods. These all have one great element in common: they are festivals of renewal, celebrating spring. May we have a debate celebrating the wonderful renewal of the country under this Conservative Government to ensure that we deliver for everyone as one nation?

Dr Coffey: I congratulate my hon. Friend on the work he does for the diverse communities that he serves in his constituency. I understand that he is known affectionately as “Bob bai” by many of his Hindu constituents. He is right to stress the importance of celebrating the many festivals that make up the rich tapestry of our country. I am certainly looking forward to Easter Sunday so that I can break my chocolate fast and have a delicious Easter egg.

Liz McInnes (Heywood and Middleton) (Lab): I welcome the announcement in the Budget of the sugar tax, and also the fact that the money raised will be spent on school sports. May we have a debate in Government time on the reinstatement of the school sports partnership, an extremely successful scheme that was scrapped by time on the reinstatement of the school sports partnership, also the fact that the money raised will be spent on the announcement in the Budget of the sugar tax, and have a delicious Easter egg.

Dr Coffey: I am not sure whether the hon. Lady is referring to the restoration and renewal of this place and therefore the presence of a larger construction workforce. I expect that when the Commission—or whichever authority we create to undertake those repairs—proceeds to the next stage, standards of behaviour will be included in the contracts.

Dr Coffey: The hon. Gentleman, of course, was the Chairman of a Select Committee, and he will recognise the value of Select Committees. It was the Conservative Government led by Margaret Thatcher who introduced them, and that really strengthened the House. When I served on the Culture, Media and Sport Committee, we were able to make sure that the Murdoch family attended, even after an initial expectation that they would not. May we have an early debate on this issue, including on important questions such as whether we have the right to make people come here? The head of Kraft refused to come in the past, and we now have another person refusing to come.

Dr Coffey: The hon. Gentleman is right that we need only listen to a recording of yesterday’s Treasury Committee session with the hon. Member for Uxbridge and South Ruislip (Boris Johnson)—if there was ever a Select Committee where a witness was fileted, that was it. May we have an early debate on this issue, including on important questions such as whether we need a special holiday, I look forward to the results of my hon. Friend’s campaign.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): If my memory serves me right, Select Committees were an innovation from a previous Conservative Leader of the House—Norman St John-Stevas. Does the Deputy Leader of the House agree that that was a brilliant innovation? Is it not time that we had a debate on how we further empower the Select Committee system? Anyone who wants to be convinced of the power of Select Committees needs only listen to a recording of yesterday’s Treasury Committee session with the hon. Member. Member for Hartlepool (Mr Wright) showed in the House the other day, there are channels open with the Select Committee where a witness was fileted, that was it. May we have an early debate on this issue, including on important questions such as whether we have the right to make people come here? The head of Kraft refused to come in the past, and we now have another person refusing to come.

Peter Heaton-Jones (North Devon) (Con): As we are on the eve of the Easter holiday, may I say that North Devon would be a fantastic place to visit over this long weekend? There is a long list of fantastic attractions. May we debate the importance of the tourism industry to the economy of North Devon and the wider south-west?

Dr Coffey: My hon. Friend takes me back to my childhood, when I enjoyed holidays in Combe Martin. I never made it to Westward Ho!—the only town in the country with an exclamation mark officially in its name—but I recognise that the Royal North Devon is the oldest golf course in the country. I should, however, flag up that I visited Salcombe, in south Devon, last year. One of the wonderful things about being part of the United Kingdom is that there are so many gorgeous places around the country—including Suffolk Coastal—where we can truly enjoy a restful break.
Peter Grant (Glenrothes) (SNP): With your indulgence, Mr Speaker, may I first express my thanks to outgoing MSP Tricia Marwick for 17 years’ service as an MSP and four years’ exceptional service as Presiding Officer of the Scottish Parliament?

On 2 December, the Prime Minister promised to come back to the House within three months to give us an update on the war in Syria. He expressed an expectation that, within six months, we would have a transnational Government in Syria. He also pleaded with us to support military action because of what he described as an urgent need for ultra-precision bombing against specific Daesh-occupied buildings in Raqqa. By the time we return from the recess, we will be more than a month past the deadline set by the Prime Minister, and we will be only seven weeks from his target for the transnational Government. Furthermore, according to the MOD website, precisely one missile has been fired at a Daesh-occupied command-and-control building in Raqqa.

Dr Coffey: A recent urgent question provided the opportunity to ask a Cabinet Minister about that matter. My understanding is that we will return to quarterly updates and I anticipate a statement in May, but the hon. Gentleman will be aware that the Prime Minister is here every week and he can ask him a question then.

Vicky Foxcroft (Lewisham, Deptford) (Lab): I have called several times for a debate on gangs and serious youth violence. We managed to secure one through the Backbench Business Committee and the House agreed and voted on the need to set up a cross-party commission to look into the root causes of serious youth violence. What are the Government going to do about implementing it?

Mr Speaker: Or about facilitating a debate thereon.

Dr Coffey: I did not follow the hon. Lady’s debate, but I am aware of the seriousness of the issue, and she will be aware of previous legislation we have introduced to enhance criminal penalties. It is, of course, open to her and Members from across the House to progress that commission and present its findings to the Government. I may well commend to her doing that and seeking another Back-Bench business debate once the commission reports.

Chris Stephens (Glasgow South West) (SNP): With a new Secretary of State for Work and Pensions, do the Government intend to hold a debate in Government time or make a statement on DWP sanctions guidance, so that Members can discuss issues such as failing to attend or take part in a work-focused interview without good reason? If so, will the Deputy Leader of the House also answer the question that has been asked by many members of the public: is the Chancellor going to be sanctioned for his absence on Monday afternoon?

Dr Coffey: I am very pleased that my right hon. Friend the Member for Preseli Pembrokeshire (Stephen Crabb) is the new Secretary of State for Work and Pensions. Of course, he has only just been appointed, so I am not aware of whether he plans to change the things to which the hon. Gentleman refers. He has expressed the view that he wants to ensure that the Department implements properly the welfare reforms for which we have legislated, and I am sure he will have heard what the hon. Gentleman has said today.
Points of Order

12.1 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): On a point of order, Madam Deputy Speaker. Every Member is grateful for the messages we have received this week about House of Commons security, in the light of the tragedies across Europe, but could you inform us on how Back Benchers can feed back any concerns? Is there a formal process or could we invent one?

Madam Deputy Speaker (Mrs Eleanor Laing): I am grateful to the hon. Gentleman for raising such an important matter on the Floor of the House. I am sure he is right in saying that all Members of this House will be grateful for the new advice and procedures, which are for the protection not only of Members, but of the many people who work for them, both in this House and in our constituency offices. There are various ways in which the hon. Gentleman and other hon. Members can feed back or discuss further measures or advice that might be necessary, one of which is via the Serjeant at Arms. I am also aware that the Chairman of Ways and Means has spoken in person to many Members of the House in his capacity as chairman of various committees that deal with the matter. The hon. Gentleman has very cleverly raised the matter on the Floor of the House; it is, therefore, a matter of record and I am glad that he has done so.

Liz Mclnnes (Heywood and Middleton) (Lab): On a point of order, Madam Deputy Speaker. Following this morning’s application by the Opposition Chief Whip for by-elections in Ogmore and Sheffield, Brightside and Hillsborough, a Government Member shouted out, “Any more?” The comment was hugely disrespectful to our late friend and colleague, Harry Harpham, and to his family. I seek your guidance, Madam Deputy Speaker, as to how the situation may be addressed.

Madam Deputy Speaker: I am quite taken aback by what the hon. Lady has said. I was not in the Chamber at that point, so I have no personal knowledge of it, but if, indeed, any Member of this House made a remark like that at a time when the writ was being moved after the death of a Member of this House, they simply should not have done so. If no one else has told them that they should not have done so, I am telling them now, and I hope that that will be taken note of. I am grateful to the hon. Lady. Lady for raising such a sensitive matter.

Alberto Costa (South Leicestershire) (Con): On a point of order, Madam Deputy Speaker. Could you advise me on how I can put on the record my concern that there has been absolute silence from separatist activists about the fact that today was meant to be independence day for them? There has been no reference to that whatsoever, in terms of respecting the Scottish electorate.

Madam Deputy Speaker: I understand the point that the hon. Gentleman is making. I was not in the Chair over the last hour, but I am aware that while Mr Speaker was in the Chair, various hon. Members made some very interesting suggestions about how today could be celebrated in future.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): On a point of order, Madam Deputy Speaker. Every Member is grateful to the hon. Gentleman for raising such a sensitive matter, and I hope that that will be taken note of. I am telling them now, and I hope that that will be taken note of. I am telling them now. I am sure that those on the Treasury Bench have heard what the hon. Gentleman has said, and I assure the hon. Gentleman that the matter that he has raised has been properly listened to in this House.

Dr Julian Lewis (New Forest East) (Con): Further to that point of order, Madam Deputy Speaker. May I, within the rules of order, express the hope that 23 June will go down as independence day for the United Kingdom as a whole?

Madam Deputy Speaker: The right hon. Gentleman knows that that is not a matter for the Chair, and that I would not dream of encouraging him to express, or of forbidding him from expressing, that hope over and over again.

Chris Stephens (Glasgow South West) (SNP): On a point of order, Madam Deputy Speaker. I raised a point of order on 9 February about the Government’s attitude to the Trade Union Bill and Lords amendments. That point of order got much publicity, because it led to a discussion of the Speaker’s reading habits in relation to the Socialist Worker. The Speaker on 9 February advised me to submit a written question to try to get clarity on the matter, and written question 26990 is the named day question that I submitted on 11 February. I have not had a response. Can you advise me, Madam Deputy Speaker, how I can get an answer, on behalf of 6 million workers who are trade union members, as to the Government’s attitude to the Trade Union Bill and Lords amendments?

Madam Deputy Speaker: As the hon. Gentleman is well aware, and as I am sure Mr Speaker has made clear, Mr Speaker will have given the hon. Gentleman that advice about tabling a written question because the answers to questions are not a matter for the Chair. However, the fact that a question has been submitted and, several weeks later, has not been answered is a matter that Mr Speaker would most certainly depurate. I am quite sure that those on the Treasury Bench have heard what the hon. Gentleman has said, and that the message will go to the appropriate Department that the hon. Gentleman should have received an answer. Whether it is the answer that he would like to receive is another matter, and not one that I can address, but he ought to
receive an answer. I am quite sure that if he does not receive such an answer in the near future, he will be perfectly justified in raising the matter again on the Floor of the House.

Backbench Business

Court Closures

12.9 pm

**Helen Hayes** (Dulwich and West Norwood) (Lab): I beg to move,

That this House acknowledges the need for some underused courts and tribunals to close; notes the detrimental effect that too many court closures will have on access to justice for vulnerable families and individuals particularly in rural areas where public transport is less reliable; further notes with concern the effect these closures will have on the experienced and dedicated staff working in the 86 courts and tribunals; and calls on the Government to acknowledge the concerns of staff, magistrates and third sector organisations who highlighted numerous flaws in the consultation document, to think again on some of these closures and acknowledge the importance of access to local justice.

I am grateful to the Backbench Business Committee for allocating time for this debate. I requested such a debate, with the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) and other Members from across the House, for a number of reasons: first, because of the scale of the court closure programme, with 86 courts and tribunals closing, compounded by the closures during the last Parliament, when 146 courts closed; secondly, because of the level of concern expressed by colleagues across the House about the implications of the closure programme for access to justice, and a number of flaws within the consultation process that provided the basis for the closure programme; and thirdly, because the closures were announced in a written ministerial statement on the last sitting day before the February recess. I feel strongly that both the scale of the closure programme and its implications mean that the announcement should have been made in the House, and that colleagues should have had the opportunity to raise issues on behalf of their constituents, and ask questions about the planned closures and their impact at the time that the announcement was made. I am pleased that we will have the opportunity to do so today.

Courts have a very wide range of different users. If we consider the hierarchy of Crown courts, county courts, magistrates courts, youth courts, family courts and tribunals, we can see that the people who need to access the courts include jurors, magistrates, victims and witnesses, families in the process of breaking up, a range of public sector staff—those working directly at the courts, but also those bringing cases and acting as witnesses—members of the judiciary, and individuals facing trial. It is easy to think of those accessing our courts primarily as suspected criminals, but our courts are in reality a vital public service, reaching a very wide range of people in their scope, and it is important that we remember that as we debate the closure programme.

**Richard Benyon** (Newbury) (Con): If civic areas are to lose their courts as a result of this decision, does the hon. Lady agree that proper provision needs to be made, not least for video conferencing for people giving evidence? For example, local newspapers should be able to send a journalist on a particular day so that its readers cannot only be told where crimes take place, but hear about convictions, because justice must be seen to be done as much as actually done.
Helen Hayes: I will come on to talk about the role of new technology and other forms of provision in addressing some of the issues presented by the closure programme.

Dawn Butler (Brent Central) (Lab): I congratulate my hon. Friend on securing this debate. Although the court in my constituency will not close, it will take on the burden of the work of courts that are closing. On the Government’s own assessment, people will have to travel for over an hour to reach Willesden magistrates court. I think that is a barrier to justice.

Helen Hayes: My hon. Friend makes valid points about both the additional burden on courts that will have to absorb the workload of courts that are closing, and the very important issue of travel times, particularly for many vulnerable constituents. I will come on to talk about those things.

I do not have a court or tribunal in my constituency of Dulwich and West Norwood, but my constituents will be very much affected by the planned closure of Lambeth county court. Almost half the postcode areas covered by Lambeth county court fall within my constituency. I am grateful to the Minister for taking the time to meet me during the consultation process, and subsequently for taking part in a Westminster Hall debate about Lambeth county court, but despite that engagement, my concerns remain. In justifying the closures, the Minister refers a great deal to the modernisation of the justice system and the use of new technology, but there is great concern that the closure plans appear to put the cart before the horse—closing courts and tribunals without a clear plan for replacing the capacity that will be lost with new technology.

The Government should have brought to the House a comprehensive strategy for modernising our courts and tribunals to make them fit for the 21st century. We need a plan that sets out clearly what new technology can deliver for our justice system, the investment that must be made to deliver it and the savings that can be made in physical infrastructure as a consequence of the introduction of technology. But there is no such plan. What the Government have announced is a very significant closure programme with a promise that, after courts and tribunals have closed, pilots will take place and investment will be made to introduce new technology. This is a very risky way to treat our justice system.

Access to justice is a vital principle in the UK’s unwritten constitution. It was argued by Lord Bingham of Cornhill, when he was the senior Lord of Appeal in Ordinary, that access to justice is one of the eight sub-rules that make up the rule of law. He said:

“My fifth sub-rule is that means must be provided for resolving, without prohibitive cost or inordinate delay, bona fide civil disputes which the parties themselves are unable to resolve...What it does is to recognise the right of unimpeded access to a court as a basic right, protected by our own domestic law, and in my view comprised within the principle of the rule of law.”

He went on to explain that the common law right of access to justice is composed of three rights, one of which is the right of access to a court. Lord Justice Laws has said:

“Access to the courts is a constitutional right.”

In relation to the planned courts and tribunals closure programme, the Government argued that “effective access to justice does not...necessarily mean providing physical access to a building or require us to have a purpose-built court or tribunal in every local area.”

My contention is that this statement can only possibly be valid if the Government demonstrate that access is provided in a fail-safe way by other means, and that they simply cannot do that without setting out a clear strategy for how it will be delivered.

The Minister has spoken about various things, some of which are indeed already happening in some locations, that may be possible—video links for witnesses to provide evidence, facilities for filing court papers online, making a plea by mobile phone—but there is no national standard and no plan for delivery. No assessment has been made of which court and tribunal services and facilities should be available to everyone in every area, which of these can reasonably be provided digitally and which should be provided in dedicated facilities. Although I do not think there is much disagreement about the kinds of things that might be done, it is impossible to make an assessment of the extent to which access to justice will be provided at an appropriate level with the help of digital technology until the Government lay out a comprehensive plan.

Albert Owen (Ynys Môn) (Lab): In addition to the plan for which my hon. Friend is calling, we also need a plan to extend mobile coverage to many areas. We just do not have that coverage in some of the rural areas where closures are planned.

Helen Hayes: My hon. Friend makes a valuable point. It reinforces my argument that without a plan—a proven and tested plan—the Government simply cannot rely on advances in technology to substitute for the closure of physical facilities.

Kevin Foster (Torbay) (Con): I congratulate the hon. Lady on securing this debate. Does she agree that the whole point of a system of magistrates courts is that local people make decisions about local crimes? Fundamentally, without a proper plan, magistrates may be drawn from areas surrounding the surviving courts, while many communities will provide no magistrates whatsoever.

Helen Hayes: The hon. Gentleman makes an excellent point about the long tradition in this country involving the justice system and the locality it serves.

I will turn to some of the specific concerns that have been raised about the consequences of the closures. The first is the straightforward issue of physical access to a court building for those who need to attend court either for a court hearing or to instigate an administrative procedure, such as applying in person for a stay of eviction. The Government response to the consultation says:

“It will still be the case that...97% of citizens will be able to reach their required court within an hour by car.”

This statement is simply not true. The data on which the Government response is based relate to the travel time between court buildings, not the travel time from residents’ homes to what will now be their closest court. On the basis of these data, residents who currently live within an hour of an existing court may now have to travel a further hour beyond that court to access their nearest
court. It is time for the Government to undertake and publish an analysis of the physical accessibility of courts in terms of the journey times faced by residents on a postcode basis, not from court to court, so that the impact of the closures plan can be properly understood and scrutinised.

The second problem with the travel time data is that they rely too much on the private car as a mode of transport. Only half of households on low incomes own a car. Many of my constituents who have to attend court in relation to issues such as housing evictions are on low incomes, and the same is true across the country. The response to the consultation does not consider in any detail the accessibility of courts and tribunals by public transport, or accessibility by bus, which is often the only mode of transport that residents on lower incomes can afford, even where faster routes are available. I have looked at the travel times that residents from parts of my constituency—for example, a victim of domestic violence—who will experience after Lambeth county court closes and they have to travel to Wandsworth, where some of the services will be provided. Many of these residents will face a journey of at least an hour each way by bus, and in the worst-case scenario, a four-hour round trip. That is in London, which has the best public transport network of any city in the UK. Colleagues who represent rural constituencies tell me that in some cases the journey times that their constituents will face are such that it will not be possible to travel to court and back in a single day, further adding to the costs of accessing justice.

Richard Benyon: The hon. Lady makes a powerful point that will resonate with people in a lot of villages in my constituency. The Library document states that just 15% of people in my constituency will be able to reach court by public transport in one hour, and that is of great concern for those who have the trauma of having to give evidence after a crime has been committed against them.

Helen Hayes: The hon. Gentleman’s powerful point illustrates my argument.

The Law Society has raised serious concerns about the effects that longer, more expensive journey times will have on the justice system for jurors. They will be more likely to find justifiable reasons to postpone their jury service, and Her Majesty’s Courts and Tribunal Service will have to pay additional costs to compensate them for additional travel costs. The changes will also affect witnesses, many of whom already require a good deal of persuasion and support to attend court, and vulnerable residents who are being taken to court in circumstances where life is already stressful. Such people might find it extremely difficult to make it to court and, as a consequence, to have a fair hearing, because they are not there in person to explain their circumstances.

Dawn Butler: As a magistrate, I can attest to witnesses, sufferers of domestic violence or people with chaotic lifestyles who are completely put off by the extra travel needed to access justice.

Helen Hayes: My hon. Friend makes a valuable point.

Resolution, which represents 6,500 family lawyers and other professionals who are committed to a non-adversarial approach to family law and the resolution of family disputes, says that the court closures will have a huge impact on the ability of families to access the justice system, and it emphasises that those who will be most affected are vulnerable people such as victims of domestic abuse. Requiring a victim of domestic abuse to travel further on public transport in order to apply for an injunction will increase risk and act as a further disincentive for people seeking protection, on top of the issues already presented by the lack of access to legal aid.

Let me highlight three examples from my constituency caseload that illustrate the vulnerability of many people who have to access the court system. The first is a man who came to this country as an asylum seeker having been a child soldier in Nigeria. He is doing his utmost to find work, and currently has a zero-hours contract. Sometimes his employer has work for him, and sometimes it does not. That is not within his control, but as a consequence he has a fluctuating income, which means that intermittently he has to apply for jobseeker’s allowance and housing benefit. Delays in processing his JSA claim sometimes mean that his housing benefit is frozen. That causes rent arrears, and at times he has been served with a notice seeking possession. None of that is his fault. He is a man with a traumatic past who is doing everything that he can to make the best of life, in a country that he had never imagined finding himself in. In my view, we should not be asking him to bear the additional expense and stress of having to travel long distances to access a court and engage in a difficult process that is not of his making.

Another constituent is recently widowed. Her husband was a social housing tenant, and for her to succeed to the tenancy, she needed to provide proof of his death. However, an administrative error with the death certificate caused a delay and meant that her landlord commenced eviction proceedings. She lives in the farthest flung part of my constituency in terms of access to a court. Is it right for her to face a four-hour round trip by bus to explain why the registrar made a mistake in recording her husband’s death?

The third case highlights some of the wider problems with a justice system that is already very stretched. This constituent is in his 80s. He suffered antisocial behaviour from his upstairs neighbour for many years, causing him and his wife great distress, and sometimes leading to him sleeping in his car to escape the noise. His council landlord did everything possible to gather evidence and commence eviction proceedings. She lives in the farthest flung part of my constituency in terms of access to a court. Is it right for her to face a four-hour round trip by bus to explain why the registrar made a mistake in recording her husband’s death?

Very often the circumstances that lead to someone attending court involve personal sadness, and many people who attend court are vulnerable. Fulfilling the obligation to make our justice system accessible must involve thinking about the considerable challenges that our most vulnerable residents face, and designing a system around those challenges, not around residents who have the most capacity.

Helen Hayes: [Helen Hayes]
The closure programme has the potential for significant hidden costs for the wider public sector, and those were not considered or scrutinised during the consultation process or in the Government’s response to it. The Law Society has highlighted the additional costs associated with prison and probation staff having to transport defendants for longer distances. Additional transportation costs may be incurred by the police, as increased numbers of people choose not to attend court and subsequently end up being transported there by the police. There will be increased costs for councils, as social workers and housing officers are forced to travel longer distances and spend more time away from their day-to-day duties to provide evidence in court.

There are already frustrations within the justice system. Many lawyers I have spoken to who work in London decry the experience of using the Central London county court since it moved to share premises with the Royal Courts of Justice. They describe a court that is so completely overwhelmed with the volume of work that it is beginning to resemble the chancery court in Dickens’s “Bleak House”, such is the lack of confidence that effective judgments will emerge from it. The Law Society and others have raised concerns about the impact of the closure programme on court staff, in a context where there are already frustrations about administrative problems and delays within the system. Such problems would be exacerbated if busy courts are closed and their workload transferred to other courts that are already operating at high capacity.

Many magistrates regard their work as a very local form of public service. There is a strong connection between the community they know and their role in ensuring justice for that community. There are serious concerns that having far fewer courts and requiring magistrates to travel long distances in order to serve will break this country’s strong tradition of a justice system that is rooted in the individual spatial communities it serves.

Concerns have also been raised with me about the sustainability of many duty solicitor schemes, which have already been stretched to the limit by cuts in legal aid and changes to the contract. Solicitors in my local area have said that many of them would be forced to give up duty solicitor work if they had to travel further to attend court, such is the marginal viability of the scheme already.

Finally, let me turn to the detail of the closure proposals and highlight just a few ways in which I believe the programme to be flawed. The proposed closure of Birmingham youth court would have a significant impact on young defendants, who would have to appear in an adult court, in breach of the Government’s statutory and international obligations. How was that proposal ever brought forward, and why were those issues not anticipated and addressed?

The proposal to close a brand-new, fit-for-purpose court in Rotherham, which contains a magistrates court, county court and family court, at a time, and in a town, in which child protection issues are at the forefront of everybody’s mind, is difficult to comprehend. In Bicester, the proposed closure of the court in a rural area with poor public transport services at a time when the local population is about to expand significantly, due to the Government’s designation of Bicester as a “garden town”, is simply short-termist.

In my local area, the closure of Lambeth county court remains deeply problematic. It is leased to Her Majesty’s Courts and Tribunals Service, with nine years left to run on the lease, and as such, there is no large capital sum to be derived from the sale of the site. The lawyers I have spoken to who use Lambeth county court say that it functions extremely well as a specialist housing court.

I appreciate that, as a consequence of the representations that I and others made during the consultation process, housing possession hearings will not now move six miles away to Wandsworth but to Camberwell, which is much closer. That is welcome news, but there remain concerns about the victims of domestic violence who will still have to travel to Wandsworth, and about how the move to Camberwell will actually work in practice. There is time, within the current lease, to make a proper plan for Lambeth: to work out the role new technology can play in making our justice system more accessible; to work out the physical space necessary to accommodate an efficient court; and to plan properly for the transition. There is no evidence in the closure programme that any detailed feasibility work has been undertaken to explore lower-cost ways of accommodating court services locally—for example, in other public buildings or community centres. Although such options are mentioned, they really should have been explored in detail before the closure programme was finalised.

The accessibility of our justice system and the way it treats our most vulnerable residents is a mark of our civilisation. Too many people across the country have raised concerns that the Government’s proposed closures will have an unacceptable impact on vulnerable people, present additional costs for other parts of the public sector which have not been properly accounted for, and make our justice system less accessible.

I fully accept that new technology may have a role to play in creating a justice system that is fit for purpose for the 21st century, as well as saving costs, but we have no plan from the Government as to how that will be achieved. I urge the Government to rethink their approach. I urge them to come back to the House with a plan that addresses the concerns that have been raised and that balances savings to be made from the physical court estate with investment in technology to mitigate the impact of these changes.

12.31 pm

Andrew Bingham (High Peak) (Con): The impact on my constituency of the proposals to close courts across the country has been to identify the court in Buxton for closure. This is probably the third or fourth time I have spoken on this matter, in the Chamber and in Westminster Hall, since that decision. I heard what the hon. Member for Dulwich and West Norwood (Helen Hayes) said about timings, but I pay tribute to the Minister. He has been exemplary in his availability, transparency and consideration for individual Members. He met the hon. Lady and he met me on several occasions. There was a Westminster Hall debate, principally on the courthouse in Buxton. I think my hon. Friend the Member for Burton (Andrew Griffiths) secured a similar debate, so we have all had a fair run at this.

I was strongly opposed to the closure of Buxton court. The alternative was to send everybody to Chesterfield, just because it happened to be in Derbyshire. For those
Members who are not aware of the geography of Derbyshire and the High Peak, the clue is very much in the name of my constituency. Getting from Buxton to Chesterfield is not easy. Only a couple of weeks ago, the constituency had about six or seven inches of snow in a single day. It would have been practically impossible for people to get to Chesterfield—I got stuck in Bamford, which is not even as far as Chesterfield. I was very concerned about the proposals. I thought they were wrong and I said so at the time.

I will recount some of the details of the decision on Buxton, because it is important to consider this issue in context. The consultation document relating specifically to Buxton is, as I have said before, the worst consultation document I have seen in many a year, both as a Member of Parliament and as a member of my local council. It was riddled with errors, falsehoods and mistakes. There was much discussion about the document and, because I thought it was so woeful, I probably used some phraseology that Members probably ought not to use. After much discussion, Her Majesty's Courts and Tribunals Service admitted it had made some mistakes in the document, but it still pursued the same end-game and the decision has been made to close Buxton courthouse. I regret that decision, but it has been made and I do not think we can revisit it here today.

At the time, in discussions with the Minister and others on the Chesterfield issue, I looked for a compromise, because I think it is wrong, but I will, reluctantly, accept the decision has been made to close Buxton courthouse. I regret that decision, but it has been made and I do not think we can revisit it here today.

The decision has been made and it will be implemented. In the official documents, Buxton court is earmarked to close in the first tranche. It is therefore scheduled to close Buxton court. The decision was taken to keep the Stockport court open. The hon. Member for Stockport (Ann Coffey) is not here, but, come 2020, she may well say that she saved Stockport court. She might even flag up my contribution to saving the proposals. I thought they were wrong and I said so at the time.

Andrew Bingham: I am not sure how to respond to that without sounding big-headed. I do not know the ins and outs of the courts in Durham, but I felt I put forward a coherent argument.

Mr Kevan Jones (North Durham) (Lab): It is very interesting to hear the hon. Gentleman’s tale. I accept what he says about the Minister, but my logical proposals for Durham, which would make travel a lot easier for my constituents, were completely dismissed and ignored. I am not sure whether the hon. Gentleman has more power over the Minister than Opposition Members have.

Andrew Bingham: I am not sure how to respond to that without sounding big-headed. I do not know the ins and outs of the courts in Durham, but I felt I put forward a coherent argument.

The Parliamentary Under-Secretary of State for Justice (Mr Shahiess Vara): My hon. Friend is making a very passionate speech. I just want to put on the record that decisions on changes, closures and keeping courts open have been made about courts represented by Members on all sides of the House. There has been no preferential treatment for Conservative Members. The hon. Member for Dulwich and West Norwood (Helen Hayes) sits on the Labour Benches. I listened to her eagerly, as she said, and the proposals were changed. My hon. Friend will also be aware that the Stockport constituency is held by a Labour Member.

Andrew Bingham: I argued against the closure of the Buxton court. It will be closed, so I was only partially successful.

The response to the consultation states: “move the workload to Chesterfield justice centre and Stockport magistrates and county courts”.

My concern, which I want to flag up today, is how much work will be going to where. I do not want only the odd case going to Stockport just to placate one awkward Member of Parliament.

I want to raise the response to the proposals and the consultation. My judgment is coloured by my views about the way the consultation was carried out and by its content. Yet again, I think there is a hidden agenda and that the officials are letting the Minister down. The response document, which I have here, contains serious flaws. For example, nowhere in the response are the comments made by High Peak Borough Council. The council has 43 elected members from across the political spectrum and they discussed this issue. They made representations, but they have not been referred to anywhere in the official response to the consultation. It seems as though the officials did not like what the council said, so they did not put it in. They have either ignored it or treated it with disdain. This happens at a time when, across the political parties, we are seeking people to stand for public office in councils. Councillors go to meetings, make their opinions well known and then they are ignored. If we are not careful, this will increase the feeling of “What’s the point?” I am very, very disappointed by that. I may be a little cynical, but were councillors’ representations not mentioned because they did not fit in with what Her Majesty’s Courts and Tribunals Service wanted?

The decision has been made and it will be implemented. In the official documents, Buxton court is earmarked to close in the first tranche. It is therefore scheduled to take place as we speak today, between February and June this year. The argument was made that the court could not be moved to Stockport because it is in Cheshire and Buxton is in Derbyshire. After discussions, the Minister said the system could work across counties, which I can accept. However, I am told that for the work of a Derbyshire court to be sent out of county, further administrative action needs to take place. I urge the Minister to ensure that that action is taken. I do not stand here as member of the Minister’s fan club, but he is a decent chap and he has been very fair with me.

Valerie Vaz (Walsall South) (Lab): This is about public money.

Andrew Bingham: I am talking about public money. This whole debate is about public money. That is why I said we should keep Buxton open.

I am concerned that the Minister has been let down by his officials, because the consultation was flawed, or wrong, and the officials showed an arrogance and unwillingness to accept the mistakes they had made in the consultation. Now that we see that the response
document is highly selective, I fear they are letting him down again. I doubt their motivation. The Courts Service has given a decision it does not want, and now, from where I am sitting—I might be cynical, bordering on paranoid—it seems to be very tardy in implementing his decision. So long as the delay continues, given that the courts are due to close imminently, the work will have to go to Chesterfield, which is what the service wanted. That was their original intention, and the longer the delay continues, the harder it will be to implement his decision to send the work to Stockport. That is what I am concerned about.

Thanks to the Minister’s determination, contrary to what has been said by the Opposition, and thanks to his willingness to listen to hon. Members, including to me on this occasion, the decision to move work to Stockport was taken, and I applaud him for that. As I have said, we want it sent to Stockport; we do not want everything sent to Chesterfield. That is what we want, and that is what we should have, but from the outside looking in, it appears that the officials want it their own way.

Neil Coyle (Bermondsey and Old Southwark) (Lab): I thank the Minister for being willing to assess alternative options—he has talked to my council in Southwark about such an alternative—but in criticising the officials, is the hon. Gentleman not questioning the Minister’s ability to oversee the Department?

Andrew Bingham: No, not at all, because the Minister has done that by making this decision. The officials wanted Buxton closed and everything shipped to Chesterfield. I wanted Buxton open. Having listened to all sides of the argument—in the Chamber, in Westminster Hall and in private meetings—he came up with a compromise, so I think he has been very robust. I will not criticise him. I might be wrong—I hope to be proved wrong—but I think the officials wanted it a certain way, but they did not get it, and by tardiness they seem to be trying another way of getting it.

I commend the hon. Member for Dulwich and West Norwood for bringing this debate the Chamber. The decision has been made and we have had these debates before, so this debate might be after the fact, but it is still a good debate to have. This is the Thursday before the Easter recess, yet attendance is good, so it is obviously an issue.

I ask the Minister for some assurances. Will he look at this issue as a matter of urgency, to ensure that any further administrative work necessary to implement his decision to move the work—the vast majority of work, not just the odd case to make me, the people or the council happy—is done quickly, for the peace of mind of my constituents, as well as the magistrates, who, we must remember, perform a valuable public service for little recompense? I know for a fact that, if the work moved to Chesterfield, we might lose magistrates from the bench. Will he also make it clear to the officials that by “sending work to Stockport”, I mean the majority of work, not just a little bit? Finally, will he pay attention to the work of the officials? I hate to be critical but they seem to have a different agenda from the one that he and people elected to other bodies wanted. If he could give me those assurances, I would be very grateful.

Mrs Madeleine Moon (Bridgend) (Lab): Like the hon. Member for High Peak (Andrew Bingham), I commend my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) for calling this debate. I also agree with him that this was a flawed consultation and decision, particularly in relation to Bridgend magistrates court and law courts, which house state-of-the-art court facilities in which the public purse has invested hundreds of thousands of pounds for repairs, modernisation and renovation. That is all to be thrown away.

Following the closure, the court’s civil, family and tribunal work will go to Port Talbot justice centre and the magistrates work to Cardiff and the Vale court. I hope that this local example will illustrate the appalling consequences of the Government’s irresponsible decision to close 86 courts and tribunals across England and Wales, as well as their total failure to understand the geography of Wales.

Mary Creagh (Wakefield) (Lab): No surprise there.

Mrs Moon: Indeed, no surprise.

Realistically in south Wales, one has to move north or south to the M4 before travelling east or west. Before reaching the M4, there are very few chances of moving east or west, so the movement of these courts will cause huge problems for people’s capacity to reach the new venues.

Mr Kevan Jones: Does my hon. Friend also agree that the consultation and decisions, certainly in County Durham, assume that everyone has access to a private car and take no account of the time it will take to get to court—or the impossibility, in some case, of doing so—by public transport?

Mrs Moon: My hon. Friend makes the most valid of points. Yet again, the Government have failed to recognise the needs of the poor and the disadvantaged, particularly those who are victims or witnesses of crime, and their capacity to access the justice system.

By car, the journey from Bridgend to Cardiff can take an hour. Parking is a nightmare at many times of the day and is very expensive. Port Talbot justice centre is just under 15 miles away, but, depending on where someone lives in my constituency, it can take a minimum of 30 minutes to get there by car. For people on low incomes, who disproportionately depend on court and tribunal services, access to these sites will take longer and be more expensive. Car ownership in poor communities in Wales is particularly low: two thirds of those on working-age benefits do not have daily access to a car. I hope the Minister is listening to this. The majority of people travelling from Bridgend to Cardiff or Port Talbot to access legal services will therefore depend on expensive public transport links, but the timetables are a nightmare, especially if someone has to be in court by 9 o’clock or 10 o’clock and has childcare or caring commitments or a disability or if—God forbid—they miss the bus.

Mary Creagh: Or the bus doesn’t turn up.

Mrs Moon: Or, indeed, if the bus doesn’t turn up.
The bus journey from rural areas in my constituency to Cardiff is indirect and can take over two hours, and that is before getting to the bus station in Cardiff, which is a considerable distance from the court. The need to travel such long distances on a regular basis will disrupt the work of local police, as well as of probation, rehabilitation and child protection officers. It will also inconvenience the many local groups that offer services to people involved in the court system, including witnesses.

We ought to be thinking far more carefully about protecting and supporting witnesses accessing courts. It is one thing to say, “Well, I don’t mind inconveniencing defendants”—even though these are people who still have not been found guilty—but what about people attending court to support the criminal justice service? We have to make it easy for people to come forward as witnesses, not introduce an additional burden into their daily lives.

It will be expensive and administratively burdensome to transport defendants from custody in the brand-new, state-of-the-art police station at Bridewell in Bridgend. The police there will be spending hours transporting people up and down the M4, when they could have accessed the local court in Bridgend. Parc prison in Bridgend will have to transport prisoners up and down the M4, instead of taking the 10-minute journey into the centre of Bridgend. The transport costs will be ridiculous. The Ministry of Justice is transporting the costs from its own budget to another budget.

The integrity of the British justice system is at stake here. It has evolved over the centuries and has remained remarkably sensitive to the distinctive formulations and priorities of local communities. The close proximity of the magistrates system to people’s daily lives is at the root of the legitimacy and authority of the system. No attempt seems to have been made to ascertain whether the magistrates in Bridgend will continue to serve in their posts when closures go ahead. I have to tell the Minister that local magistrates contacted me to say that they do not think they will be able to carry on—because of health, work commitments and family issues. The additional travelling time and the additional commitment in hours of work is going to make it impossible for many of them to continue. I think that is a huge loss to the local community’s sense of engagement with the criminal justice system and the civil justice system. The quality of justice as administered and implemented in local communities is also threatened by the decision, because the additional caseloads at both Bridgend and Caerphilly will push Cardiff court’s capacity to the limit. The closure could lead to a heavy reliance on electronic communication.

I know some people view electronic communications as the way forward, but I would have to say again that they do not live in Wales. For people living in the Welsh valleys, broadband communication is a nightmare. I live on the coast in Porthcawl, and my Skype communication is frequently not good throughout the day; with 180° of sea in front of us, broadband communication is not at its best. These technologies are untested, unreliable and their use in court challenges the important principle of our justice system—the right to a fair trial and the right to face our accusers. Clear communication is integral to the smooth and upright administration of justice, and there is no substitute for face-to-face dialogue. Where it is desired, it should be the first option available to individuals entering court.

The Law Society of England and Wales has registered serious concerns about the use of video-link technology in magistrates court trials. Magistrates have voiced the concern that it will be difficult for the judge to maintain order in the court if defendants and witnesses are not present in person. There are also doubts about whether the broadband connection in Bridgend is of sufficient quality to sustain a video link. As I have said, the region suffers from notoriously poor broadband connectivity.

I fear that for some of my constituents, the cheapest and simplest option will be to plead guilty rather than face the difficulties of navigating the complexities of the local transport and electronic communication systems and the destruction to their daily lives and to their family lives and commitments. When witnessing a crime, many people will say, “I don’t know whether I want to come forward as a witness when it is going to mean additional time and cost burdens to me.”

The courts alone do not deliver justice. Orbiting courts are networks of organisations that provide integrated probation, rehabilitation and victim support services. Before the trial opens, they do the hard work of preparing people who are unfamiliar with the courts system to stand as witnesses or defendants. After the case has closed, they help to translate, implement rulings and monitor their impact within the community. The key to their success is local knowledge and the close working relationship they have with other service providers.

Removing courts from communities will fragment and weaken these complex and closely knit networks, with serious implications for the quality of local justice and the cohesion and safety of local communities.

I have grave concerns about the serious impact of closure on my local solicitor firms. Many are based in my constituency because of the Bridgend law courts and the whole network of courts in Bridgend, and I fear that many will close, further reducing access to legal advice for many people living across my constituency. The town will lose many high-paid and skilled jobs, and the courts bring people from the surrounding area into the town. The closure will affect the retail and service sectors of the local economy and contribute to the degeneration of the town centre.

In short, the relocation of the court services and the subsequent breakdown in Bridgend’s legal infrastructure will destabilise the community and undermine local confidence in the justice system for a generation. The court closure decision reflects the priorities of a Department isolated in Westminster that fails to take into account the geographic and the social mix of Wales. With so little understanding of how local communities work, public trust in our legal and political institutions will be further eroded. I urge the Minister to reverse the decision on Bridgend. I am sure it is not too late. I hope he has been listening.

12.55 pm

Robert Neill (Bromley and Chislehurst) (Con): I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing this debate. We have already heard powerful speeches on the subject. Let me say at once that I do not rise specifically to raise
any constituency points, because the excellent magistrates court in Bromley continues in operation and is busy. I am concerned, however, as Chairman of the Justice Committee; the matter of closures has been raised in our discussions in this and the previous Parliament on a number of occasions. Although we are not dealing with a specific inquiry into the matter, it raises its head when we look at other important issues.

In fairness to the Minister, who I have always found to be a model of courtesy and openness in his dealings with me and the Select Committee, I must say that a balance has to be struck. Court closures have gone on through most of my life, first as a practising lawyer and then as a Member of Parliament. I cut my teeth as a young barrister going to courts in Essex villages, such as Castle Hedingham, Halstead and places of that kind, which sat perhaps once a month. They are now gone. I cannot say that at the end of the day the quality of justice was permanently and wholly undermined by those closures.

Albert Owen rose—

Robert Neill: Let me just make my point. We need a sense of balance. I think the hon. Gentleman is about to make that point, and he might well say some things later on with which I shall agree.

Albert Owen: I am certain that that will be the case. The hon. Gentleman is right that there was a big review of courts and some court closures in the last Parliament. At that time, only a few years ago, the Government told us that the remaining courts were needed in the community. Nothing has changed. It is just the Government’s attitude that has changed; when it comes to local justice, nothing has changed at all.

Robert Neill: I understand the hon. Gentleman’s point, particularly in respect of rural areas. In fairness, though, there were court closure programmes under Labour Governments just as much as there were under Conservative Governments, so it is not an issue over which any one party can claim advantage. The hon. Gentleman made a very fair point about access to justice, but it is not the case that one particular party is more or less committed to it. The issue is how to balance what is largely a centrally funded service with local needs. That is what we need to deal with, and it has been raised as an issue in the Justice Committee.

It is fair to acknowledge that the hon. Member for Dulwich and West Norwood was quite right when she referred to the comments of Lord Bingham of Cornhill. I have often thought that his book, “The Rule of Law”, distinguished lawyer, it is remarkably concise. It is worth being in mind that the common law doctrine of accessibility, to which the hon. Lady referred, grew up at a time when there were far fewer courts, distances between them were much greater, public transport was virtually non-existent and journeys took much longer. Everything has to be put into context; it is not a matter of absolutes; it is all about getting the balance right, as some hon. Members have said.

I repeat that there were court closures under Labour Governments, and the most recent set of closures occurred during the Parliament of 2010 to 2015. The Justice Committee was interested in the effect, because part of the argument has been the need at a time of pressure on the public finances to get maximum value for money. That is understandable, as is the fact that there has been a decline in the use of courts, particularly magistrates courts, because of the reduction in crime. I am told that use across the magistrates courts estate decreased by something in the order of 43% during that previous Parliament. That is not the whole picture, but it is fair to put it into the balance. I remember some magistrates courts being in poor condition—old, ill equipped and without the facilities to deal with the necessary separation of witnesses, victims and legal advisers, to which the hon. Member for Bridgend (Mrs Moon) referred. So not all closures are bad. There has to be a process of renewal and, sometimes, of consolidation.

Mrs Moon: Will the hon. Gentleman give way?

Robert Neill: I will, just this once.

Mrs Moon: I am sorry to intervene on the hon. Gentleman, but my point is this. We have spent hundreds of thousands of pounds on the project, and on making it viable for the future. Is it not nonsensical, having spent that money, to waste it by closing courts?

Robert Neill: I understand the point that the hon. Lady is making, but I will not go into individual cases, because that is not the job that the Select Committee has sought to take on.

In October 2015, following the 2010 to 2014 closure programme—the court estate reform programme, as it was described—during the previous Parliament, the Committee took evidence from Natalie Ceeney, chief executive of HM Courts and Tribunals Service. We asked, in particular, what progress had been made—[Interruption] I hope that that is not my clerk or someone ringing me up. I think it is worse when it happens in court, Madam Deputy Speaker. I can only apologise.

Madam Deputy Speaker (Mrs Eleanor Laing): Order. Let me say, for the avoidance of doubt, that it is worse when it happens here. For the moment, however, we will ignore it, and allow the hon. Gentleman to continue his excellent speech.

Robert Neill: Thank you, Madam Deputy Speaker. The honest truth is that it is worse anyway.

As I was saying, we wanted to know what progress had been made in the selling off of the courts that had been closed as part of the 2010 to 2014 programme. We were told that, as of 23 October last year, 10 court buildings remained unsold. It would be helpful if the Minister could update us. If courts are to be closed, it is important for them to be disposed of in a timely manner, given that one of the prime arguments for closures is the need to secure economies and value for money. There is certainly no virtue in continuing to spend money on mothballing unused buildings.

I agree with other Members that the issue of physical proximity and journey times is not unique to rural areas. When the last Labour Government were conducting court closure and amalgamation programmes in London, I made the point, as a London Assembly Member, that

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a journey in peak time from south-east London to, say, Wells Street—where a great deal of family court work was, at the time, being centralised—was likely to take an hour or an hour and a half, and that, if care or family cases were involved, that would impose an onerous and probably unfair burden on people who were in a difficult, perhaps vulnerable, state. Such issues do apply to urban areas as well.

The issue of longer travel times has been raised with the Committee, particularly in the context of our current inquiry into the role of the magistracy. There is a balance to be struck between the efficiency of the system and the localness of justice. Earlier this week we took evidence from the National Bench Chairman’s Forum, which does what it says: it is the body representing the chairs of benches. The forum expressed concern about the issue. Interestingly, a representative of one of the benches in north Wales made exactly the same point as the hon. Member for Ynys Môn (Albert Owen) about the difficulty of getting mobile and other coverage in very rural areas. In fairness, it was not suggested that there would be any unfairness, but the point was made that if courts were to be amalgamated in such areas, it was important to get the technology right and in place first.

The magistrates expressed a fear—not only in oral evidence but in written evidence, which is available on the Committee’s website—that courts would inevitably be concentrated in more urban areas, that there would inevitably be a temptation for magistrates to be drawn from areas in the immediate proximity of the courts, and that rural areas would consequently be under-represented areas on the benches. I think that that is an important and legitimate point. It was also pointed out to us that larger benches—and some benches now contain up to 1,000 magistrates, or thereabouts—placed much greater burdens on the chairs of those benches. It was suggested that we should think about what support could be given to those chairing very large benches with considerable workloads in administrative matters that were not previously envisaged. Again, I do not think that the problem is insuperable, but we must ensure that the support is provided.

On the basis of the evidence that we heard, it is fair to say that members of the senior judiciary are much more positive about the opportunities that arise from the use of digital and other modern technology, and consider that it can alleviate some of the pressures that arise from court processes. On 23 February, the Lord Chief Justice gave evidence to us about digitisation in the courts service. He praised the approach taken by HM Courts and Tribunals in building its digital case system unit by unit rather than on a monolithic single contract—and I think it right to give praise where it is due—but he was also alert to the need for digital exclusion.

The Master of the Rolls, Lord Dyson, while recognising that there was much value to be gained from the use of IT to overcome some of the access-to-court issues, also made the point—with which I think we would all agree—that the Government’s track record on IT projects was “not exactly shining”. Sir James Munby, president of the Family Division, said that a digitised divorce service would provide real opportunities to reduce the burdens on people at a difficult time in their lives, but he was “disappointed” by the lack of progress so far. The Senior President of Tribunals, Sir Ernest Ryder, had “reservations” about the Department’s capacity to deliver the modernisation programme, and that is a point that I particularly wanted to make today.

I think it worries many of us that, while a number of fairly senior practitioners in the field say that they have no problem with the modernisation programme and—in some instances—accept the rationale for estates rationalisation, a greater move towards digitisation, the use of video conferencing and so on, there is doubt about whether either the Ministry of Justice or HM Courts and Tribunals Service has the necessary technical and professional capacity to deliver on those issues. That concerns me as much in relation to the estates disposal programme as in relation to the digitisation programme.

There is now a very good family law centre in east London, which is part of the combined family court that we now have at Canary Wharf. It opened in December 2014 and is working well, but its opening was delayed. It was apparent to us that the delay was partly due to the fact that the estate managers who were dealing with the project on behalf of the Government, in house, had spent the better part of a year pursuing a site in the Canary Wharf area that was never realistically going to be available at an acceptable rent or on acceptable terms. The commercial property operators with whom they were dealing were understandably running rings around them.

Government Departments and agencies often do not have the level of direct commercial expertise in tough, hard money negotiations that they need if they are to deliver the courts rationalisation, disposal and, subsequently, renewal programme. I hope that the Minister will tell us what is being done to strengthen the technical, managerial and professional expertise that is available to the Government. I hope he will also concede that the process need not be carried out in house, and that, in some circumstances, it is very proper to buy in specialist advice from the legal and property sector to ensure that the Government get the best possible deal and the changes are made in a timely manner.

The Magistrates Association and the judiciary have drawn our attention to the possibility of overcoming some of the pressures caused by a loss of local connection, which are of legitimate and genuine concern, by using satellite courts to hear cases that may require less security than those that are heard at a main magistrates court. It might be possible to use a public building, closer to the locality where the offence had been committed. I can think of circumstances in which it would not be too difficult to make use of, say, a town hall or a civic centre. Intelligent listing can be done now that more digital listing is being used, and it could be used in cases that were unlikely to have custody requirements or a large number of witnesses. In cases involving a summary-only offence and in which the witnesses were likely to be local, it should be possible, with sensible management and support for the bench, to get magistrates from that locality to hear the case. We ought to explore more ways of doing that.

We have also suggested to magistrates and to the bench forums that we should look at some of the existing learning in the local government world. Some of the issues that confront magistrates servicing rural petty sessional divisions are not dissimilar to those
confronting district councillors in rural areas. Some local authorities have done significant work on online decision making and on finding ways of setting up local area committees. Those would not be dissimilar to the satellite courts that I have mentioned. There is experience in other areas that the judicial world could learn from, and I urge the Minister to encourage his Department as well as those in the judiciary and the magistrates to take that on board. This applies to the legal profession as well. The Committee has received the representations that other Members have referred to, and there is scope for sensible co-working between lawyers on some of these issues.

I am grateful for your indulgence, Madam Deputy Speaker, and, I hope, for your forgiveness. I hope that when the Minister replies to this important debate he will be able to respond to these points, which have struck a chord across the board among members of the Select Committee.

1.11 pm

Mary Creagh (Wakefield) (Lab): It is a pleasure to follow such thoughtful speeches from everyone, including the hon. Member for Bromley and Chislehurst (Robert Neill) and my hon. Friend the Member for Bridgend (Mrs Moon). I should also like to congratulate my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) and the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) on securing this debate.

Wakefield magistrates court is one of the 86 Courts and Tribunals Service hearing centres affected by this latest round of closures. That figure represents nearly one fifth of the total court estate and a cut of 20% to our access to local justice. Wakefield’s court is a vital community resource that provides access to justice for people in Wakefield, and its closure will undermine that access.

The closure is part of a series of changes to the justice system since 2010 which have, shall we say, a little more stop-start. We have certainly seen a series of changes in the past month. The Justice Secretary has scrapped restrictions on the number of books that prisoners can have. He has also scrapped court charges of up to £1,200 for defendants who plead guilty. I welcome his latest U-turn to reverse the imposition of legal aid contracts in January, which would have harmed access to legal aid in my constituency and across the country. However, he did that only after 99 legal challenges and a judicial review. I shall say a bit more about legal aid later.

In September last year I launched a public petition opposing the closure of Wakefield court, and it has been signed by hundreds of people. The court closure is the latest threat to Wakefield city centre, because it comes alongside the announcement by the Post Office that Wakefield post office should be run as a franchise. That will affect the whole city centre, because if it closes and goes into W.H. Smith or one of our shopping centres, shoppers will no longer be drawn to the high street. That will have a huge knock-on effect on the city centre economy, as will the fact that we will no longer have police officers, council officers and lawyers from the court going into the city centre at lunchtime to buy a delicious sandwich from one of the many pasty, pie and sandwich shops that we are proud to have there.

There is cross-party concern about these closures. It is important that justice is not only done and seen to be done but that it is seen to be done locally. The closures will also result in more legal aid appeals. Victims and witnesses will have to travel long distances to get to court. That will also waste police time, because officers will have to travel further to those courts. As my hon. Friend the Member for Bridgend said, this is just passing on cuts. In this case, the cuts will be outsourced to the police service, because it is the police who will have to spend time travelling from Wakefield to Leeds accompanying defendants or to give evidence. In the case of the family courts, it will be council officers’ time that will be spent in that way. This is not a cost-neutral solution. If we are looking at whole-government accounting, it would be useful for the Justice Committee to carry out a whole-cost inquiry into this matter, to determine the whole-cost implications. It is unacceptable to make a cut in one place that has to be absorbed by other parts of the system.

Local justice will not be seen to be done if Wakefield court closes, because the local press will not turn up to report cases being heard in courts many miles away. This will have a real impact on the excellent work being done by the journalists on the Wakefield Express, who go along to the court diligently each week to report on what is happening locally. A local solicitor has told me that the consequences of the closure could be catastrophic for some of Wakefield’s law firms. Solicitors will go where the work is, and firms that do not have offices in Leeds have talked about the possibility of moving out of Wakefield. That would be yet another big on-cost to our city centre. Those firms cannot afford to be in a city where there is no court, because they cannot afford to pay regular expenses for their lawyers to travel to Leeds.

The Government cut funding for our justice system by £2.1 billion in the last Parliament, with a further £900 million of cuts to come by the end of this Parliament. Despite those cuts, Wakefield magistrates court has been performing to a high standard. The Government said in their own consultation document that the building was “well used” and, according to the Law Society, Wakefield court is a “busy court” operating at a higher capacity than the England and Wales average. For the year to date, our conviction rate for cases in Wakefield district and magistrates court is 87%, compared with the national target of 85%. It also has a very low overall attrition rate of just 10%, compared with the national attrition rate target of 15%. This is particularly important in regard to protecting the vulnerable.

A couple of weeks ago I met Mabs Hussain, the new district commander of Wakefield police. He is rightly proud of the work that Wakefield police are doing to achieve a very high conviction rate for domestic violence. That has certainly changed for the better since I was elected as the MP for Wakefield 10 years ago. I can remember asking for a specialist domestic violence court for Wakefield and being told by a court official, almost with a pat on my hand, that I did not really understand domestic violence and that the trouble with such allegations was that he would find the parties involved sitting holding hands outside the court. It is always nice to be told what I do and do not understand by court officials. I left him in no doubt about my understanding and suggested that he perhaps needed to understand a little more about domestic violence and abuse cases. We have
worked hard on this, and the council has worked hard on its Safe at Home project for victims of domestic violence. We have a conviction rate of 81% compared with a national target of 75%, along with a very low attrition rate. Commander Hussain is rightly concerned about what the court closure would mean in this regard. Wakefield also has a very low average for the number of days from first hearing to trial: 65 days compared with 103 days nationally.

This is the second round of court closures in Wakefield since 2010. We had the closure of Pontefract magistrates court in 2013, and the work of that court and its staff have now transferred to Wakefield. The latest closure will mean that all parties—victims, defendants, witnesses and solicitors—will need to travel into Leeds, which will significantly increase their travel times. The Minister has said that 95% of citizens will still be able to reach their court by car, but we have already heard that the courts deal with the poorest and most vulnerable people in our society. According to the Law Society, 47% of Wakefield court users will have to travel for more than an hour in each direction to reach a court by public transport. That will reduce access to justice.

I am concerned about the impact of longer, more expensive journeys on victims, witnesses, defendants and magistrates. Those living in Horbury and Ossett, or in villages such as Netherton or Middleslown, will have difficulty getting to Leeds by public transport on the sporadic bus services. What about the people who live in the old pit villages such as Hemsworth, Normanton, Pontefract and Castleford? They either go directly to Leeds or have to come into Wakefield on the irregular bus services, which often do not turn up, and change on to a train and then travel by foot, putting them at greater risk of bumping into the people whom they may be appearing against in court. I can tell the House from personal experience that that is not a comfortable place for a victim to be in. People on low incomes are also unable to claim back the travel expenses incurred when attending court. Some will never have been to Leeds in their lives, or perhaps only a few times. Such people do not have access to Google Maps on their smartphones and can easily get lost, and we heard earlier about the case of the man in his 80s who had to appear in court against his neighbour.

I want to give a concrete example from when I witnessed antisocial behaviour outside some school gates in Wakefield. I said to the lady that it happened to that I had seen it, she reported it to the police, and the case against this aggressive individual came up during the general election campaign. It was scheduled to be heard at 10 am, so I gave up my morning’s canvassing in the south of our constituency to go to the victims’ room with the complainant, her husband and her neighbour, who had turned up in support—people often need one or two other people to support them. The defendant turned up with his solicitor and was then advised to plead guilty.

Until someone becomes a victim, it is hard to realise how important it is that witnesses and victims turn up. If they do not, the case will not proceed and the defendant gets away. That was brought home to me 20 years ago when I was the victim of assault. I stopped a large, rampaging group of girls who were kicking a young woman on a zebra crossing in north London and who went on to assault a tube worker and then me. It was only when I turned up at court that I realised how important it was that the victims were in that room that day when those girls pleaded guilty to the charge of affray. Nobody knows that until bad things happen to them, but it is important.

If people from my constituency have to drop their children at school at 8.50 am or 9 am, wait for the bus that comes at 9.15 am, get off the bus at quarter to 10, get a 10 am train into Leeds, arrive into Leeds at 10.15 am and walk to the court, it is probably 10.30 am and, if the case is listed for 10 am, it has already failed. This is really important for people in Wakefield. If the change has to happen, Wakefield cases should be listed in the afternoon to enable people to attend. The childcare issue, particularly for victims of domestic violence, cannot be overstated. Young people, victims of domestic abuse and all those who rely on public transport will be grievously affected. The Government are erecting hurdles for witnesses to overcome and that should not be the role of the justice system.

Legal professionals in Wakefield have told me how good our local court is at delivering local justice. There are concerns, such as those mentioned by the hon. Member for Bromley and Chislehurst and my hon. Friend the Member for Bridgend, about magistrates having no local knowledge or understanding—people who do not know about life and local circumstances in Wakefield and the surrounding villages. We will lose local decisions on local justice matters. The Government talk the talk about devolving power to communities, but their every action takes power away from local communities.

We have heard some creative examples of where court hearings could be held, but I am insistent that victims should feel comfortable and protected when they walk into court. Wakefield Council has a court chamber, and we have a county court building as well, where Bill Nighty did some filming a couple of months ago, which was an exciting day for our city—it certainly was for me. Such buildings could be used in specific cases.

On access to justice, the Lord Chief Justice stated two weeks ago: “Our system of justice has become unaffordable to most”. The Law Society describes access to justice as being “on the verge of a crisis.”

Funding for civil cases has fallen by 62% since civil legal aid was cut. The closures will only serve to worsen that trend.

On the legal aid changes, the Under-Secretary of State for Justice, the hon. Member for North West Cambridgeshire (Mr Vara), is well aware of the case of Bobby and Christi Shepherd from my constituency, who died from carbon monoxide poisoning while on holiday in Corfu. Their parents, Neil Shepherd and Sharon Wood, were refused legal aid at first because lawyers are not usually required at inquests. I am eternally grateful to the Minister, who was able to work with us and the Legal Aid Agency to get the decision overturned after we petitioned the Prime Minister and secured a meeting with him.

There is another similar case. Zane Gbangbola died at his home in Chertsey during the floods in February 2014 and his father, Kye Gbangbola, was left paralysed.
from the waist down after a cardiac arrest. The parents believe that Zane may have been killed by cyanide gas that leaked from a former landfill site through the floodwater. Kye and his wife, Nicole Lawler, were told by the Legal Aid Agency that their request for legal aid had been rejected on the grounds that Zane’s inquest did not concern the public interest. I have discussed the matter with the hon. Member for Spelthorne (Kwasi Kwarteng) and hope that the Legal Aid Agency will review the funding as a matter of the utmost urgency. I hope that the Minister will personally intervene once again so that the family can get justice and will not have to present their own case and examine witnesses, the father doing so from his wheelchair, at the inquest.

The Minister has suggested that those too far away to attend court could appear via video link. Wakefield court already has up-to-date technological facilities, including its own prison-to-court video service, which is important because the constituency has two prisons: Wakefield prison, which houses high-risk offenders, and New Hall women’s prison.

In evidence to the Public Accounts Committee last week, Natalie Ceeney, chief executive of Her Majesty’s Courts and Tribunals Service, said that she had negotiated with the Treasury during the spending review to ensure that proceeds from the sale of any court building can be reinvested in modernisation. However, the Ministry of Justice has yet to dispose of 15 closed courts from its 2010 closure programme, at a cost to the taxpayer of at least £40,000 a month to secure and maintain, with figures not available for three sites. The old Pontefract magistrates court has fallen into rack and ruin in the town centre, and I do not want the same to happen in Wakefield. We already have a derelict Crown court building, which the council had to compulsorily purchase and will have to spend money on to prevent it from falling down. Although the savings are made nationally, local people pick up the cost through antisocial behaviour and ensuring that derelict buildings are secure and properly maintained.

From the Secretary of State for Justice, we have had changes to legal aid, prison reform, which is welcome, and he has U-turned on a range of issues, but there have also been mistakes that have cost money. The legal aid contract is an example of an intervention in the market during the spending review to ensure that funds from the sale of any court building can be reinvested in modernisation. However, the Ministry of Justice has yet to dispose of 15 closed courts from its 2010 closure programme, at a cost to the taxpayer of at least £40,000 a month to secure and maintain, with figures not available for three sites. The old Pontefract magistrates court has fallen into rack and ruin in the town centre, and I do not want the same to happen in Wakefield. We already have a derelict Crown court building, which the council had to compulsorily purchase and will have to spend money on to prevent it from falling down. Although the savings are made nationally, local people pick up the cost through antisocial behaviour and ensuring that derelict buildings are secure and properly maintained.

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services, at what is an already stressful time for them. The closure of Stockport courthouse could have severely restricted access to justice and may have ended up being a false economy by simply shifting the operating costs to other areas.

Robert Neill: I am glad to hear my hon. Friend mention that Stockport court is not to be closed. That was particularly welcomed by members of our Committee, because it also houses a very successful problem-solving court, which has been recognised by the Lord Chief Justice and the Lord Chancellor as one area where we could do much more to combine jurisdictions and get a much more effective use of judicial capacity and better outcomes.

William Wragg: I thank my hon. Friend for that intervention. He raises an important point about the innovative work being carried out in the Stockport courthouse building, and I am grateful to him for drawing that to the House’s attention. The closure of the court would have left the town without a court and would have meant that my constituents would have had to travel to Manchester in the quest for justice. That would not only have seen them incurring additional expense, but it would have had potentially negative impacts on vulnerable people, and disabled people in particular. Any such closure could also increase the amount of defendants not turning up for hearings, thus wasting the resources of the court and meaning that more arrest warrants would be issued, with consequential impacts on police resources.

Moreover, from a local economic perspective, if the closure had gone ahead in its proposed form, all cases would have been heard in Manchester and there would have no longer have been a magistrates court between Chesterfield and Manchester. The Chesterfield and Stockport case was something my hon. Friend the Member for High Peak (Andrew Bingham) mentioned. In addition, the closure of the Stockport court would have had an impact on not only the employees of the courthouse, but local businesses, particularly those in the legal profession.

I understand that in the context of the wider pressures on public finances some savings have to be made somewhere, and I acknowledge that the Minister has a very unenviable task in the difficult decision he is facing. I also have sympathy for other local courts in surrounding areas, many of which can equally apply these same arguments. Other local communities have strong allegiances to their local courts, and I am particularly sorry to hear that the courts at Bury, Oldham and Trafford are earmarked for closure. However, I think there was a stronger case in Stockport’s favour, in particular, because it is one of the most heavily used courts in the area. The stated aim of the reforms to the HMCTS estate is to reduce surplus capacity by closing courts that are unused or underused, or that are simply unsuitable for the services that we now need to provide in them. During the 2014-15 financial year, Stockport magistrates court was utilised at approximately 54% of its capacity—that was the highest level of occupancy of any of the Greater Manchester courts. In addition, Stockport courthouse is a high-quality building, only recently having been refurbished in 2010. I therefore cannot see how the closure of Stockport magistrates court could reasonably have been deemed as a cost-saving exercise.

The Government announcement that Stockport court will now not be closed is good news for people living in Stockport and the surrounding areas, including my constituency. I made a submission to the Ministry of Justice as part of the consultation process, and also attended meetings with the Minister, along with my neighbouring MP, the hon. Member for Stockport (Ann Coffey), to whom I pay particular tribute for the amount of work that she did, and my hon. Friend the Member for Cheadle (Mary Robinson). I am pleased that we were able to take this cross-party approach and work co-operatively with one another. I am pleased that our arguments were listened to by the Government, in what I felt—I know others may disagree—was a genuine consultation exercise, particularly given the Minister’s intervention in that process.

In summary, I feel that Stockport courthouse should remain open, and I am pleased that my view has been vindicated. Such a decision is important in order to preserve the long-standing principle of local justice being administered by local people within the local area; to provide practical benefits for both the parties in legal cases and the court staff; and to ensure that the court can continue to contribute to the local community and economy. It is also important because the court currently provides a relatively high level of occupancy compared with that of many other courts in Greater Manchester and surrounding districts.

I further urge that the continued operation of Stockport courthouse be incorporated into whichever future model of local justice area structure for Greater Manchester the Ministry of Justice decides to pursue. Can the Minister shed any further light on that matter today? I also welcome the fact that, as part of this reform package, the Government are investing more than £700 million over the next four years to update the court and tribunal estate, installing modern IT systems and making the justice system more efficient and effective for modern users.

As I said earlier, I have sympathy for other local courts in surrounding areas and other areas around the country, and I am glad that many colleagues have been here today to stand up for their local courts. Perhaps somewhat cheekily, may I say that in a week characterised by a refreshingly open attitude on the part of the Government to showing their listening mode, I hope that the Minister will be able to hear some of the important pleas of other right hon. and hon. Members here this afternoon?

1.39 pm

Albert Owen (Ynys Môn) (Lab): I certainly agree with the last remark made by the hon. Member for Hazel Grove (William Wragg), and I hope that the Minister is in listening mode as we pursue this. I start by congratulating my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on the way in which she opened this important debate and on securing it—I helped her, along with some other colleagues. We were denied the chance to have this debate in February, when
the announcement about the courts was made on the last day by way of a written statement, so this is our first opportunity to do this.

I want to join the tributes that have been paid to the Minister who is not only a civil and decent man, but has been attentive to me and to the delegations that I have brought down from north Wales—delegations of solicitors and representatives from the citizens advice bureaux and other agencies. We speak with one voice on this, as it is an important issue that goes across the whole local community. I say those things of the Minister not just because he is a black belt in martial arts, but because he genuinely took the time to sit down with us and to go through the detail. Quite simply, the policy is wrong. The one-size-fits-all court closure programme is both crude and wrong, and it is against the principle of local justice, which is the cornerstone of the British justice system.

As my hon. Friend the Member for Wakefield (Mary Creagh) said, the programme is also against the Government’s policy of localism. The Government talk localism, but they seem to be centralising everything. I am talking about not just the courts in north Wales, but the tax offices, which have been moved from one place to another to be centralised in Cardiff. It is completely wrong to talk devolution but to start delivering centralisation, and we need to hold the Government to account on that.

I want to concentrate on the decision to close Holyhead and Llangefni courts and to move the business to Caernarfon, which is a great distance way. That decision was made simply to save costs. As I said when I intervened on the Chair of the Justice Committee, in the last Parliament there was a comprehensive review in which I made exactly the same representations that I have made this time. Those representations were upheld then because they were seen by the Department to be right, and nothing has changed. We were in a recession at the time and there needed to be cost savings, but the areas were deemed to be valuable to serving local justice. I make that point again, because this is all about cost savings, and those who are losing out are the local people and the poorest in society.

True to his word, the Minister wrote to me—I am sure that he did the same to many Members—and asked that senior officials from Her Majesty’s Court and Tribunals Service meet me to discuss technical arrangements for local alternative provision. I can tell the Minister that that meeting will take place just after Easter, and I will put a constructive argument to them, but it will be the same argument that I put in the last Parliament and the same argument that I have put this time, because it has broad support and it is right for my area, which is a peripheral area of Wales that has seen lots of closures in principal Government services. We need, and deserve, to have functional courts in those areas, and I will argue for that.

Holyhead is the biggest town in my constituency. It is on the periphery of the area and it is a major ports town. It has one of the busiest ports in the United Kingdom. In response to the court closure programme, it was confirmed that it was too difficult for court users in the area to make long journeys to a court. An alternative part-time court is being considered on Anglesey, but that is not good enough. Justice should be carried out not on an ad hoc part-time basis, but on a professional full-time basis.

The response goes on to say: “Where attendance at a hearing is needed other civic or public buildings could be used for hearings”.

Again, there will be costs to adapt such buildings. I understand that the current buildings have been run down, but the maintenance that has been carried out on them over the years will be wasted if they are just left.

The Chair of the Justice Select Committee mentioned utilisation rates. The rate for the buildings in Holyhead and Llangefni is between 20% and 31%, which is a very low figure, but I am aware that cases have already been moved from those courts to the main court in Caernarfon. There has been this movement by stealth of business away from certain courts with a view to closing them down in the future. As I have said, that has happened to other services in my area over the past three to four years, although I do accept that there have been closures over many, many years. Again, we had a recent review, which the Select Committee considered, but here we are again. What is next? If we have part-time courts, it will only be a matter of time before they are closed.

Let me turn now to digital connections and virtual courts. I am not a Luddite; I understand the need to modernise, but if things can be done in a proper manner, then they should be. It is simply silly to suggest that these virtual courts will replace other courts right across the country when the digital infrastructure is not in place. We need a coherent plan. I have been working with the Department for Culture, Media and Sport to improve mobile communications. I do understand that many people have nimby tendencies and do not want masts in their area, but we can work on that. There are many Government buildings in those areas in which mobile communications could be sited, so we need to work together to adopt a coherent plan for the future. I will meet officials to make the case for the retention of court provision in my area.

I talked about closing by stealth and about our having a major port. Clearly, there are issues to do with border control. The detention cells have moved from Holyhead port to Caernarfon, which is a great distance to travel and means that police time is being wasted. Private provision is often used, which is very, very costly, so it makes sense to keep the courts. Those courts were put there in the first place because they were strategically important, and that remains the case today.

I hope that the Minister is listening, and that he will give the go-ahead and the flexibility to those officials whom I am meeting. If no alternative provision is practical—for technical or other reasons—those courts should be retained, which means that we will still have local justice in the periphery areas of north-west Wales. The people of my area deserve that. The court system is the cornerstone of British justice, and we need to retain it. The people of north Wales speak with one voice on this matter.

1.46 pm

Kevin Foster (Torbay) (Con): It is a pleasure to follow the hon. Member for Ynys Môn (Albert Owen). I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing this debate. Given the
impact of this decision on Torquay. I was pleased that, as a member of the Backbench Business Committee, I was able to vote for this debate.

It will come as no surprise to the Minister that I was obviously disappointed with the decision to close Torquay magistrates court. He will be aware that the court has provided local justice for many years. Concerns were raised by the police and many others about the closure. As was mentioned in the opening speech, we are talking about not just people answering charges who will need to go elsewhere, but witnesses, victims and all the others who are associated with the cases that are heard before a local magistrates court.

For me, a magistrates court has always been about local people sitting in judgment on local crimes—they might be matters that irritate local communities. In Crown courts, more emphasis is placed on the law overall, as the offences tend to require sentences with a greater focus on deterrence. The judge will also be more concerned that precedents are correctly followed in terms of sentencing people for the crimes that they have committed.

I am a member of the Public Accounts Committee. Last week, when we were examining the value-for-money issue in the criminal justice system, we considered the long-term plan for the courts estate. What brings that into focus in my constituency is the money that was spent over the past few years on Torquay magistrates court, not least the £111,000 spent last year on installing new windows. I accepted the argument that people did not wish to prejudge a closure decision, but it is quite clear that we should have a long-term plan. Where a court might be one selected for closure, it is obvious that there needs to be some restrictions on the amount of money being spent on it. The court is a welcome facility, but to see £600,000 spent on it in the years before it is due to close is almost a criminal waste of cash. Although I accept that Torquay magistrates court is a good facility, we do need to have a long-term asset plan for our courts estate to ensure that the investment that is to go into the wider network is targeted at those buildings in the best way possible. We do not want to find ourselves in a year or two’s time debating buildings, which had investment as part of this programme, being proposed for closure as part of another programme. For me, there is a wider decision to be made than that to do with bricks, mortar and buildings. We must consider what type of cases are heard and in areas such as Torbay, which will now be without a magistrates court, what type of offences can be dealt with in alternative settings and locations.

For many offences tried in magistrates courts the prospect of custody is next to nil, short of the person treating the court with contempt, so I would like to see a long-term strategy for how to work with local authorities, particularly those with suitable buildings—council chambers or committee meetings rooms—that could be used for hearings in which there is no prospect of custody. That could be cases such as those who fail to pay for a TV licence. It would be far more sensible for those people not to make a long journey. The same argument might apply to cases that have been irritating to a local community, but where there is no prospect of custody. Such cases would benefit from being heard in that community rather than being shipped away.

There is an allied discussion to be had about what we send to courts. I remember from my time in charge of finance at a local authority that council tax is one of the few debts that is still enforced through the threat of imprisonment. I accept that it is almost unheard of for someone to be committed to prison for not paying their council tax, but the collection of that tax still goes through a magistrates court whereas every other debt that might be owed to a local authority, apart from business rates, will be collected via the county court system. I remember that we had to have two teams, one pursuing someone for a debt they owed on our commercial refuse collection service, for example, and the other pursuing them through the magistrates court for the collection of business rates.

The situation is obviously different when people wilfully set out to defraud the system. When they put a lie on a form or claim that they live on their own when they do not, that is clearly a matter of fraud that should be dealt with in the criminal courts. I urge the Government, in reforming our court process, to consider what type of cases are ending up in magistrates courts, particularly as regards the enforcement of council tax, which might be better dealt with in a county courts setting. In Torquay, that would mean people going to Torquay county court rather than setting off to a magistrates court to have an argument about a debt that, fundamentally, they have been unable to pay.

There is a need to focus on a long-term plan. I know that the Public Accounts Committee will shortly produce a report following our examination of the National Audit Office report into value for money in the criminal justice service. We need to consider the plan for the long-term future of our courts and the strategy for ensuring that some cases can still be decided locally. We need a commitment to that, not just an allusion to it, and a firm plan for areas where there will no longer be courts and where there is no alternative building in the vicinity.

We must also consider the magistracy. The news that Torquay magistrates court would disappear prompted a number of people who have sat on the bench for a long time to consider whether they would wish to travel to Plymouth to hear the large number of cases that will take place there. I would also be concerned, as I mentioned in an intervention earlier, that we might rapidly find that our magistrates are all drawn from areas in which courts survive, rather than being people from across the area, able to reflect the impact on the communities concerned.

On a slightly related point, we must also consider how we call people for jury service. Although Crown court cases are not held in Torbay, if we are reducing the number of potential Crown court locations, we could also be restricting the areas from which we can sensibly draw jurors. We must ensure that we have a balance. The jury is meant to reflect the people as a whole, and although we cannot do that on every jury, people should have an equal chance of being called up for jury service. They should not find that because they happen to live close to the sole Crown court their chances are higher, whereas those who live some distance away are not likely to be called at all because of the practicalities. It would be interesting to consider that in a long-term plan for our Courts Service.
Although it is disappointing to reflect on the closure of Torquay magistrates court, I hope that some of my points about planning for the long term will be taken up to ensure that large amounts of money are not spent on courts months before their proposed closure, and to ensure that we consider what goes before our courts, not just where cases are heard.

1.54 pm

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): I congratulate the hon. Member for Dulwich and West Norwood (Helen Hayes) on securing the debate and echo the comments of many colleagues today, especially those made by the hon. Member for Ynys Môn (Albert Owen). This is a particularly significant issue for Wales and for my constituents in what is a largely rural constituency. I want to put on record that I am the co-chair of the justice unions and family courts parliamentary group.

Wales is witnessing a gradual yet steep decline in access to justice. Fifteen courts were closed across Wales during the 2010 to 2015 Parliament, and since the 2015 election a further 14 have either closed or are under discussion today. The closure of Dolgellau magistrates court in my constituency, for example, means that cases will need to be transferred to Caernarfon or Aberystwyth. The issue of inadequate public transport in Wales is well documented, but Members will understand that a journey from Dolgellau to Caernarfon or out of county to Aberystwyth is not simply a matter of waiting for the next bus to turn up. Of course, who would not be concerned at the prospect of defendants and witnesses travelling to court together on the same bus, possibly for a matter of hours? For my constituents in Dwyfor Meirionnydd and many people across Wales, it would become impossible to reach any magistrates court for a 9.30 am start. Closures will also have a severe impact on journeys to work. Consideration must be given in these circumstances to staff who have caring responsibilities, or to those who are disabled, for whom continued employment could well become untenable.

The Government defend themselves by claiming that courts are underused, but I have been told by credible sources that court cases are being moved to skew the figures and justify closing some courts. If the justification is not the lack of demand, it is the need to save money, which will effectively result in the cost of providing justice being passed from the state on to the individual engaging with the justice system, whether as an offender, a witness or a victim.

In fact, such a transfer of burden is a long-running strategy for the UK Government. Most notable and, arguably, most controversial are the restrictions on legal aid. When Sir Hartley Shawcross opened the Second Reading debate on the Legal Aid and Advice Bill in December 1948, he said that it would “open the doors of the courts freely to all persons who may wish to avail themselves of British justice without regard to the question of their wealth or ability to pay.”—[Official Report, 15 December 1948; Vol. 459, c. 1221.]

Legal aid was meant to put an end to legal rights being luxuries beyond the reach of ordinary citizens. The UK Government’s restrictions roll back those important steps towards social justice. The new restrictions pass on the cost of justice from the state to the individual and, unfortunately, that means that many people simply cannot afford to access justice, whether their court is within geographical reach or not.

The closure of courts in rural Wales will also have a profound impact on a person’s ability to conduct their business through the medium of Welsh. The consequence of court closures and the reduced availability of legal aid, including the reduction in legal aid contracts awarded to local solicitors, will continue the trend of small independent legal firms becoming unavailable and subsequently being forced to relocate or close down altogether. In strong Welsh-speaking parts of Wales, that will make it impossible for residents to access legal services, obtain advice or legal counsel, or conduct their business in the language of their choice—which, I remind the House, is their right.

The Welsh language should be an essential consideration in deciding whether to close courts and I am pleased that the Government belatedly agreed to carry out their duty of completing a Welsh language impact assessment. However, Welsh speakers should not be forced to mount campaigns to ensure that these assessments, which the Government are legally required to carry out, are completed. I regret that it took so long for the Government to do that in this case, although I am glad that it has been done.

Returning to the issue of court access in rural areas, I have a background in teaching through video conferencing. I used to be the director in charge of teaching through video at Grwp Llandrillo Menai and we talked to a number of secondary schools throughout Wales. I have a particular interest, therefore, in efforts to increase access to justice through the use of technology, particularly video technology. Given the swathes of court closures and the particular problems they will cause in rural parts of Wales, allowing hearings to take place remotely might well be welcome.

Technology has great potential if its strengths and weaknesses are properly considered. I note, however, the eight conditions set out by Lord Leveson’s review of efficiency in criminal proceedings in January 2015. He considered those conditions to be prerequisites for remote hearings. The first seems obvious, but is in fact crucial: the equipment used and the audio and visual quality should be of a high standard. Given that the connectivity infrastructure in my constituency, along with that in vast swathes of rural Wales, is even poorer than the transport infrastructure, will the Minister outline what consideration is to be given to the quality and reliability of that infrastructure in those areas where courts are to be closed?

I hope especially that proper attention is given to Lord Leveson’s recommendation that a committee of criminal justice professionals be charged with identifying best practice for hearings conducted via video link, not only to maintain the gravitas of the court environment but, more importantly, to ensure that justice outcomes via communications technology are consistent with those in a conventional face-to-face environment. That is very important; one would be very concerned if the use of different means of communication produced inconsistency of results.

I recognise that there are general and serious concerns around the use of alternative buildings to ensure that access to justice is maintained, even if we may on occasion be able to use video technology. There are
particular concerns about the Lord Chief Justice’s suggestion that pubs and hotels could be used; proper consideration must be given to the nature of the issues being discussed and resolved. I am of the view that when concerns about suitability can be tackled, and if certain criteria can be met, the use of alternative public buildings should certainly be considered before the closure and removal of courts to distant locations.

In the case of Dolgellau, the Meirionnydd council chamber would require little adaptation, and offers such facilities as parking and translation equipment. It is also nearer the police station, whose cells are used for court purposes when necessary, than the present grade II-listed court building. I strongly urge the Minister to consider that alternative as a physical court location, rather than leave my constituency, which covers 843 square miles and includes eight sizeable towns, with no court facilities whatsoever.

I remind the Minister that since 2010 the UK Government have already closed 15 courts across Wales, and a further 14 courts are now to close their doors. I urge the Minister to listen to what is said today, and to reconsider the proposal to close these further courts, especially if we can find alternative sites in those areas where public transport militates against defendants, witnesses and victims’ travelling elsewhere with any sort of ease. I would strongly urge that alternative arrangements are made.

I will close by quoting Jeremy Bentham, who in 1795 said:

“The statesman who contributes to put justice out of reach...is an accessory after the fact to every crime”.

2.2 pm

Mr Iain Wright (Hartlepool) (Lab): I thank the Backbench Business Committee for agreeing to hold this important debate. We had a similar debate in September 2015, initiated by the hon. Member for Bath (Ben Howlett) and myself.

Hartlepool magistrates court and county court are scheduled for closure by the Government, which is why I wanted to raise the issue in September. That debate obviously fell on deaf ears, as Hartlepool remains scheduled for closure, as do 86 of the 91 magistrates courts that were identified. I mentioned in September that I had serious reservations about the proposals. Those reservations remain. My concerns are shared by the Law Society, which recommends that Hartlepool magistrates court and county court remain open.

There is nothing lacking in the facilities in Hartlepool. I understand that in other parts of the country magistrates courts have been earmarked for closure because they have failed to comply with the Equality Act 2010 or are lacking in security. Hartlepool has none of that. We have a prison video link, separate waiting facilities for prosecution and defence witnesses, and interview rooms.

The consultation document itself concedes that if the proposed closure goes ahead, reconfiguration of the hearing space at Teesside magistrates court, which is where the magistrates would go, would be required; and I do not know how much that would cost.

That brings me to an additional point—that of the costs that will be saved by the proposal to close Hartlepool. I understand that the consultation is being driven primarily by a desire to reduce costs. The Minister has said on many occasions that the courts estate costs around half a billion pounds a year, and that he wants to drive that down, but I question whether the closure of Hartlepool magistrates court will reduce costs at all.

There is a real lack of transparency on this matter. Hartlepool magistrates court and county court have operating costs of about £345,000 a year. The Minister has never been able to explain to me how savings will be made. I would imagine that a large proportion of those costs will be staff expenditure. Eight members of staff work at the magistrates court and seven full-time members work at Hartlepool county court. If there is going to be redundancy, which I imagine is the only way forward although it is still difficult to find out why, those are job losses that Hartlepool can ill afford.

It was announced last week that unemployment in Hartlepool increased in February, to 2,747 claimants. Although unemployment in the UK fell in the past year by 11%, the jobless rate in my constituency actually rose in the past 12 months, by 11.8%. Hartlepool is now the 11th worst-affected constituency in the entire country for unemployment. At a rate of 6.5%, it is over two and a half times the national rate. We simply cannot afford any more job losses, especially those that have been initiated by the Government.

Another reservation is about the building in which Hartlepool magistrates court and county court operate. It is not freehold. The Government cannot realise any value by selling off the building. The consultation document states that the Government want

“To maximise the capital receipts from surplus estate for reinvestment in HM Courts & Tribunals Service”.

That aim will not be met by closing Hartlepool down. It is a leasehold property with a significant number of years still to run. The building is owned by Hartlepool Borough Council. I asked the Minister this before, and I have never received an answer so I will ask him again: how much will it cost to break the lease? Is the Minister considering whole-of-government efficiencies rather than taking a silo-based approach in terms of what he has to achieve for his individual Ministry? Does he not think that he is transferring financial pressures from his own Department on to hard-pressed local government?

I mentioned in the September debate that the criteria by which the courts would be closed seem opaque. On 9 September 2015 I tabled a parliamentary question about the cost-per-case across magistrates courts in England and Wales, including those in Hartlepool and Teesside. That seemed to me to be a reasonable metric with which to evaluate relative efficiencies across different operating units—it is what business does all the time. But the answer I received from the Minister stated:

“The information is not available centrally and could only be provided at disproportionate cost.”

If that metric is not being used, what is? How can relative performance and effectiveness across the estate be evaluated in a consistent manner? I contend strongly that I do not think the closure of Hartlepool magistrates court will save the Government any money.

However, my central concern, which has been raised by several hon. Members throughout today’s debate, is that my constituents will be inconvenienced in their access to local justice. The consultation document “Proposal
on the provision of court and tribunal services in the North East region” said of Hartlepool that, “there are excellent road, rail and bus links.”

The person who wrote that has never been to my part of the world. It is absolutely ludicrous to suggest that. Public transport in Teesside is appalling. Somebody from Hartlepool required to be at Teesside magistrates court for an early morning hearing and without access to a car would struggle to make it. The proportion of Hartlepool residents who have access to a car is 41%—more or less half the UK average of 81%. Victims, understandably, need a period of calm before having the stress of giving evidence, and they will be inconvenienced. I asked the Minister in September and I will ask him again: is this what the Government really want—to make justice and access to justice more stressful and inconvenient for innocent victims? Justice is not served by making victims travel longer distances.

The consultation document itself concedes that, at the present time, 99% of those accessing Hartlepool magistrates court can be there by public transport within 60 minutes. After the closure, scheduled to take place in January 2017, 91% will take between one and two hours. That fails directly the Government’s intention of ensuring that people would not have to face longer journeys, and it is one of the key reasons why the Law Society is opposed to the closures of the courts in Hartlepool.

Finally, I want to raise another point on Government policy, taking an holistic view of law and order and security. Police staff and officers at Cleveland police fell from 2,628 in March 2010 to 1,634 in September 2015—almost 38%. Total crime reported to Cleveland police in the past year has gone up by 22%, and in Hartlepool, offences of the type on which cases would be seen by the magistrates have risen sharply. Year on year, violence without injury has gone up by 46.7% in the Hartlepool area; non-domestic theft has risen by 10.9%; shoplifting by 19.5% and personal robbery has gone up in the past year by 63.6%.

That will put enormous strain on the whole judicial system. I ask the Minister again to reconsider the proposed closure of Hartlepool magistrates court, in keeping with the holistic view of good local law and order. Please think again. Please think about the representations made by me, my constituents and the Law Society, and ensure that Hartlepool magistrates court and county court can remain open.

2.10 pm

Holly Lynch (Halifax) (Lab): I thank my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) for her hard work in securing this important debate today.

Halifax is unusual in that two courts are closing in my constituency as part of the changes. Both Calderdale magistrates court and Halifax county court and family court, currently in two different buildings, will be closed and the majority of the workload transferred to Bradford. Anyone who has seen the recent BBC series “Happy Valley”, which is set in my constituency, may be forgiven for thinking that there is surely enough criminal activity in Halifax to keep two courts busy processing criminals around the clock, perhaps even with enough demand to open a Crown court, owing to the severity and frequency of the criminal activity that takes place there. I am pleased and relieved to inform hon. Members that “Happy Valley”, albeit thoroughly gripping television, is not an accurate portrayal of law and order across Calderdale.

Back in the real world, and perhaps unlike other constituencies, we were prepared to work with the Government on the closure of one of our courts. We recognised that efficiency savings could be made, and in a move predominantly led by the local magistrates bench—I thank them for their detailed analysis and work on the proposals—we actively campaigned for a merging of the courts in a way that would deliver a cost saving to the Government while maintaining access to local justice. However, the announcement last month—delivered in a written statement, as a number of my colleagues have pointed out, on the last day before a recess—that both courts would close revealed that the Government’s ambition for savings would not accommodate this proposal.

Like most MPs, fighting injustice is largely what motivates me to do this job, and I would argue that British values and our standing in the world are entwined with our fair and accessible justice system, which has paved the way for so many others around the world. We never know when we might be a victim of crime or witness a crime. We live in hope that we never have a family breakdown so serious that we require guidance from the family courts. Injustice takes many forms and the two courts in my patch play an essential role, not only in righting wrongs, but in resolving all manner of often difficult and sensitive disputes.

The arguments about access to justice and the merits of this have been well rehearsed over the course of the consultation and throughout the debate, so I will focus on challenges to the Government, which I hope the Minister will recognise in his winding-up remarks. The closure of 86 courts and tribunals has been packaged not as closures at all but as a means of facilitating a justice revolution, driven by technology that will make justice more accessible than ever before.

The Government have committed to spend £700 million over five years to modernise and fully digitise the courts. However, a written question to the Minister tabled on 7 December and answered on 29 February revealed that £1.35 million was spent on delivering the digitisation programme in courts whose closure has subsequently been announced. Although the response outlined that the vast majority of this expenditure was in reusable hardware assets which could be reallocated to other sites, representatives from the courts in Halifax tell me that thousands of pounds will have been wasted in costs associated with the installation and custom cabling in buildings soon to be closed. Is the £700 million figure quoted a new fund that will mitigate the access gap created by the court closures, or does this figure include money already spent as part of the digitisation programme in courts that we now know will be closed?

To echo the sentiments expressed in the Chamber, I was grateful for the opportunity to meet the Minister in person to present the case for merging the courts, and I know that he met separately representatives from the magistrates bench in Calderdale. It was not clear to me what services the Government would provide in the roll-out of this technological revolution in justice, and
what responsibilities might fall to local authorities and even law firms working privately to bridge the access gap.

Our local authorities are cash-strapped, particularly in Calderdale where the devastating Boxing day floods, combined with other pressures, have placed an unprecedented burden on the budget, and I would be concerned if the Government were expecting local authorities to play a role in part-financing some of the changes that might be required. I would be even more concerned if the Government were expecting the private sector to step in and introduce the technology required to mitigate the closure of the courts, in a way which will inevitably introduce a postcode lottery to accessing justice. We have heard from colleagues about challenges linked to mobile coverage and broadband cover, which would inevitably contribute to the postcode lottery. I would be grateful if the Minister could clarify what role he expects local authorities and the private sector to play in the digitisation process.

I want to outline the impact that the closures will have on the local economy, as other Members have identified. The two courts in Halifax are located at the top end of the town centre and are surrounded by a number of law firms in what could be described as the legal quarter. Like Wakefield, we have a post office due for closure in the same part of town. Back in October, I sent a letter to the Secretary of State signed by 13 representatives of law firms which, by no coincidence, are situated in close proximity to the courts. Those law firms, paying rates, employing highly educated professionals and paying good wages in my constituency, are now considering their futures in Halifax. Several are considering following the workload to Bradford and although I accept that there will still be clients in Halifax, will there be enough to keep all those jobs there? I reiterate once more that there is not as much work for lawyers in Halifax as “Happy Valley” might suggest.

With the court buildings empty, the potential for a number of surrounding offices to be empty as a result would not be at all healthy for that area of the town centre and would place quite a burden on the local authority in terms of regeneration. Ultimately, like many of my colleagues across the Chamber, I am worried about how this will impact on those who are regular attenders at the courts. Far from those being exclusively repeat offenders, staff from social housing provider Pennine and representatives of the local authority—Calderdale council, Calderdale women’s centre, police officers and youth offending services—are just some of the predominantly public services and charity organisations which stand to be inconvenienced by the closures. Let us be clear. When I say “inconvenienced”, that means extended journey times, and therefore more costly journeys, and potentially extended periods out of the office dealing with court appearances or formalities. Inconvenience is a cost, and when we are dealing with public services, it is a cost ultimately picked up by the taxpayer.

I am looking for assurances from the Minister that the justice revolution is real and deliverable in the appropriate timeframe and that the funding is available. I am looking for clarity on what wastage there has already been in delivering the digitisation programme. I want to know that consideration will be given to assisting local authorities in managing the closure of the courts and any resulting impact that this will have on town centres and on the businesses that rely on their proximity to the courts. Finally, I seek an assurance that the Department for Justice is genuinely delivering a cost saving to the taxpayer with these closures, not just a saving to the Department—that it has not just passed some of the cost to local authorities, some to the Home Office and some to social housing providers and charities, and that the Department’s ambition to achieve savings has not compromised what is sensible and practical in our world-renowned justice system.

2.18 pm

Neil Coyle (Bermondsey and Old Southwark) (Lab): I thank the Backbench Business Committee for providing time for this debate. In particular, I thank my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) for securing it and opening the debate so skilfully and eloquently. We share a concern about Lambeth county court, which covers many of our constituents.

The hon. Member for Bromley and Chislehurst (Robert Neill) spoke about how busy his court was in Bromley, and showed how busy he was by receiving a call here. Lambeth court, too, is busy. When I appeared at the court—as a witness, I hasten to add—to speak for leaseholders against Southwark council, that morning alone there were about 22 individual cases involving residents and the council. It is an incredibly busy court, which is why local legal professionals approached me and other Members about the Government’s assessment of how the court was being used. Their concerns related to both the time that that assessment took place and the consideration of preparation for cases.

When this topic was discussed in Westminster Hall, these issues were not answered fully. It would be useful if the Minister could confirm whether alternative facilities have the capacity to provide the necessary preparation time and space. It is deeply unfortunate that in a debate about justice, the Government have not provided sufficient evidence to justify their course of action.

One aspect that has not been discussed today concerns law students. London South Bank University approached me to ask whether the Government are even considering assessing the impact on law students, the additional costs they will incur and the additional travel they will have to undertake to attend cases. Can the Minister tell us whether such an assessment will be conducted?

The issue of travel has been raised many times. The Government figure showing that 97% of people affected can be at a different court within an hour has been significantly challenged by Resolution and by Members today. That figure is not for travel from home, and it would be much more useful if the Government could provide an assessment of average journey times from home to court. I hope the Minister will commit today to provide such an assessment.

The 97% figure is also undermined in communities such as mine. In the borough of Southwark, only 50% of households actually own a car. The policy of controlled parking zones also affects many residents. People are therefore either unable to own a car or have only limited access to one.
In looking at the issue on behalf of individual constituents, I looked at journey times for constituents in Rotherhithe. It would take some of them four hours to go from Rotherhithe to Putney if they needed to appear there, and that would include six different bus journeys. I hope we have a new Mayor in May who will freeze fares and introduce the one-hour ticket, but my constituents still face potentially higher costs. Those costs and the inconvenience involved in travelling will affect court attendance, and they could affect the number of cancelled cases and appeals. We have not seen a full assessment of those issues.

Nor have we seen a full assessment of the potential knock-on costs for the police, who are transporting witnesses further, or to the probation service and the Prison Service, which are transporting defendants further. I believe it was the Law Society that raised the case of jurors claiming higher costs for their car use and the cost of public transport. Assessments of those issues have not been made available to the level we would expect. We have also heard about the additional costs to councils’ housing and social services offices.

Instead of the Department providing the evidence base and undertaking assessments, huge assumptions have been made about the willingness of councils and police stations to make space available to provide the video link facilities that the Minister has mentioned previously. Where is the evidence base to show that those things will happen and that the equipment will be available and useable? My hon. Friends the Members for Ynys Môn (Albert Owen) and for Bridgend (Mrs Moon) talked about rural access to broadband services, but the issue is equally relevant to Rotherhithe, where BT has not provided the capacity to meet local demand. It would be useful if the Government could indicate today that they will look at that issue.

Without the demonstrable capacity to deliver the justice we know is needed, it seems that the Ministry of Justice is rushing into these proposals and passing the buck to other parts of the public sector and to individuals—individuals who have experienced crime or misfortune, and who are now being served another layer of injustice.

I am certainly not opposed to the modernisation agenda, but without the full assessments and commitments I have outlined, it is a very risky agenda. It is vital that the Government provide those assessments before they push ahead with their agenda.

2.22 pm

Mr Kevan Jones (North Durham) (Lab): May I begin by congratulating my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) on securing the debate? The general tone has been that no one is opposed to change, and that is where I start from. Like any other public service, the justice system and the magistrates system need to change. However, as my hon. Friend the Member for Wakefield (Mary Creagh) said, the root cause of the proposals, whether we like it or not, is the attempt to save money and the small-state conservatism that the Chancellor of the Exchequer longs for. That has made the system throw up some very peculiar examples of injustice. We also have ludicrous situations such as the one the hon. Member for Torbay (Kevin Foster) mentioned, where substantial investment was made in a magistrates court a year or so ago, only for it to be written off now.

The hon. Member for High Peak (Andrew Bingham) said the consultation was clearly flawed, and I agree. The assumption that was made was clearly that these courts would close and that people could travel to the courts that remained open. What was not taken into consideration was the people who do not have access to cars. In my constituency, people use the magistrates court in Consett, and they were told in the public consultation that took place in the north-east that if they had to travel to Peterlee court—as they will now have to—they could go by train. Well, that would be a very circuitous route, seeing as there is no train station in Peterlee. Even if someone took another form of public transport, they would have to set off at something like 7 o’clock in the morning to get there by 9.30, and that depends on public transport being available. That also fails to recognise the rural nature of my constituency and that of my hon. Friend the Member for North West Durham (Pat Glass). That has been the main flaw in the proposals.

Having spoken to the Minister, I recognise that he is committed to change, although he has a sword hanging over his head in terms of cutting costs. Like the hon. Member for High Peak, I made representations to the Minister—about the proposals for North Durham. My constituents will now have to travel to Peterlee magistrates court, which will take them more than two hours on public transport, if it is possible to use it. The constituents of my hon. Friend the Member for North West Durham will find things even more difficult. I suggested to the Minister that it would make more sense for my constituents to travel to Newcastle or Gateshead—it would certainly be a lot quicker to get from Chester-le-Street, in my constituency, for example, to Gateshead or Newcastle magistrates court. I am also told by the local head of the Crown Prosecution Service that there is spare capacity in those two courts.

I wrote to the Minister on 25 February, and I was very disappointed this morning when I got his letter, which said that my proposal was not possible and that my constituents would still have to travel to Peterlee. That makes no sense whatever, when people can get from Chester-le-Street to Newcastle in 10 minutes on the train, as opposed to the nearly two hours it takes to get to Peterlee. I would therefore ask the Minister to look again at those proposals. I accept that the problem people have is that they will have to cross county boundaries, but my proposals will make things a lot easier for many of my constituents.

A number of Members have raised the fundamental problem with the cost-driven nature of the proposals. Access to justice is a serious issue for the magistrates service and for the dedicated individuals who give up their time to serve as magistrates. Justice is supposed to be dispensed locally, but that will not be the case in future, when people will have to travel long distances.

As I say, I am not opposed to new technology; indeed, having spent quite a lot of time recently in court—I have been doing a fellowship with the Industry and Parliament Trust—I have spoken to the professionals, and they are not opposed to change. However, one thing they keep telling me is that there is a shortage of cash in the system. If we are going to achieve the
situation I think the Minister wants to, with local video conferencing and other buildings being used, some up-front money will have to be put into the system. Otherwise, we will just settle into a situation where the cuts have been made and we keep the courts we still have—and that will be it. That would be a mistake, because in terms of dispensing local justice—the hon. Member for Torbay raised this point and it is a good one—we need to look at what goes to magistrates courts. If we are talking simply about non-violent offences and people not being sentenced to prison, their cases can be dealt with in other settings, but the cash has to be there.

My experience of visiting the Courts Service throughout the country over the last few weeks as part of my fellowship with the Industry and Parliament Trust has been that there is not the cash up front to do what would make sense to support the professionals and, more importantly, our constituents. Constituents will want access to justice not only if they have to go before a court, but, as my hon. Friend the Member for Wakefield rightly argued—this is sometimes forgotten in the system—if they are a victim. They need to be able to see that justice is being done, and if obstacles are put in their way, such as those relating to access to travel to a magistrates court, that will be a problem for them.

I ask the Minister to take a step back before making any commitments. If he is going to implement the other proposals, which I think he genuinely wants to do, there needs to be a timetable. Will he look again at the proposals for North Durham? It makes no sense whatsoever for people to have to travel for two hours to Peterlee to access justice, when they can travel to Newcastle in 10 minutes. I do not think that the people who drew up this consultation looked at the local geography, and I think they assumed that everyone had access to a car. Not everyone in my rural constituency has access to a car, and public transport is intermittent. If that puts an obstacle in the way of them getting justice, I have to say that, in a modern and rich society such as ours, that is a scandal.

Christina Rees (Neath) (Lab): May I thank my hon. Friend the Member for Dulwich and West Norwood (Helen Hayes) and the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) for bringing this important matter before the House? I also thank every other Member who has spoken today.

My hon. Friend the Member for Bridgend (Mrs Moon) spoke passionately about the closure of the magistrates and civil courts in Bridgend after thousands of pounds had been spent recently on the building. My hon. Friend the Member for Wakefield (Mary Creagh) spoke of the Government’s many U-turns on justice policies, including the scrapping of two-tier contracts, costing the Ministry of Justice more than £400,000.

My hon. Friend the Member for Ynys Môn (Albert Owen) told the House that the Under-Secretary of State for Justice, the hon. Member for North West Cambridgeshire (Mr Varą) is a black belt in martial arts. I am a fourth dan black belt in judo, but that is a story for another day.

My hon. Friend the Member for Hartlepool (Mr Wright) spoke of the very good facilities in magistrates courts and that their closure will not save money. My hon. Friend the Member for Halifax (Holly Lynch) spoke of the massive impact on her constituents. My hon. Friend the Member for North Durham (Mr Jones) noted that the consultation mentioned travel by train but that there is no train station in Peterlee. My hon. Friend the Member for Bermondsey and Old Southwark (Neil Coyle) raised an issue that has not been raised before, namely the impact of court closures on law students.

The hon. Member for High Peak (Andrew Bingham) spoke about the closures in his area. The Chair of the Justice Committee, the hon. Member for Bromley and Chislehurst (Robert Neill), brought his vast experience to the debate, and his mobile phone made an intervention at a crucial time. The hon. Member for Torbay (Kevin Foster) was disappointed about the closure of his local magistrates court and said that we needed a long-term plan. The hon. Member for Hazel Grove (William Wragg) spoke of his campaign to keep the Stockport court open. There have also been many excellent interventions.

Everyone who has spoken has set out comprehensively and eloquently the issues at stake and the importance of access to local justice. Labour absolutely recognises that savings have to be made in these difficult economic times. Only this week, we heard the Chancellor say how he has failed to meet his own economic targets, which he set, and that further savings therefore needed to be found. We disagree profoundly, however, as to how those savings should and could be made, and we vehemently argue that across-the-board cuts to vital local services are unfair and, indeed, unjust.

The latest court closures, which affect a fifth of the court estate, come on top of ongoing cuts in the sector. If they are not implemented fairly, they will lead increasingly to the creation of a two-tier justice system and seriously hamper access to justice, particularly for the most vulnerable in our society.

The current proposals are based on a flawed consultation process, and a flawed process begets flawed results. Indeed, the Minister apologised for those many errors. However, that does call into question the basis for the 86 listed courts that are currently being considered for closure.

The announcement on those potential closures was made on the last day before the February recess, making today’s debate all the more important in order to ensure proper parliamentary scrutiny. One of the criteria for the court closures consultation was court utilisation, which on the face of it seems a reasonable criterion. However, we must also bear in mind that fewer hearings are taking place because of broader cuts in this sector; cuts to legal aid and increased court fees mean that fewer people have recourse to justice, which is not the right result. There is also a shortage of staff and judges. Since 2010, the Courts and Tribunals Service has been cut by 5,000 staff, and it is set to lose a further 5,000 to 6,000 by 2020.

The Public and Commercial Services Union, whose members include those working in Her Majesty’s Courts and Tribunals Service, the Crown Prosecution Service and the private sector delivered guard service, has stated:
“High utilisation rates can only be achieved by listing several lengthy contested matters in the same court on the basis that they will not all be effective. If all the hearings are effective and one or more cases have to be delayed it adds distress and inconvenience for the parties and witnesses involved.

Lack of available court time for listing cases, often due to a shortage of staff, causes cases to be adjourned for long periods. Many courts already struggle to list family multi-day cases due to both lack of court rooms and lack of staff. This often means cancelling trial courts. A reduction in the available court rooms will lead to further delay.”

The PCS report on the court closures consultation finds that the figures used overestimate the maximum amount of time for which the court can be used. For example, it notes that, according to Government assessments, North Avon magistrates court has a maximum utilisation of 1,240 days, whereas staff working there put the figure at 992 days.

In many instances, as hon. Members have said today, the travel times resulting from many of the court closures will cause unacceptable inconvenience for their constituents. The Government contend that most people will still be able to reach court within a one-hour car journey. It has been said on a number of occasions, most recently by the Law Society, that the methodology used to calculate travel times was not transparent or independently verified. The travel times given in the consultation paper represent the “best case scenario”.

I know from my own experience that, since Neath magistrates court closed in May 2014, my constituents have had to travel to Swansea, denying them access to local justice in their own community. Constituents, magistrates and local solicitors working in the area suggest that the closure of the local court has had a negative impact locally. Several areas of my constituency are far removed from the courts that are now expected to use in Swansea. Public transport options are severely limited and operate infrequently. Their travel times far exceed the so-called one-hour travel time limit, and it is possible that opposing sides, victims, witnesses and perpetrators, will sit on the same bus or train.

The Neath civil and family court is on the list of proposed closures. That will mean that my constituents will have to travel to Port Talbot, joining people who will have been moved from the Bridgend civil and family court, which my hon. Friend the Member for Bridgend mentioned. I have visited the court in Port Talbot and question whether that centre can bear the increased workflow and whether the facilities will be sufficient for their purposes. Moreover, the journey from Glyneath to Port Talbot takes one hour and 35 minutes, with one bus change, and that from Banwen to Port Talbot takes one hour and 44 minutes, with a change of bus and added walking time on either side, without allowing for heavy traffic problems.

Those on low incomes often have to choose between buying necessities or the cost of travel to court, causing hardship at what is already a stressful time. The closures have caused great inconvenience to many people in Neath who may find themselves victims of spurious allegations or charged unnecessarily. Victims of domestic abuse, for example, will have to travel further to seek emergency protection at a critical time, when any delays could lead directly to further and serious harm.

In addition to affecting those of our constituents who are forced to travel further afield, the closures will mean redundancies and lost jobs, and I know that, in many constituencies such as mine across the UK, every job is much needed. Even if jobs are retained, the additional travelling times will mean higher costs for staff to travel to work. It will have a particular impact on staff with caring responsibilities and staff with disabilities. The consultation did not adequately address that aspect of the closures.

The court closures will have broader implications. In Neath, now that the magistrates court is closed, the police are forced to travel all the way to Swansea to get warrants, which uses up valuable time that could be spent on the beat. I am sure that that is the case in many other areas, and those issues should be addressed in the light of future closures. I have spoken to many who work in and alongside our justice system, and I hear time and again of a perfect storm of pressure on our courts and tribunal system.

An increase in litigants in person means more time and follow-up work for the courts. At the same time, cuts have been made to the number of administrators and clerks in the Court Service. Now we are looking at a raft of court closures. The consequences are frustrating for users and for those who work in the courts. Increased waiting time outside courts and uncertainty about when cases will be heard are particularly problematic for those who are reliant on public transport, for parties who are distressed—that includes vulnerable people—and for those who have young children waiting with them.

Lack of availability of court time leads to delays in proceedings. For example, at Edmonton county court, a transfer of tenancy application in a domestic abuse and financial remedies case, which should normally last half a day, waited seven and a half months for listing for the final hearing. With larger volumes of cases at fewer court centres, the buildings come under pressure. It is not unusual for advocates to have to discuss highly confidential and sometimes highly distressing matters sitting on the floor of a corridor or in a stairwell because conference rooms are full. Let us not forget the impact on jurors, who were not included in the list of affected groups in the impact assessment.

On many occasions in this House, we have heard how the wonders of technology will transform the judicial service and make the need for proximity to court buildings a thing of the past. I am not one to stand in the way of progress, but we simply have not had, to date, a sufficient—or indeed any—explanation of how a judicial system fit for the 21st century and beyond will function. We have simply been told by the Minister about the use of video conferencing. It is quite possible that the most vulnerable in society, who are most in need of support—those who do not own a car and are reliant on public transport to travel to court—do not have reliable, secure and private internet access. Many of my constituents in Neath, like those of so many of the hon. Members who have heard from today, simply do not own a computer or smartphone. They have no internet access at home, and our local libraries seem to be closing because of local authority cuts. We need a real explanation of how that practice will work. How will vulnerable victims and witnesses be kept safe and secure during online or remote proceedings? Giving evidence can be a traumatic experience, and proper support needs to considered. We are also due a proper explanation of the costs involved.

I recently met staff from the personal support unit, who provide advice and guidance for court users and help to translate the specific language and procedures in
the court service into lay terms. Staff at the unit said that it is far more about in-person support, compassion and sympathy. At a difficult time when they feel vulnerable, victims and accused need reassurance and guidance most of all, and those cannot be provided via teleconference.

The Government’s case for the closures is underpinned by untested digital processes. According to the PCS union, the national roll-out of several digital products has been delayed because they were not fit for purpose.

Valerie Vaz: Does my hon. Friend agree that the IT system is a failure? How could the Minister possibly assert that it is a good replacement for the reductions in the court estate?

Christina Rees: My hon. Friend makes an important point.

I want to refer to the e-form that was used to calculate individuals’ financial assets in divorce cases. A fault in that online form caused a lot of trouble. It was corrected by the Minister, but e-forms were involved in almost 36,000 cases during the affected period. The Minister regretted the error and said that application to vary or set aside would not attract fees, but those involved would not be able to access legal advice on those complex issues through legal aid.

The client and cost management system is due to come into compulsory use from 1 April 2016. Over the past two weeks Resolution, the family law group, said that many legal aid firms cannot access the system, or that they get thrown out when they submit the form. The system is not fit for purpose, and its introduction should be delayed.

An online court has been proposed for claims of up to £25,000. Individuals would have no access to legal advice for such claims, even though they might be up against big organisations with their own legal teams. That would be a major disadvantage. The proposal needs to be rigorously tested, piloted and evaluated.

What happens in the event of technological failures or unreliable technology? Those would, undoubtedly, further delay proceedings rather than expediting them, which would add to the stress of victims and witnesses. The Law Society acknowledges the aim of increasing the use of technology, but it recommended during the consultation process that it would be prudent to modernise courts with new technology, assess how that is working and then consider savings, rather than the other way around. I wholeheartedly agree.

I welcome the Government’s desire to harness technology positively and efficiently, but we need to hear much more about the plans. Surely, the systems should be tested and piloted before many of the slated closures go ahead. Perhaps the Minister will take the opportunity to explain in more detail what his thinking is and how the system will work for those who wish or need to access justice. Once again, I must stress that it should not, and cannot, lead to the creation of haves and have-nots.

Finally, I wish to highlight the last round of closures and talk about the use of buildings after the closures. Many of the courts that are slated to close, or were recently closed, have better facilities than the alternatives that people will be forced to travel to. I have raised questions about the proceeds of sale of those buildings, and about the ongoing costs of their maintenance and upkeep in the event that they are not sold or rented for other community purposes. Such buildings tend to be prominently and conveniently located in town centres. If they are left to fall into rack and ruin, they can have a negative effect on a town centre.

The Ministry of Justice is still paying to secure and maintain 15 of the courts that were closed in 2010, and they are costing the taxpayer more than £40,000 a month to secure and maintain. The most expensive upkeep is for the former magistrates court in Alton, which costs almost £10,000 a month. The facilities that existed in Alton have not been replicated at the court that received the work. In some instances, the buildings are not suitable for any use other than as a court.

In conclusion, it is an unavoidable fact that savings in the court system need to be identified, as colleagues have said. One of the central tenets of our common law system is the local delivery of local justice, with access to justice for all. Any court closures must absolutely minimise the negative impact on access to justice for all our citizens.
the way the courts and tribunals operate to reduce inefficiencies, and to open up new ways for the public to access justice.

The Government are supporting this reform with very significant investment. Investment of £700 million over the next four years will transform the experience of everyone who comes into contact with courts and tribunals. We will provide new services and deliver better, more joined-up ways of working across the justice system. These reforms will increase access to justice by making it swifter, easier to use and more efficient.

I appreciate that some hon. Members have concerns about the consultation exercise we conducted. I have apologised at the Dispatch Box for errors that have occurred in some of the individual courts concerned. However, I assure the House that, although there have been some inaccuracies, the final decisions were taken on the basis of correct information and after consideration of all the well over 2,100 submissions that were made.

Mr Andrew Tyrie (Chichester) (Con): I am very grateful to the Minister for giving way, particularly as I was unable, owing to other parliamentary business, to be in the Chamber for much of the debate, for which I apologise. I do not like having to intervene in this way on so kindly a Minister. Frankly, however, the closures, particularly for Chichester, are not a policy, but a negation of a policy. Everyone understands the need for financial stringency, but no economic rationale for these closures has been provided, despite repeated requests. Until such a rationale is provided, people will continue to be deeply concerned about the closures. Chichester’s court use is above the national average, and the travel times analysis is seriously flawed. Is the Minister now prepared at least to reconsider the closures, for which no economic case at all has been provided?

Mr Vara: I hope that I will get some injury time in view of that intervention, Mr Deputy Speaker.

Mr Andrew Tyrie: On the basis of correct information and after consideration of all the well over 2,100 submissions that were made, we will not close the court until suitable local alternative provision is in place. Work is under way to determine the specific provision to be provided at each of those locations, and to evaluate a number of options for holding hearings away from traditional court buildings. I expect further testing to take place over the coming months.

Neil Coyle: Will the Minister clarify whether what he has just said is accurate? He seems to indicate that all the cases that were to be heard in Putney instead of Lambeth county court will now be held in Camberwell, but that is not the impression delivered previously. How much of the £700 million budget being made available will go to police or council facilities to ensure that a video link is possible?

Mr Vara: This four-year reform programme is worth more than £700 million, and the intention is to ensure that we have one of the best justice systems in the world. I will not give the hon. Gentleman details now about the precise minutiae and breakdown of a four-year programme involving so much money.

Neil Coyle: You do not know it.

Mr Vara: The hon. Gentleman chunterers away from a sedentary position, but if he had a little experience of business, he would know that in a four-year programme with such a huge sum of money involved, the figures might not be as precise as he would like them to be at the initial stage.

An important aspect of testing and evaluation will be to ensure that any hearings held outside a traditional court offer appropriate levels of security for members of the public, the judiciary, and court staff. Travel time was mentioned by a number of people, and there must be a fundamental recognition that far fewer people will have to travel to courts in the first place. We intend to use modern technology, and video conferencing facilities are already available. The hon. Member for Neath asked whether those have been tested in any way, but we already have such facilities—for example, there is a community centre in Wales that is used to give evidence.

We already have alternative places to use as courts, and employment tribunal cases have been conducted on oil rigs in the North sea. Only yesterday, a lawyer colleague of ours who joined the House after the election last year told me about probation cases that she had been involved in that were held in public houses.

Mr Vara: There comes a point when we have to start taking decisions and agree to disagree. This whole programme started before last year’s summer recess, and we had a lengthy consultation period. I have had numerous debates and met more people in the House than I can remember. There has been a huge dialogue, but there must be some recognition that we have listened and made changes in a huge number of cases. That may not be the case in the hon. Gentleman’s constituency, but I am afraid we must agree to disagree.
My hon. Friend the Member for High Peak (Andrew Bingham) raised concerns about the effectiveness of the administration process that will see this programme through. I will be keeping a sharp eye on proceedings, and if he has any concerns about his local area, I will be more than happy to try to arrange a meeting with senior people at local level, so that he has the comfort he wants.

The hon. Member for Bridgend (Mrs Moon) spoke of the wonderful work that magistrates do in our courts. I can only echo those comments and say that many magistrates recognise the need for reform.

My hon. Friend the Member for Bromley and Chislehurst (Robert Neill) spoke about the very useful work of the Justice Committee and brought his own expertise to the House. He also questioned the reliability of the IT projects we will be undertaking. I emphasise that we are taking a staged approach. We will not be putting all our eggs in one basket and we are bringing in expert advice from outside to assist us.

Robert Neill: Will the Minister also deal with the question I raised about what happened to the 10 courts closed under the previous programme that remain unsold? If he does not have that information to hand today, will he at least write and place it in the Library?

Mr Vara: What I can say is that the 10 has now been reduced to nine, and there are offers in place for some of the remaining courts. Others have had genuine difficulties because of joint occupation with other parties. We hope to transfer the remaining courts to the Homes and Communities Agency, which is dealt with by the Department for Communities and Local Government.

The hon. Member for Wakefield (Mary Creagh) spoke about her personal experience. I was sorry, as I am sure were other colleagues, to hear about the assault that had taken place on her. I very much take on board the points she makes about domestic violence. I emphasise that we are improving the system by which witnesses and victims give evidence. At the moment, they have to go to court and go through a terrifying experience. With a video conferencing facility, they can go to a place that is closer to their home and in much more pleasant surroundings, rather than the awesome and austere environment of a court.

I am grateful to my hon. Friend the Member for Hazel Grove (William Wragg) for his comments confirming that this has been a genuine consultation. The hon. Member for Ynys Môn (Albert Owen) made a very powerful speech, raising an important point about digital infrastructure. I take on board what he says. We will certainly be making sure that the infrastructure is in place to support the court reform programme.

My hon. Friend the Member for Torbay (Kevin Foster) spoke about low-level offences, such as TV licence offences. He sought assurances that perhaps they could be dealt with in courts that are closer to the area. Our thinking is that such low-level offences can probably be dealt with online where people plead guilty, which is the majority of cases.

The hon. Member for Dwyfor Meirionnydd gave a very powerful speech, raising concerns about access to justice. I assure her that we are very mindful of rural areas and want to make sure we get this right. My constituency has a rural element to it, so I know where she is coming from.

Liz Saville Roberts: The Minister mentioned alternative arrangements for eight courts. Can he provide more detail on that?

Mr Vara: The hon. Lady will forgive me if I do not provide detail on the provisions for eight separate courts at the Dispatch Box now, as time is pressing. I am happy to write to her later in more detail and I will certainly do that.

The hon. Member for Hartlepool (Mr Wright), a very good friend of mine, made a passionate speech. He wanted an assurance that justice would not become more stressful. As I said in relation to the comments made by the hon. Member for Wakefield, we hope the experience will be a lot better for people. We hope they will not have to travel as far and that modern technology will assist them in giving evidence in a closer and more convenient location.

The hon. Member for Halifax (Holly Lynch) made a heartfelt speech, in which she referred to technology. I assure her we will deal with the £700 million in a very careful way and make sure we get it right.

The hon. Member for Bermondsey and Old Southwark (Neil Coyle) raised concerns, in particular in relation to his local court. He has been passionate in defending his local court, but the consultation received only three responses about it from his local community. I give him credit for wanting to keep the court open, but the fact that there were three responses speaks for itself. I am pleased that the hon. Member for North Durham (Mr Jones) welcomed the need for reform, and I take on board what he said, but we will have to agree to disagree, as I said.

In conclusion, I thank all hon. Members, particularly the two who secured this debate. This is a major undertaking by the MOJ, and we will do our best to ensure we have a fit-for-purpose justice system. Mr Deputy Speaker, I wish you, hon. Members, the Clerks and, most importantly, all the people who ensure that this place continues to operate, especially the security services, a happy Easter.

Helen Hayes: I thank every Member who has contributed to this debate. The level of concern about the decision to close 86 courts and tribunals is clear.

We have heard from across the Chamber concerns about the physical accessibility of courts as a consequence of the closures and about serious problems with the assumptions about the use of digital technology, especially in areas with poor broadband. Several hon. Members spoke about sensible and creative alternative proposals that were more responsive to local geography and demographics but which were rejected. We also heard about the overreliance on travel by private car and the flawed travel-time data underpinning the decision and about the interrelationship with other public sector cuts. How can police stations provide video links, when in my area so many have closed that the remaining ones are bursting at the seams? We have heard about many hidden impacts from the decision, including on the micro-economy of town and city centres.

3.5 pm

Helen Hayes: I thank every Member who has contributed to this debate. The level of concern about the decision to close 86 courts and tribunals is clear.

We have heard from across the Chamber concerns about the physical accessibility of courts as a consequence of the closures and about serious problems with the assumptions about the use of digital technology, especially in areas with poor broadband. Several hon. Members spoke about sensible and creative alternative proposals that were more responsive to local geography and demographics but which were rejected. We also heard about the overreliance on travel by private car and the flawed travel-time data underpinning the decision and about the interrelationship with other public sector cuts. How can police stations provide video links, when in my area so many have closed that the remaining ones are bursting at the seams? We have heard about many hidden impacts from the decision, including on the micro-economy of town and city centres.
I brought this debate before the House because I was concerned that the decision to close 86 courts and tribunals without a coherent, joined-up plan for ensuring access to justice would impact most on the most vulnerable victims, witnesses and defendants, would bring additional costs to several other areas of the public sector and would have a serious impact on the efficiency and effectiveness of our justice system. I am grateful to the Minister for his response, but I urge him to rethink these proposals and come back to the House with a comprehensive plan that addresses the many concerns raised.

Question put and agreed to.

Resolved,

That this House acknowledges the need for some underused courts and tribunals to close; notes the detrimental effect that too many court closures will have on access to justice for vulnerable families and individuals particularly in rural areas where public transport is less reliable; further notes with concern the effect these closures will have on the experienced and dedicated staff working in the 86 courts and tribunals; and calls on the Government to acknowledge the concerns of staff, magistrates and third sector organisations who highlighted numerous flaws in the consultation document, to think again on some of these closures and acknowledge the importance of access to local justice.

Easter Adjournment

3.7 pm

Bob Blackman (Harrow East) (Con): I beg to move, That this House has considered matters to be raised before the forthcoming adjournment.

I am introducing this debate on behalf of the Chairman of the Backbench Business Committee, who sends his apologies; he has been called away on urgent constituency business.

First, may I put on the record the sad death today of Johan Cruyff, one of the most brilliant footballers I have had the pleasure of watching and one who will be ever remembered for the Cruyff turn?

This is the time of the festival of Purim, which, as Jewish Members will know, commemorates the delivery of the Jewish people from the Persian Haman, who attempted the first genocide against the Jews but failed. This week was also the anniversary of Hitler’s rise to power in Germany, where he inflicted the holocaust on the Jewish population and the world. We will forever remember those evil atrocities in Germany.

On a brighter note, today is the second day of the festival of Holi, the festival of colours, when we commemorate Lord Krishna dancing, playing and throwing colours around, and the delivery of Prahlad from the fire and from his wicked aunt Holika. I wish Hindus, Sikhs and Jains everywhere a very happy Holi. If I may, I will recite the key words spoken during Holi: “Bura na mano”.

I will now talk about some of the issues I want to raise in the debate. The Government have done a lot of work, but there is much more to do. Locally, I come back to the absolute requirement for a lift to be installed at Stanmore station. I hope that the right hon. Member for Leicester East (Keith Vaz), who is a Stanmore resident, will concur on this desperate need. This has been going on for more than 10 years. Residents face the north face of the Eiger when they arrive home at Stanmore station in having to climb 39 steep steps—yes, it is the “Thirty Nine Steps”! Transport for London calls this step-free access. This has been going on ever since the former Mayor of London deleted the lift from the budget. I trust that whoever is elected Mayor of London on 5 May will deliver for us a lift at Stanmore, which is desperately needed.

Equally, Stanmore faces another challenge in that Hertfordshire County Council wishes to cancel its subsidy for the 142 and 207 bus routes, yet these services are a key requirement for people travelling between Watford, Brent Cross and elsewhere. I trust that Hertfordshire County Council will see the justice of allowing a subsidy to enable its residents to travel to these areas, which is vital. Without that, key bus services to Watford will be dramatically reduced.

In the Budget we heard the welcome announcement that Crossrail 2 is getting the go-ahead. I trust that Crossrail 2 will listen to the key business case that we have put for an extension to Harrow and Wealdstone station as part of the massive Crossrail 2 redevelopment, which is welcomed across London.

I shall continue to agitate on the redevelopment of the Royal National Orthopaedic hospital in Stanmore. This is a brilliant hospital whose medical professionals perform such brilliant work in incredibly and outrageously bad conditions.
Mims Davies (Eastleigh) (Con): Does my hon. Friend know that Stanmore’s Radio Brockley won the hospital station of the year award? It is a fantastic place, where I started out on my career in journalism, and it indeed needs a lot of support.

Mr Deputy Speaker (Mr Lindsay Hoyle): That is great news, but could not the hon. Lady have saved that point for her speech? I am bothered about time at the moment.

Bob Blackman: I shall take your admonishment, Mr Deputy Speaker.

Mr Deputy Speaker: I want to give everyone equal time.

Bob Blackman: Absolutely.

We are on the cusp of the hospital’s redevelopment. We require the trust development authority to sign off the business case, and work will start on the orthopaedic hospital immediately, with the demolition of existing buildings, the building of a brand-new hospital, with a private hospital alongside it, and the creation of 300 new homes, which are desperately needed in Harrow. This is clearly being held up by NHS bureaucracy. The Chancellor granted the money back in 2010, yet we still await the start of the project.

On housing, my Harrow constituency has seen some 400 new starts, while there have been 560 new home completions in the last year alone, bringing new homes for my constituents. I am delighted that in the autumn spending review, the amount of money spent on housing is being more than doubled, which is something we should applaud.

Locally, we have heard some good news about schools. Park High School, St Bernadette’s, Canons High School and the Krishna Avanti school will all receive additional funding for massive improvements—almost complete rebuilding in some cases. There is also the Aylward school, which is in desperate need of new facilities. We have also had the go-ahead, thanks to this Government’s enlightened view, of Hujjat Primary School, which will be the first Muslim state-aided school, certainly in my constituency, and I strongly support it. Avanti House School will be the first state-aided Hindu school for secondary-aged children in the country. This is something of which we can be proud. It is being delivered in our multicultural society, and we are providing parents with the choice of education that they want for their children.

There is bad news, however. Harrow council has introduced the garden tax as part of its savings proposals. It is charging the princely sum of £75 for the service of collecting garden waste, and collecting it only once every three weeks. That is the highest charge in London. It is a scandal, because it is a monopoly service. So far, virtually no one has registered to use the service, but it is due to start on 1 April. What an appropriate date on which to launch such a foolish scheme. At the same time, fly-tipping and littering is a disaster. In Harrow, we are seeing fly-tipping all over the place.

Mike Freer (Finchley and Golders Green) (Con): Shocking.

Bob Blackman: It is indeed shocking. The council should get its act together and clean up Harrow for the benefit of everyone—although its failure to do so would make it even easier for the incoming Conservative administration of 2018 to deliver.

There is, however, some further good news, which concerns Bentley Priory Museum. Bentley Priory is the site from which RAF Fighter Command delivered victory in the second world war, at the Battle of Britain. The Chancellor has given us £1 million for an education centre on the site, so that children and young people—and those who are not so young—can come and see for themselves what happened during the Battle of Britain, and how close we came to defeat. The fact that the few delivered victory for us is a tremendous thing, and we must ensure that people, young and old, understand and remember how close it was.

An issue that I have raised in the House on numerous occasions is the plight of the disabled when it comes to securing blue badges for parking in Harrow. Every day I learn that someone who is clearly disabled, and unable to walk any reasonable distance, has been prevented from obtaining a disabled parking permit. That strikes me as outrageous, and as a problem that we must overcome.

I want to make just one or two more points before I sit down and give the floor to others.

Mike Freer: Hear, hear.

Bob Blackman: I am more used to barracking from the other side. However, my hon. Friend is the Minister’s Parliamentary Private Secretary.

During the Budget debate, I raised the plight of the Equitable Life policyholders. It is to the eternal credit of the Chancellor and his team that we honoured our election promise in 2010, and delivered a scheme to compensate the victims of that scandal. However, there are still some very vulnerable people—the pre-1992 trapped annuitants—who have received only a small fraction of the money that is due to them in comparison with the loss that they suffered. I believe that we owe a debt of honour to those people, and that we should honour that debt by delivering 100% compensation to them.

Moreover, nearly a million people in other categories have not received full compensation, and I believe that they are also owed a debt of honour. We need to ensure that more money is provided so that those people can lead a proper life in retirement, because they had saved for their retirement and, through no fault of their own but as a result of a scandal, were then deprived of a reasonable income. The all-party parliamentary group for justice for equitable life policyholders now has more than 200 members, and we will continue to battle until such time as the Chancellor sees fit to let us have some more money for those people who are due compensation.

Another all-party parliamentary group of which I am a member, the all-party parliamentary group on primary care and public health, recently released a key report about the signposting of people in the NHS. Far too often, people who are ill arrive in accident and emergency departments when they should be seeing someone in the primary care sector, such as a GP or a nurse. We must do more to ensure that that happens.
I want to raise another health-related matter, namely stopping smoking. I warmly welcome the Chancellor's decision to continue to increase the tobacco tax by 2% above inflation, with a 3% increase in the rate for hand-rolling tobacco. That is a good move, and it should continue. However, I think we should go further. Given that the Chancellor has now talked about a sugar tax to drive behaviour, let us have a tobacco tax to do the same. By increasing the tax on tobacco by just 1p per cigarette, we would deliver £500 million a year that could be invested in smoking cessation services.

This year, I had the honour of paying my first visit to India. My visit to Jammu and Kashmir cemented my view that that country, and above all the people of Jammu and Kashmir, should be reunited as part of India. They should have the right to be integrated, and the Pakistani forces should leave Pakistani-occupied Kashmir. I also had the opportunity to visit the world cultural festival. We talk about the brilliant work that was done at the Olympics, but I saw at first hand the festival's 165,000 participants dancing and performing. Nearly 2.5 million people attended. We talk about the grand schemes that we organise, but just imagine what it would be like to put a festival like that together.

Melanie Onn (Great Grimsby) (Lab): It sounds like the Hull city of culture.

Bob Blackman: It was indeed deeply cultural.

Mr Deputy Speaker, I wish you and all the staff of the House a very happy Easter. I trust that you will have the chance to take a break. I just want to mention one more thing that I am concerned about. On Easter eggs now, we never see the word “Easter”. They are just chocolate eggs. The “Easter” has been taken away. It is time that we restored the “Easter” to Easter eggs.

Several hon. Members rose—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I must now introduce a 10-minute limit on Back-Bench speeches.

3.21 pm

Keith Vaz (Leicester East) (Lab): It is a huge pleasure to follow the hon. Member for Harrow East (Bob Blackman), who is a great champion of the ethnic minority communities. He has managed to mention every festival that has occurred in every community, and he has even spoken Hindi in the House. I am surprised that it has taken him so long to get to India, knowing his huge friendship with the Hindu and Indian communities. I agree with what he said about Stanmore station, although it is actually quite good for me, as someone with type 2 diabetes, to climb those 39 steps at the end of every day.

As the hon. Gentleman is here, may I also ask him to take up the issue of the traffic on Brockley Hill? We will not wait for the Minister's response, but the traffic there is getting very fast. We miss having the hon. Member for Finchley and Golders Green (Mike Freer) as the leader of Barnet Council, because I know that if he had still been there, he would have sorted this out. I hope that he will have a word with the hon. Member for Hendon (Dr Offord) to see what can be done to reduce the traffic flow on that road.

The hon. Member for Harrow East mentioned anniversaries and festivals. I have a very sad anniversary to report to the House. Saturday 26 March will mark the first anniversary of the conflict in Yemen. Of course, Yemen has been the subject of conflict for many years, but it is only recently that that conflict has turned into something of a civil war. The hon. Member for Glenrothes (Peter Grant) secured a debate on this subject only yesterday in Westminster Hall, and I commend him and others who have raised the matter in the House.

Since the start of the conflict a year ago, 8,800 civilians have been killed or injured and at this moment 3 million children are out of school. Access to medication in besieged areas such as Taiz has become virtually impossible. I am pleased to note that the UN-sponsored peace talks have been rescheduled for 18 April in Kuwait. The talks resumed some time ago before being adjourned. They can succeed only with the strong support of the United Kingdom Government, and I urge the Deputy Leader of the House to pass on the hope of all of us who care about Yemen that the Government will give their full support to what is happening there.

Yesterday, the all-party parliamentary group on Yemen, which I have the privilege of chairing, heard about the problems still occurring in the country from Médecins sans Frontières, Amnesty International, and several freelance journalists. The situation is a catastrophe, and it is important that we work hard to resolve the conflict. I commend the other members of the APPG who attended the meeting: the hon. Member for Portsmouth South (Mrs Drummond) and my hon. Friend the Member for Walsall South (Valerie Vaz), both of whom were, like myself, born in Yemen, the hon. Members for Charnwood (Edward Argar), for Glenrothes (Peter Grant), for Glasgow Central (Alison Thewliss), for East Worthing and Shoreham (Tim Loughton), my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg), my right hon. Friend the Member for Leeds Central (Hilary Benn) and Baroness Uddin. All of them took time out of their busy days to attend the meeting at which we heard these terrible updates.

The Budget has been the subject of controversy in the House, but I liked one particular aspect of it: the introduction of the sugar tax. Easter is not a good time to talk about not having too much sugar and not eating too many chocolates, but I congratulate the Chancellor on taking the brave decision to introduce the sugar tax, and the Public Health Minister, the hon. Member for Battersea (Jane Ellison), and the diabetes tsar Jonathan Valabhji on what they have done. We should not wait two years for the tax to be imposed; Government Departments can act swiftly now. Simon Stevens, the chief executive of NHS England, decided in February this year to impose his own 20% sugar tax across the NHS in England. The hon. Member for Uxbridge and South Ruislip (Boris Johnson), before funding the lift that the hon. Member for Harrow East (Bob Blackman) wants so much, has imposed his own sugar tax in City Hall. We need to do this rapidly and we could even do it in the House. When we get to the counter in the Tea Room to pay for the bananas and apples that I am sure we all buy, do we have to be confronted by Club biscuits and Coca-Cola in the fridge? Let us make an effort to ensure that Members are not seduced by those who would rather allow us to have products full of sugar.
This week, the Government announced their national diabetes prevention programme, on which 100,000 people will be offered places to prevent them from developing type 2 diabetes. I am extremely pleased that the east midlands has been selected and that one of the areas will be in my constituency of Leicester East. I am concerned, however, by the recent decision of the local health authority and the clinical commissioning group to move the DAFNE services from the Leicester Diabetes Centre to a private pharmaceutical company to ensure that type 2 diabetics get support. Such services ought to be provided by those who invented the schemes. DESMOND was invented in Leicester and has been rolled out across the country. The DAFNE scheme, which is specific to type 1 diabetes, is now under pressure. I will certainly be raising DAFNE and DESMOND when we get back after the recess. They are essential to ensure proper services for those of us who are diabetic and to those of us who want to ensure that diabetes is kept under control.

I thank the Deputy Leader of the House for mentioning the Tiffin cup when she spoke earlier today. The hon. Member for Southend West (Sir David Amess) is one of its great champions. I think he has nominated somewhere every year since the cup has been in existence—I am sure for reasons involving low-fat food. I hope that Members will get their nominations in over the Easter holidays.

I echo what the hon. Member for Harrow East said about Johan Cruyff, who was a great footballer. I want to end by mentioning my football team and the momentous season of Leicester City football club, which has led the premier league since before Christmas. Leicester City is a bastion of multiculturalism. It is owned by a Thai, Vichai Srivaddhanaprabha. We have an Irish chief executive in Susan Whelan and an Italian manager in Claudio Ranieri. We also have players from all over the globe: Riyad Mahrez from Algeria, Kasper Schmeichel, who is the great Dane, Robert Huth from Germany, Ngolo Kante from France, Shinji Okazaki from Japan, Marcin Wasilewski from Poland, Jeff Schlupp of Ghana, Ulloa from Argentina, and our own Vardy and Morgan. We have lots of home-grown players, too.

It is marvellous to see a team like Leicester City, which I have supported for all the 29 years I have been a Member of Parliament, not far from your constituency in North East Derbyshire, Madam Deputy Speaker, breaking the monopoly of the big four. The sports agent Charlie Stillitano argued for a closed European champions system, saying that only the big four should be able to get to the Champions League every year. What Leicester City has shown, whatever the results at the end of the day—obviously, I hope we will go on to lift the premier league trophy—is the importance of having teams like Leicester being able to compete at the highest level, and indeed being at the head of the English premier league, the greatest football league in the world. With seven games left, we are five points ahead, and so I look forward to a very interesting two weeks. I hope that even for those whose team is Spurs or Arsenal and they want them to win the league—

Sir David Amess (Southend West) (Con): And West Ham.

Keith Vaz: Or West Ham. I hope that these people make Leicester their second choice—it almost sounds like an election. If we win that trophy, it will be a huge boost for all those who feel that the dream can really be lived.
State for Culture, Media and Sport visited Southend recently, when he saw the wonderful work of Metal—we have the first digital exhibition in a local park. We have also seen the opening of our wonderful new library, The Forum, and had the opening of a branch of the National Jazz Archive, a project headed by the wonderful local jazz musician Digby Fairweather. I also attended wonderful concerts by Southend Vox, Southend Festival Chorus and the Southend Youth Orchestra. I urge all colleagues in the House to head to Southend next year and they will receive a royal welcome.

The Chairman of Ways and Means was the winner last year of the first responsible pet ownership competition. In fact, he had about a dozen pets there, including a parrot and a huge tortoise. The second event, which I hope as many colleagues as possible will attend, will take place in July on the green by Victoria Tower. Pets should never be acquired as a fashion accessory, and breeders should do more to make buyers aware of the duty of care to their pets, including microchipping and neutering.

I had the honour of sponsoring salt awareness week, which sort of ties in with sugar. I was shocked to discover that many of our staple products, such as bread, cornflakes, tinned tomato soup and Cheddar cheese, contain high levels of salt. Under the Food Standards Agency and the Consensus Action on Salt and Health, the UK led the world in salt reduction and prevented unnecessary deaths. That excellent work now needs to be reinvigorated by the Department of Health, and we need to look again at setting up an independent agency to regulate the amount of salt that manufacturers add to their foods.

Recently, I met representatives from Safer Medicines, an independent group, which aims to change the way that medicines are tested, so that they are safer for patients. It is an absolutely excellent idea. It wishes to end the testing of medicines on animals not necessarily because of animal cruelty issues—although that is a very serious concern—but because animal testing cannot predict safe medicines for humans.

Let me turn now to meningitis. Recently, in my constituency, the head girl of a local school tragically died at the age of 17. I do not know how her family can cope with that tragedy. Vital work is being carried out by the Meningitis Research Foundation and Meningitis Now. I understand that 800,000 people recently signed a petition, calling for the meningitis B vaccine to be given to all children up to the age of 11, and there will be a debate on that in this place on 25 April.

Recently, I held two health summits in Southend, bringing together all the health providers. My feeling is that those providers are not necessarily working that well together. Certainly, senior management in one or two areas needs to do far better than it is doing at the moment. I hope that, from the health summits, the quality of patient care and the delivery of health services in Southend can improve. We need all local healthcare providers and the local authority to work more closely together on that work, as was shown by the Mid and South Essex Success Regime.

I raised the matter of fuel poverty this morning, and I did a 30 second appearance on “Panorama” this week. I piloted the Warm Homes and Energy Conservation Bill through the House some 15 years ago, so it is a bit disappointing that fuel poverty has still not been eliminated. I urge Ministers to do everything they can to change that situation.

Like all Members, I have some wonderful local companies in my constituency. Planet Leasing, an independent vehicle brokerage company, has been trading for nearly 10 years and now employs 25 staff across four branches. I recently visited its newly refurbished offices, which is an indication of its confidence in future growth. The company has received an Employer of the Year award and an apprenticeship award for the work that it has done with local young people. I also attended the opening of a new office for Peglers Removals, a family business, and celebrated 40 years in business for the company. Just the Job. I am absolutely delighted that, in one popular measure in the Budget, the Government changed the business rate on small outlets. That will certainly make a huge difference to those firms.

I am also the chairman of the all-party group for the Philippines and was able this week to meet a wonderful woman called Luz Bador, founder of the National Rural Women's Coalition. She was instrumental in playing a key role in responding to the terrible disaster in the Philippines. The Government have done an excellent job on that and I urge full support for the world humanitarian summit coming up in Istanbul this May.

I am delighted that Chase High School, Westcliff High School for Girls and Eastwood Academy are getting lots of money.

I end by joining everyone, I presume, in celebrating the Queen's 90th birthday next year. We had a president from 1997 to 2010—well, for 10 years anyway—and it was not a great success. The Queen is absolutely fantastic and I congratulate one of our colleagues whose idea it was, I think, to have the Clean for the Queen project. My local councillor, Meg Davidson, led a group in doing that last week. The Queen set an example to each and every one of us when she made that broadcast saying that however long her life was, she would do everything she could for our nation.

I wish you, Madam Deputy Speaker, and everyone else a very happy Easter.

3.41 pm

Mr Mark Williams (Ceredigion) (LD): I thank the Backbench Business Committee for securing this debate, particularly the hon. Member for Harrow East (Bob Blackman). I am especially grateful that this is a general debate, if only because we did not hear at Christmas the canter around Southend West and elsewhere from the hon. Member for Southend West (Sir David Amess), of whom I am reminded almost every week when I cross my constituency and pass the Cross Esplanade post office, run by his excellent cousin, Ms Janice Pocock. The hon. Gentleman spoke on many issues, but I am going to speak about just one, an issue of concern to me and to
one particular constituent of mine, Mr Michael Affonso. It concerns his dealings with the UK Border Agency and my dealings, on his behalf, with the Home Office. It is a personal, unresolved story and I shall use my time to tell it.

Mr Affonso was born in Tanzania, has lived in this country for more than 30 years, is married to a British national and has had protracted concerns over the status of his citizenship, which are, as yet, not satisfactorily resolved. I believe there are other cases of British nationals with spouses from overseas who have been seeking British citizenship for many years and perhaps do not fit into the conventional mould of immigration cases.

Michael Affonso was born in Dar es Salaam in Tanzania in 1969. Not long after his birth, he was taken in by a lady who brought him up as her own child and he lived happily with her and her family for the first 15 years of his life in the foothills of Mount Kilimanjaro. In 1984, his biological mother visited him, their relationship was rekindled and they came to Britain. She was married to a British citizen. Michael remembers his arrival in the UK and being questioned by Border Agency officials at the airport. He then moved to Kettering and was established with his biological mother’s family and with her new husband, though the adoption by his new stepfather seems never to have taken place.

Despite the challenges of moving to a new country he settled in, but around 1986 problems emerged in the family and through no fault of his own he was taken into care under Northamptonshire social services. He recalls telling the court at the time that he wanted to return to Tanzania to be with the lady he saw as his real mother, but the court said that as he had never been legally adopted he had to stay in the country of his biological mother—that is, this country—despite being removed from her care.

Michael then spent some time at a children’s home in Kettering and was subsequently sent to foster care. At the age of 18 he moved out and spent several years living independently, starting college, gaining an NVQ in painting and decorating, and living in that area for many years. Some years later, the lady who had brought him up in Tanzania moved to the UK and settled in Wales, where he moved, settling in the village of Llanwnnen in my constituency. By 2008 he had met his future wife Sian, and they set up home together in Aberarth, also in the Ceredigion constituency.

The troubles arose when the couple decided to get married. As Michael had entered the UK from Tanzania as a minor, he held no official paperwork himself. He recalled a birth certificate and a Tanzanian passport, but while living in Kettering, many years before the move to Wales, a fire at his flat had destroyed any paperwork, including his passport. Sian and Michael were unable to get married without proof of his nationality, and that is where I first became involved in his case.

We struggled to find any information from anywhere—any official documentation about Michael’s life. We made inquiries of Nottinghamshire social services to find out whether anything had been done, or not done, about citizenship under their care. We spoke to the Tanzanian embassy to inquire about his passport. We used various freedom of information requests, but kept hitting brick wall after brick wall. There is little, if any, information about Michael. There was an account of his being taken into care in Northamptonshire, but no information as to the date or where he was sent. That lack of information was subsequently acknowledged by the Home Office.

It seemed as if the couple’s aspiration for marriage would not be realised, but rules did mercifully change, with an EU ruling that made it against one’s human rights to be denied a marriage, so in October 2011 the couple were married. All seemed well. Life settled down in the village of Aberarth; the couple bought a home. Michael became heavily involved in our community—a very much valued member of the community, now an elected community councillor. Indeed he is, I would suggest, the identikit community activist.

Michael pursued a change of career and became manager of the British Red Cross shop, first in Cardigan, then in Aberaeron and then Carmarthen. At that point problems emerged as, not unreasonably, he started to get requests from the human resources department to prove his eligibility to work within the UK—something he had not come across in all the previous years. As a non-British citizen, he requires a biometric residence card. He contacted the Home Office and was told that he needed proof that he had resided in the UK with no lengthy times away. Of course, he had not been away because he had no passport, although for someone who was unaware of that stipulation it was very difficult to prove. However, we had some successes in finding some information from the health board in Northamptonshire and my local health board, the Hywel Dda health board, in Ceredigion, and Michael had been assiduous in keeping records—P45s and P60s.

Michael then set about the process of application for a no time limit application. The couple paid to go to a premium service centre, the nearest one being in Cardiff, on 5 November 2014, having spent £104 on the form and a further £400 for the privilege of a priority centre meeting. The couple really thought they were on the cusp of securing British citizenship for Michael. Despite the gathering of what documentation they had, including at long last a notice of care proceedings when he had been removed from his biological mother’s care, they were told that because he himself had no passport, although for someone who was unaware of that stipulation it was very difficult to prove. However, we had some successes in finding some information from the health board in Northamptonshire and my local health board, the Hywel Dda health board, in Ceredigion, and Michael had been assiduous in keeping records—P45s and P60s.

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This man has paid national insurance contributions and tax for 30 years. He has been entitled to jobseeker’s allowance in the past. He is now denied an automatic right to benefit unless special circumstances emerge. I have to say that Mr Affonso feels incredibly let down by this state of affairs and it has taken a serious toll on his health, compounded by the fact that despite being seriously ill and so unable to work, his biometric residency card states that he has no automatic recourse to public funds. The Home Office to date has been reluctant to look into this matter in great depth and seems intent on sticking by its original decision that Mr Affonso may have to wait until 2024 to achieve full citizenship.

Much of the debate on immigration these days is, not unreasonably, about people needing to come to this country. We have all worked on many such cases in our constituencies, but this case is different. It is about an injustice that has been perpetrated against someone who is already here and who, through no fault of his own, has faced many challenges. He came here as a minor, and the various agencies that were charged with his care did not address the issue of citizenship. He is a highly valued member of the community and now in adulthood he is trying to right a wrong, and aspires to do the right thing, but has faced a real problem in trying to trace his own identity.

The letter I had from the Immigration Minister last year said:

“I am sure you will understand that it is not possible”
to agree to indefinite leave to remain for somebody who does not hold the necessary documentation. The Minister refused to meet me to discuss the matter further. I understand what the Minister said and I think it represents a great injustice.

In this case the lack of documentation has not been the responsibility of my constituent, the aggrieved individual. I implore the Deputy Leader of the House, on my behalf and on behalf of Mr Affonso, to pursue this matter with the Home Office and to ask it to look again at this case, not just at the issue of the recourse to public funds in the case of illness, but at Mr Affonso’s right to remain in the United Kingdom.

3.51 pm

Martin Vickers (Cleethorpes) (Con): It is a pleasure to follow the hon. Member for Ceredigion (Mr Williams), who outlines a case typical of many that all of us face and typical of the bureaucratic complexities that we all have to deal with.

The right hon. Member for Leicester East (Keith Vaz), who is no longer in his place, referred to Leicester City and the team’s good fortune this year. As someone who has always had a soft spot for Arsenal among the premier league teams, I am somewhat reluctant to praise Leicester, but as Arsenal is almost certainly not going to get the top spot, like most people I want to see Leicester triumph. That gives me an opportunity to talk about the triumphs of Grimsby Town. The hon. Member for Great Grimsby (Melanie Onn) is nodding. Last Saturday the team secured a place at Wembley in the final of the FA Trophy, when yet again the players will march towards what were the twin towers. We hope for victory.

Grimsby Town—not that Members need reminding—play in Cleethorpes, which is in the headlines yet again. We have even more culture than Southend. We are the premier resort of the east coast. Cleethorpes pier has just been named as pier of the year. It is worth putting on record our congratulations to Bryan Huxford and his team at the pier, who have just carried out a multimillion-pound restoration, which has been a great addition to the resort. It secured some resources from the regional growth fund, so we have all made a contribution to the renewal of Cleethorpes pier. We can compare the recent multimillion-pound investment with the £8,000 that it cost to construct the pier, which opened in 1873.

The main part of my contribution is, yet again, about transport connections in northern Lincolnshire, highlighting a recent report produced jointly by the Department for Transport and Transport for the North. It is entitled “The Northern Powerhouse: One Agenda, One Economy, One North”. The problem is that it does not seem to refer to northern Lincolnshire.

I have been a great supporter of the northern powerhouse initiative. Ministers have repeatedly emphasised that northern Lincolnshire and the Humber estuary are very much a part of that. In particular, the Humber is referred to as the energy estuary and it is important to the economy. As we are reminded time and again, in order to maximise local economies, good transport connections are needed.

Devolution is fine, and I have been a great advocate of it—particularly the Greater Lincolnshire deal that has been secured recently—but the problem is that, although the Government have many ideals, they are reliant, as those ideals cascade through the system, on organisations such as Transport for the North, local authorities and health trusts, which may have slightly different priorities.

The foreword to the report, which is jointly signed by the Secretary of State for Transport and Richard Leese, the chairman of the Transport for the North partnership, states:

“Creating the ‘Northern Powerhouse’ of economic growth, driven by a flourishing private sector and supported by innovative local government requires us to harness and unify the people power of our city regions and the wider North... The North has many centres of excellence increasingly recognised on the global stage”.

The report goes on to list those, beginning with Liverpool and ending with the Tees Valley, but there is no mention of Lincolnshire.

When Sir David Higgins took up his post as chairman of HS2, he said that “there is huge untapped potential for much more trade and commerce across the Pennines”.

We hear repeatedly about trans-Pennine connections that emphasise the northern trans-Pennine route, but my constituency, in northern Lincolnshire, depends on the southern trans-Pennine route. We are served—on the whole, reasonably well—by TransPennine Express, although the word “express” is used loosely, I think, since it takes three and a half hours to get from Cleethorpes to Manchester. Covering the 50 miles from Cleethorpes to Doncaster—as the hon. Member for Great Grimsby and I have to every week to get our connection to King’s Cross—takes one and a quarter hours, which, in 2016, is quite a long time.

The report says that transforming city-to-city rail connectivity east to west, as well as north to south, is one of the main aims of Government policy and of
Transport for the North. However, to maximise that connectivity, we need much better rail connections. I have campaigned repeatedly for a direct service between Grimsby, Cleethorpes and London King’s Cross. An application to run such a service has been with the rail regulator for two years now; but—I talked of bureaucracy earlier—does it really take two years to assess whether it is viable? I realise that the problem facing the rail regulator is that open-access operators such as Alliance Rail, which made the application, have to show that they are creating new business, rather than taking business away from the main franchise holders, but I urge the rail regulator to come to a speedy conclusion. Even if it is negative, we can then move on and renew the campaign through a different route.

Road connections fare slightly better in the report, which acknowledges the importance of access to our ports. The port of Immingham is, measured by tonnage, the largest in the country, and 25% of rail freight starts or ends there. Yet, when it comes to road connections, we have struggled, in as much as the M180 ends about 20 or 25 miles from the port. We urgently need an upgrade of the A180 to motorway standards. We need to improve the road surface, which causes no end of problems. The A180 has one of those awful concrete surfaces, and it is possible to sit in the front rooms of people in villages two miles away and hear the constant rumble of vehicles on the road. I have been campaigning on that issue—indeed, my predecessor and her predecessor campaigned on it—and it really does need urgent attention.

The report refers, quite reasonably, to the upgrade of the A160, which provides new access to the port of Immingham, but I have to tell the House that that upgrade is almost complete—it will be completed by August or September—so this is hardly a vision for the future.

The report also states:

“Many rail journeys in the North—particularly east-west—are too slow and take far longer than journeys of equivalent distance elsewhere in the country”.

As I said earlier, a three-hour journey from Cleethorpes to Manchester cannot exactly be described as a trans-Pennine express.

May I urge my hon. Friend the Deputy Leader of the House to pass on my comments to the appropriate Ministers? I look forward to a detailed response from them in due course.

4 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): It is a pleasure to follow the hon. Member for Cleethorpes (Martin Vickers).

I have tabled early-day motion 1235, praying that the Social Security Benefits Up-rating Regulations 2016, which affect frozen pensions, be annulled. To date, it is supported by 93 Members from eight parties represented in the House, including members of the governing party. It is a pity that the Government have yet to concede to a debate on the matter, and I wonder how many Members will need to sign that praying motion before they will do so.

The uprating regulations that deprive overseas pensioners of the uprating adjustment to their state pensions are being forced through this House without a proper and full debate. The decision to freeze pensions for a further year will come into effect in early April, when this House will be in recess. I believe that the House should have the opportunity to debate the matter, which not only leaves 550,000 UK pensioners facing hardship, but discourages many UK citizens living in the UK from returning to their country of origin, as many wish to do in their retirement. I should also like to add that the United Kingdom is the only country in the OECD that freezes pensions in this manner.

There is no consistency in how overseas British pensioners are treated. Due to historical bilateral deals, pensioners living in many countries, including the US, get an uprated pension. Those who live in the US Virgin Islands will get a UK pension at the full rate, but those living in the British Virgin Islands will have their pension frozen.

The Government argue that pensions are uprated for those living in countries where the UK has a social security agreement. The UK does not need an agreement with any country to pay a pension. Other countries do not pay a pensioner any extra money; it has nothing to do with them if a UK citizen receives a pension. How own earth can the Government substantiate that?

Let me give three examples of how pensioners are affected. Abhik Bonnerjee, now 73, moved from India to Glasgow in 1960. He worked in the UK for 38 years, in shipbuilding, steel manufacture and the food industry. He also owned an Indian restaurant for six years. Abhik returned to India in 1997 and reached the state pension retirement age in 2008, when it was paid at £87.30 a week. Having made all the required national insurance contributions, if Abhik were still in the UK today he would get £115.95—28% more. The decline in his real-term income has left Abhik concerned about losing his home. He now feels that he may have to move back to the United Kingdom.

Rita Young, who is 78, lives in Peterborough in the UK. She retired in 2002, aged 67, having enjoyed a long career in market research and as a community volunteer. Rita’s son moved to work in Australia some time ago and now has a family there. Since being widowed, Rita has wanted to join her son and grandchildren in Australia but has felt unable to do so because of the prospect of a frozen pension. As she gets older, Rita finds daily life increasingly difficult, especially as she does not have family around her. She is deeply saddened that she is not able to be with her family during the later stages of her life. It does not seem fair that the Government can stop uprating just because someone says, “I want to be with my family.”

Lastly, former college lecturer Anne Puckridge, now 91, lived and worked in the UK all her working life, paying mandatory national insurance contributions throughout that time. In 2002, aged 77, she finally retired and decided to move to Canada to be with her daughter and grandchildren, who had moved to Calgary. Fourteen years on, Anne, who served as an intelligence officer in the Women’s Royal Naval Service in the second world war, is struggling to live on a frozen pension of £75.20 a week. Anne now feels that she will be forced to move back to Britain because her pension will no longer cover day-to-day expenses, and she is increasingly reliant on her daughter to get by. That cannot be right or just. As she has said,
“It’s the small things, and the injustice, that is really getting to me. I value my independence, but I can’t go on living on the breadline and I don’t want to inflict this on my family. As well as me. I value my independence, but I can’t go on living on the better, and they had real hope for the future.

We must also consider the implications of the upcoming EU referendum. There are 400,000 UK pensioners living in EU countries. The question of those additional people facing the potential freezing of their pensions is, in my opinion, a matter worthy of debate. We need some answers from the Government as to what would happen in the event of Brexit. Will those 400,000 pensioners also face the freezing of their pension? I hope when we return from recess that the House will have the opportunity to debate the matter fully, to give the Government the chance to reflect on this injustice. The Government ought to withdraw the measure and pay UK pensioners at home and abroad their due state pension, with the same uprating adjustment, in the interests of fairness and equality.

On that note, I wish you, Madam Deputy Speaker, and all in the House a happy Easter. I hope that our pensioners, wherever they live, will also have a happy Easter and that this injustice will ultimately be dealt with.

4.6 pm

Jeremy Lefroy (Stafford) (Con): It is an honour to follow the hon. Member for Ross, Skye and Lochaber (Ian Blackford) and all others who have spoken. I thank the Backbench Business Committee for organising the debate, and I thank my hon. Friends the Members for Harrow East (Bob Blackman) and for Southend West (Sir David Amess) for their commitment to this institution; I am glad to see that it has been reinstated.

My thoughts and prayers as we approach Good Friday are with all those around the world—from Belgium to Turkey, from Syria to Jordan and Iraq, and in so many other places—who are suffering from mankind’s capacity for evil. At the same time, I believe, as a Christian, that evil will not triumph, as a result of the resurrection of Christ on Easter Sunday.

Earlier this month, colleagues on the Select Committee on International Development and I met in Abuja several hundred people from Borno state who had been driven from their homes by Boko Haram. They were in a makeshift camp, and they were being helped not by international organisations but by ordinary Nigerians, Christians and Muslims, working together. My hon. Friend the Member for Congleton (Fiona Bruce) was there alongside me. A school had been set up, and there was a church. Those people were far from home, but they had hope that they could soon return to their homes in Borno.

Our visit to Nigeria also showed why our country’s commitment to international development is so important. Kano is a city of many millions, and it has a long and distinguished history, but it has suffered greatly in recent years from terrorism. Its people, though, are full of spirit, and the UK is right there with them, supporting schools, the training of midwives, economic development and the battle against neglected tropical diseases, malaria and many other ills. We met a group of girls and women and asked them how things were compared with a year ago. Spontaneously, they replied that things were much better, and they had real hope for the future.

We visited a primary school—the largest in west Africa, with 13,000 students—and saw committed teachers teaching a strong curriculum that had been developed with the support of the United Kingdom. We also went to an Islamic school, which, with UK help, had started teaching maths, English, science and other subjects to girls and boys together. It was delightful to see that one of the songs chalked up on the blackboard for the children to learn was the “Hokey-Cokey”. In the midst of the serious matter of educating the next generation in Kano, there was time for play and song.

That brings me to the importance of play and sport in my constituency. Last weekend, the Stafford half marathon and fun run had more entrants than ever, and the number of people taking part in sport continues to rise. Stafford Town FC, under the dynamic chairmanship of Gordon Evans, has 31 teams and a waiting list. I have the honour of being involved in the club as honorary president. The club will soon start to install a 3G pitch, which will be a welcome improvement.

Elsewhere, we face a serious loss of sports facilities. The sale of the large Staffordshire University campus to an investor from China for educational purposes means that the sports centre, which is used by thousands of my constituents every week, will close to the public this summer. Pitches may also be lost. We have written to the new investor and the university to urge that the sports centre and pitches be kept and continue to be made available to the public. I ask the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch), who has responsibility for sport, for her support to ensure that that happens in this Olympic year.

Even more recently, we found out that the handing over of the Shugborough stately home and estate by the county council to the National Trust may mean the loss of cricket and football pitches, which are used by several teams from the villages of Haywood, Colwich, Milford and elsewhere. The National Trust wishes to return the field, which is a very small part of the estate, to 18th-century parkland. I am a member and a fan of the National Trust and I know that its stewardship of Shugborough will be in the estate’s best interests, but our heritage must be a living heritage. After all, the west coast main line passes right through the middle of the estate. It was constructed with the permission of the then Earl of Lichfield, who saw no problem in combining 18th-century Capability Brown parkland with 19th-century steam trains; it is now combined with 21st-century Pendolinos. I am sure that the estate workers played football and cricket, so why not let those sports, whose histories are considerably older than Shugborough’s, continue on the site? I urge the National Trust to think again.

When the Earl of Lichfield allowed the railway to pass through the Shugborough estate, he did so on one condition, which was that the railway should not be visible from his home. A cut-and-cover tunnel was therefore constructed, and it is still there today. The builders of the railway were wise and they acted on the concerns of local residents—in this case, the Earl of Lichfield. If railway builders in the 19th century could listen to him, I am sure that in these more democratic days they can listen to me and my constituents. HS2 passes through the villages of Great Haywood, Ingestre, Hopton, Martson and Yarlet. It does so because of the unnecessary lust for ultra-high speed and therefore the
requirement for an arrow-straight route. If the route cannot be changed—I firmly believe there are alternatives that would easily meet the passenger forecasts—my constituents and I want considerably more tunnelling to protect them from the worst of the impact, as the Earl of Lichfield was so protected 200 years ago. Yet in the latest proposal, the one short tunnel proposed, in Hopton, has been removed. There is plenty of opportunity for tunnelling in the Stafford area, as is shown by the depth of the proposed cuttings. Our UK tunnelling expertise is world class, so I urge the Government to listen to us, as their predecessors listened to the Earl of Lichfield.

It is now almost a year and a half since Stafford hospital, now the County hospital, was brought together with the Royal Stoke hospital as part of the University Hospitals of North Midlands NHS Trust. I want to pay tribute to all the staff who helped to make such a difficult transition as smooth as possible. It is a tribute to their dedication and professionalism that we have in Stafford a hospital that offers high standards of care.

For many months, the A&E department has been one of the best performing in the country. Until recently, it regularly achieved the four-hour target for 95% of patients. It is now under more pressure, as the numbers attending have risen to an annual rate of nearly 50,000. As many are now seen in 14 hours as were previously seen in 24 hours. That shows just how essential it is to maintain the consultant-led A&E at the County hospital. Let us not forget that one of the proposals in 2013, against which my constituents and I argued strongly, was to remove consultant-led A&E. Thank goodness that common sense prevailed. I still maintain, as does the Secretary of State for Health, that a return to 24/7 emergency opening has to come. I understand the constraints and safety concerns, but I welcome the fact that the refurbished A&E department will be capable of 24/7 opening, because I believe that that will be essential.

At the same time, we lost our in-patient paediatrics and consultant-led maternity care. They have been replaced by an emergency children’s department and a stand-alone midwife-led maternity unit. Although there is great sadness at the loss of the larger services, my constituents who use the new units have been full of praise for the care that they and their children have received from the staff. I want to work with the trust gradually to build these services back up.

The investment in the County hospital, which has already taken place and will continue to take place, is welcome. I thank my right hon. Friend the Secretary of State for his support for that. We will have refurbished wards, operating theatres, dialysis and chemotherapy suites, A&E and the children’s emergency centre. The new MRI scanner—a first for Stafford—is already in operation, as is a state-of-the-art endoscopy unit. We will in effect have a new hospital in an old building, without the burden of a private finance initiative. I thank the Government for this investment, but buildings are nothing without people. As always, we must continue to put the care and safety of patients at the forefront, and I pay tribute to the staff for doing just that.

Businesses are thriving in Stafford with employment at a record high. General Electric and Alstom is building a factory on one of the two new business parks. Perkins Engines and Bostik continue to invest, and I am proud that JCB now has a strong presence in my constituency after its purchase of Broadcrown in Hixon. Mid-sized manufacturers such as Mec Com, Biomass, Landoms, Rail-Ability, and many others, show that what would be called the Mittelstand in Germany is alive and well in Stafford. The digital economy is expanding, with companies such as eg solutions, risual, Connexica and iProspect recruiting almost continuously—so much so that a group now meets regularly to see how we can improve the digital economy in Stafford.

The advent of 1 and 16 Signal Regiments to MOD Stafford to join 22 Signal Regiment and the RAF’s tactical supply wing means that nearly 2,000 servicemen and women are now based in the town. They are already making a great contribution to life in Stafford, and they tell me that they appreciate the warm welcome.

Let me mention the road infrastructure in and around Stafford. We have seen improvements, such as the four lanes of the M6 from junctions 10A to 13, but we need the western access road and many other small and large improvements to the road network, to provide for the growth that Stafford is seeing. Finally, I wish you, Madam Deputy Speaker, a very happy Easter.

4.16 pm

Fiona Bruce (Congleton) (Con): It is always a pleasure to follow my hon. Friend the Member for Stafford (Jeremy Lefroy), whose sincerity in serving his constituents and his concern for the poorest across the globe, particularly in Africa, is unparalleled in this place.

I want to speak in support of the wonderful town of Middlewich in my constituency, and to champion its irrefutable claim for Government funding for a bypass—a bypass that has been 20 years in the waiting, and for which planning permission was first granted two decades ago. If traffic was pressured then, one hardly needs to imagine how much more pressured it is now. Travelling through Middlewich—not just at peak time—one can justifiably describe the congestion as chronic. It is the worst in my constituency by far.

Middlewich has an exceptionally strong community spirit and a high level of volunteering among its residents, as demonstrated by a whole host of community events that take place throughout the year. The annual FAB—folk and boat—festival attracts up to 25,000 visitors in a week, almost doubling the town’s population. It is the largest event in the country that celebrates canals and their narrowboats, and the surrounding heritage, music and culture. That is just one of many grassroots events promoted by the Middlewich townspeople. Others include a festival to celebrate the town’s Roman heritage, an annual Oscars ceremony to celebrate local community champions, the Good Neighbours scheme, the classic car and bike show, the national town crier competition, a cider festival, the Scribe literary festival, heritage open days, and the nationally recognised Middlewich Clean Team of more than 200 residents, who are regularly out keeping the town tidy. I consider myself to be a privileged member of that team, and it was heart-warming to see the huge number of residents out recently to make the town of Middlewich “Clean for the Queen”.

Middlewich is an aspirational town, and St Michael’s church—a hub for community activity—is embarking on a £1.2 million regeneration scheme that will open it up for even greater community use. Community leaders...
across the town have recently concluded a new town branding scheme, and Middlewich High School is fortunate to have a visionary headmaster in Keith Simpson.

However, over recent decades, Middlewich has simply not received the investment that it deserves from wider authorities to enable it to realise its substantial untapped potential. There has been a huge amount of grassroots energy and commitment from local townspeople, and they deserve greater support. There is space for enterprise and development to grow in Middlewich, and it wants and would welcome such growth and development, including housing development. It is essential to have greater investment for Middlewich, and I have campaigned for that since my election in 2010. I am pleased to tell the House that Middlewich has the potential to make a substantial contribution to local and regional growth has now been recognised more widely. I am delighted that not only the townsfolk of Middlewich but Cheshire East Council and the local enterprise partnership now see Middlewich as a key town for development, with the potential for growth. That is important. The Government’s Transport for the North report, “Northern Transport Strategy”, which was produced this month, states:

“It is important to ensure economic benefits are spread across the North to deliver the vision of a Northern Powerhouse...and development opportunities are better connected to contribute to and benefit from”

key towns. If the aspiration of the northern powerhouse is to be realised, it is essential that Middlewich receives greater investment, and that means the Middlewich eastern bypass.

If I may, I would like to unpack just why the bypass is so important. The Middlewich eastern bypass is a major highway scheme. It would support the building of more than 2,000 new homes in and around Middlewich, thereby making a considerable contribution to facilitating the much-needed completion of the Cheshire East local plan. It would be a boost to existing businesses, which employ 4,500 people in Middlewich, and, according to figures from Cheshire East, enable the creation of a further 6,500 new jobs. That is why it is so important for the Government to consider supporting this major highways scheme by allocating funding from the Government’s £475 million local majors funds. Local areas were invited by the Chancellor in his Budget statement last week to make further bids. I am recording a request now, on behalf of Middlewich, for funding from that fund, with the support of Cheshire East Council and the local LEP. The fund is for large local transport schemes, too big for the regular local growth fund. That applies to this bypass: it is a £30 million project. It is now a high priority for our principal authority and for our LEP.

In addition to helping to solve serious congestion issues locally, the bypass would also solve many regional transport problems. Cheshire East Council states that Middlewich is the worst pinch-point on the A54 corridor, which runs from the M6 across to Cheshire west. A bypass would help to relieve the pinch-point, and tackle a number of road safety issues in the town that have been a cause of great local concern for many years. If the bypass scheme involves, as I believe it should, local improvements, that would help to address and improve challenges along Lewin Street, Nantwich Road, the Newton Barra, Gyration and the junction of Leadsmithe Street and St Michael’s Way. These improvements are essential to protect pedestrian safety and to improve pedestrian access to the town centre.

A bypass would provide better routes for heavy goods vehicles and a greatly improved link to the M6 Smart Motorway, which is now under construction. There is no point in making that very considerable investment to relieve congestion if vehicles find themselves stranded and stationary when they move off the M6 and on to the route to Middlewich. The route will also improve access to the HS2 Crewe hub when that opens. I am informed that the work required to develop the hub will involve considerable additional vehicular construction traffic. The construction of the bypass is essential if the region as a whole, not to mention Middlewich as a town, is not to be blighted by the HS2 construction traffic that will continue for very many years.

This week, the Minister for Housing and Planning, my hon. Friend the Member for Great Yarmouth (Brandon Lewis) attended the international property conference in Cannes to launch the northern gateway development zone prospectus. It sets out very ambitious growth proposals for south-east Cheshire and north Staffordshire, arising from the Government’s decision to have a station at Crewe on the new HS2 line. These exciting proposals will deliver significant benefits to the local economy and have the potential to unlock major new growth and investment opportunities. These could deliver more than 100,000 new homes and 120,000 new jobs by 2040 by creating a growth zone at the gateway between the northern powerhouse and the midlands engine—the area is situated directly between the two.

Middlewich is an important focal point within the development area, but although the proposals are exciting and will deliver significant benefits to the economy, I understand from the LEP that the amount of traffic travelling through Middlewich, which already experiences high levels of congestion at peak times, could rise by up to 90%, if the plans are developed. The LEP is concerned, therefore, that its growth proposals will not be achieved unless the issue of congestion is addressed through investment in local infrastructure—and that means the Middlewich eastern bypass and improvements to local roads. I ask Ministers in the Department for Communities and Local Government and the Department for Transport to do some joined-up thinking and improve connectivity, not just for Middlewich but for the region, by funding the bypass.

4.26 pm

Milns Davies (Eastleigh) (Con): It is a pleasure to be called in this debate.

The right hon. Member for Leicester East (Keith Vaz) mentioned the sugar tax, alongside the city’s wonderful football team. The issue of burning off energy from sugar is important. In my constituency, diabetes is a concern. Eastleigh has the second most diabetes-related amputations, and many of my residents are concerned about plans for two new fast-food outlets and a car showroom on the site of the old council buildings and courts area. I ask the local council to reconsider whether, given the need for new homes, this brownfield planning application so close to two secondary schools is sensible.

That said, Eastleigh is a fit area. In fact, this weekend saw the 32nd Eastleigh 10k. Sadly, a toe injury put paid to my running this year—[Laughter.] I do not joke. I ran last year; it was much warmer then. Some 2,800 runners took part—a record field—and I enjoyed giving out the medals to the littler people after their 2k.
The women’s was a fast race. In fact, it was a women’s record, with Laura Whittle recording a time of 32 minutes, which is about how long it takes me to run a 5k at the moment. I was really impressed. The race was once again covered by the excellent Eastleigh News. Steve and his team are local and loving it. They go to absolutely everything. They are a small gang of locally connected journalists who give the people of Eastleigh an opportunity to say what they feel, as was particularly the case with its coverage of the old council buildings.

It has been an extraordinary few months for the people of Eastleigh. After the election, we laid out our Conservative vision for the constituency, and I am enjoying holding the Liberal Democrat council and Ministers to account once again and making important points about local infrastructure. Our roads, like those of fellow MPs, are in dire need of investment. A focus on this is vital. Were Members to meet anyone from my constituency, they would hear about the never-ending traffic queues blighting the area. I am delighted to support the air pollution work in the House because areas such as Hamble lane and right outside the council buildings are places of air pollution concern. I will therefore be backing the air quality Bill.

We have heard about the local majors fund, which is very welcome in areas such as mine, where we have long been awaiting the Chickenhall link road. All MPs could probably argue over whose area has been waiting the longest for a bypass or link road, but we have been waiting 25-plus years for Chickenhall. Does anyone want to raise me? It was important, therefore, that that was mentioned in the Budget. It will unlock more prime land for economic growth, boost the area and continue the recent successes of Southampton airport. I was delighted to visit the airport this month in connection with the new route to Cork. It is just £29 from Southampton to Cork for a weekend; if anyone would like to join us, it is one of four new routes that Dave Lees and his team are bringing to the south coast. I am delighted to see this new road, alongside other manifesto promises, coming to fruition. We will see them delivered through this majority Conservative Government.

I made some local visits, including to Mount Industries earlier this week and to Aggregate Industries, at which we heard about the importance of jobs, infrastructure, dealing with air pollution and ensuring that we get the Conservative action we need. This will lead to more local jobs and better prosperity. Two different industries based around Chickenhall Lane mentioned the importance of the new road to them. Its inclusion in the Budget is a great boost to Eastleigh, and I am very proud to see this brought forward to the community, meeting our promise.

We have made progress, too, on the much needed Botley bypass, which has been in the pipeline since 1988. I am told that a planning application is imminent, and we have been working positively with the local enterprise partnership. I congratulate Botley parish council, which has done everything it can to get the diggers closer to the ground. I can tell Members that it has been a real local campaign, with the parish council and the local community doing something to make the Botley community better, alongside producing a local parish or neighbourhood plan. It is much needed when there are, frankly, none in my constituency. In 2012, the Daily Echo reported that the Botley bypass would be shelved for another 20 years. I am thus delighted that, as a result of Conservatives working together with the LEP and Hampshire County Council, work on this site will soon commence. That just shows that when the people of Eastleigh vote blue, they get the investment, the roads—hopefully, two—and the jobs that the area needs.

We heard a lot in the Budget debate about the next generation, and jobs and prosperity are key to our young people being successful. I recently met at Eastleigh college during national apprenticeship week Ricky from KA Watts Plumbing; Paul from WH Rowe, a local aluminium foundry; Ashley from Gasworks, which carries out gas maintenance; and James from First Call Heating. The college is so successful at bringing forward so many apprenticeships. What we heard is that people are striving to work with some of the smaller businesses that are bringing forward really key apprenticeships, particularly in the foundry area.

One of the problems that blights our lives, even when it comes to delivering apprenticeships in Eastleigh, is good old health and safety rules. I take this opportunity to say that if we want to get our people work ready and give them the work experience, we must make sure that 16 and 17-year-olds get that opportunity to start out in a new career. The employers I met were very keen to see old apprentices given a new opportunity and the best chances.

Over the last few months, my constituency has seen some serious challenges. St Luke’s surgery in Botley is hugely important to the community, but is now in crisis. I thank the Minister for Community and Social Care for meeting me—we have another meeting coming up—to discuss how to help sort out the GP problem in my constituency. People in Botley are waiting up to eight weeks for a regular appointment, which is clearly not good enough. St Luke’s is understaffed and worried; it wants to provide a better service. Well resourced and well staffed local GPs are crucial parts of every community, and I am certainly fighting for St Luke’s.

I want to thank my hon. Friends and others for their support and help on International Women’s Day. We had a fantastic turnout of girls—73 of them—from across the country, who came to their Parliament for a day of events to raise awareness of inequality. It helped to motivate our youngsters to get campaigning. I was delighted to see what a diverse range of issues were raised.

Returning to more local issues, the lack of a local plan blights my local residents. I would like to thank the Stokes Residents Association in Bishopstoke, which is trying so hard to support the environment, keeping it rich and diverse and ensuring that there is no needless destruction, which is what happens when the brownfield sites in Eastleigh are ignored. It really is time for the Government to allow us to step in and impose plans in areas where legislation is not being used, in order to support residents’ ideas.

This will not be a quiet Easter for me. I shall be attending the Eastleigh Lions Club fashion show; I shall be visiting and helping Angela Coaches, which is hoping to find larger premises; I shall be visiting Solent TV; I shall be enjoying a meeting with the Eastleigh Borough Council race and equality forum; I shall be heading to Age Concern Eastleigh, and visiting carers...
at Voyage Care; I shall be touring the Swan shopping centre; and I shall be working with the Chandlers Ford women’s register. I shall also be holding surgeries in Bursledon and Eastleigh, where I will hear from residents who are concerned about local sewerage issues such as flooding, and the impact on local services of the lack of a local plan.

It has been a delight to take part in this important debate. I wish you, Mr Speaker, and the whole House a restful Easter, and I promise to get many more Eastleigh campaigns into my questions when I return.

Mr Speaker: I call Melanie Onn.

4.35 pm

Melanie Onn (Great Grimsby) (Lab): Thank you, Mr Speaker. This has come rather unexpectedly. I was still writing the introduction to my speech.

Let me begin by thanking the Deputy Leader of the House for the guidance and support that she has given me during my first few months in the role of shadow Deputy Leader of the House. She has assisted in discussions of such unusual matters as the arrest of Members, the Members’ benevolent fund, vellum, and some of the vaguer operations of this place. Dare I mention English votes for English laws? Perhaps I should move on. Anyway, she performs her role with very good grace.

Earlier today, she and I, along with our SNP equivalent—the hon. Member for Ochil and South Perthshire (Ms Ahmed-Sheikh)—were photographed to commemorate the first all-women business questions. We called the photograph “The Three Graces”.

We have had a fantastic debate this afternoon. It has been wide and varied, and a real treat. Many Members have come here to champion their constituencies. The hon. Member for Harrow East (Bob Blackman) referred to the 10-year delay in the provision of a lift at Stanmore station. I am sure that he will continue to campaign assiduously. I was interested in his “Thirty Nine Steps” reference. I wonder whether the book is about that station. The hon. Member for Cleethorpes (Martin Vickers) mentioned transport as well, drawing attention to the lack of mention of any future transport plan in the south Humber area. As for the £75 garden waste charge in Harrow, perhaps the hon. Member for Harrow East should relocate to north-east Lincolnshire, where the council charges only £30.

The hon. Gentleman spoke about Equitable Life. I took part in the debate that he initiated, speaking in support of my constituents who lost out as a result of the scandal. I wonder whether his views on Equitable Life reflect his views on the Women Against State Pension Inequality campaign. Those women, also through no fault of their own, are losing out financially and in terms of their quality of life. I think that parallels can be drawn.

Much has been said today about potholes, road quality, bypasses, link roads and the like. It was interesting to hear my right hon. Friend the Member for Leicester for transport in the area south of the Humber with the relevant Minister. I have to believe that the Deputy Leader of the House will pass that message on to the relevant Minister. I have to believe that the Minister will want to assist in the matter more thoroughly than is currently the case.

I congratulate the hon. Member for Cleethorpes (Martin Vickers) on winning pier of the year, and I thank him for mentioning the fact that Grimsby Town will be coming to Wembley for the FA Trophy. We have an incredibly strong contingent of away fans, and I am sure that Wembley will be delighted to see such an influx of Grimsby residents coming to London to support their team. I hope that we will win and that we will not have to be subjected to the terrors of a penalty shoot-out, which do not serve us well.

The hon. Gentleman was also right to raise the issue of transport. I know that he has reprimed his role on the Transport Select Committee, and that he is a considerable enthusiast for the railways, particularly in our area. He has been an assiduous campaigner on that front. I personally raised the issue of the lack of consideration for transport in the area south of the Humber with the chief executive of Transport for the North at this week’s meeting of the all-party parliamentary group on Yorkshire, and the atrocities that have affected 8,800 civilians so terribly. The fact that 3 million children are not going to school reaffirms the importance of our international development fund. The right hon. Gentleman also mentioned the Tiffin cup, which I think is well known throughout the House. I shall certainly be speaking to the proprietors of the Spice of Life and Masala Indian in Great Grimsby, and seeking their participation.

My right hon. Friend mentioned Leicester football club. Leicester Tigers gives rugby training to young people in community classes. The team will be slightly closer to my constituency in the summer—at Market Rasen, in Lincolnshire—and I believe that my son will be joining in that activity.

The hon. Member for Southend West (Sir David Amess) is certainly standing up for his constituents over National Express. He could never be accused of failing to stand up for his constituents in this place, and I am sure that they expect nothing less. It was interesting to hear that he is trying to establish an alternative city of culture. He might not be aware that I have been trying to bring next year’s city of culture slightly south of the Humber towards Grimsby and Cleethorpes to get some of the benefits that the Hull city of culture will enjoy. The citizens of Hull have not been too impressed with my attempts, but I would be happy to pass the hon. Gentleman’s details on to them. Perhaps they will contact him rather more frequently than they are contacting me at the moment.

It was interesting to hear about the health summits. I wonder whether some of the issues that the hon. Gentleman raised relate to the fragmentation of the NHS and the increasing privatisation within our health services. If that were not happening so quickly, perhaps those health summits would not be necessary. I entirely recognise his support for the world humanitarian summit, for the Queen’s 90th birthday celebrations and the keep Britain tidy and Clean for the Queen activities. One of my own councillors in the Freshney ward actively participated in that event to support keeping Britain tidy.

The hon. Member for Ceredigion (Mr Williams) highlighted some terrible tangles of bureaucracy. These things could be so simple, and I really hope that the Deputy Leader of the House will pass that message on to the relevant Minister. I have to believe that the Minister will want to assist in the matter more thoroughly than is currently the case.

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Mr Speaker: Order. I have no knowledge of these matters myself. I think I know what the hon. Member for Great Grimsby (Melanie Onn) was driving at. She was referring to the knowledge being demonstrated by the hon. Member for Congleton (Fiona Bruce).

Melanie Onn: I am terribly sorry, Mr Speaker. Yes, I meant the hon. Lady’s constituency, not yours. I am sure you have absolutely no knowledge of Congleton’s roads. I do apologise.

The hon. Member for Eastleigh (Mims Davies) mentioned the celebration of the 32nd running of the Eastleigh 10k. I am sorry that she did not get to participate this time. I also want to highlight the Great Grimsby 10k on 31 July, in which local companies and charities will be taking part, and I am sure that she recognises that event similarly. I heard her comments about the roads that need investment, her air pollution concerns and her support for and involvement in International Women’s Day, when an impressive number of her constituents attended this place.

Finally, I want to take the opportunity, which I failed to do this morning, to wish everybody a very Happy Easter.

4.45 pm
The Deputy Leader of the House of Commons (Dr Thérèse Coffey): It is a pleasure to be back at the Dispatch Box for the second time today to help Back Benchers from all parties in their quest to represent their constituents.

I particularly commend the hon. Member for Ceredigion (Mr Williams), whose birthday it is today. That he is here shows his dedication. My hon. Friends the Members for Southend West (Sir David Amess) and for Congleton (Fiona Bruce) will also be celebrating their birthdays over the weekend.

I welcome the return of the pre-recess Adjournment debate—[HON. MEMBERS: “Hear, hear!”] It is a splendid tradition and I am delighted that people can come here and raise a wide variety of issues. It was ably started by my hon. Friend the Member for Harrow East (Bob Blackman), affectionately known as Bobbhai. He is one of several apprentices to my hon. Friend the Member for Southend West in that he tried to cover as many topics as possible. He will recognise that the lift at Stanmore station is a matter for the Mayor of London, our hon. Member for Uxbridge and South Ruislip (Boris Johnson), and Transport for London. I understand that my hon. Friend the Member for Harrow East has raised the concern with TfL many times, so I suggest that he grabs the Mayor in the Lobby when we vote on the Finance Bill on the Monday we return. The station’s ramp for wheelchair users technically meets the requirements for step-free access, but I appreciate that it is steep.

My hon. Friend was right to praise the redevelopment of the Royal National Orthopaedic hospital, which does great work. I understand that the trust’s board will, I hope, approve the plans, which will then be submitted to NHS Improvement for review. It is a very much a priority project for the Department of Health and NHS Improvement. I was pleased that he paid tribute to the rebuilding of several schools; it is good to see that the Government are investing in the future of children in Harrow. He made particular reference to the first voluntary-aided Hindu school, which parents will welcome.

My hon. Friend also talked about the blue badge scheme. The criteria for obtaining a blue badge have been tightened significantly. It is not based on a particular kind of disability, but if someone’s disability means that they cannot walk a certain distance and their walking is sufficiently affected, they should be deemed eligible. I am sure that he will work with his constituents on that.

As for the tobacco tax, the price of a typical pack of cigarettes already contains over £5 in duty. In Budget 2014, it was announced that the escalator of RPI plus 2% would continue into this Parliament. The Treasury is also taking action to reduce the gap in duty between hand-rolling tobacco and cigarettes. I am sure that my hon. Friend will welcome both those measures because high duty rates are a proven way of reducing the prevalence of smoking and help to meet the objectives of protecting public health.

The right hon. Member for Leicester East (Keith Vaz) mentioned Yemen, which certainly matters to this country. The emerging Daesh in Yemen and al-Qaeda in the Arabian Peninsula are exploiting the current situation. The Government are not prepared to stand back and let that continue, but they believe that a political solution is the best way of bringing long-term stability to Yemen. There are encouraging reports of co-operation between the Saudis and the Houthis, who have agreed a cessation of hostilities on the Saudi-Yemen border, improved humanitarian access, prisoner exchanges and mine clearance. Last week, the Saudi Arabian-led coalition said that it intended to scale back military operations in Yemen. In the same vein, I applaud and support the work of the UN special envoy for Yemen, who says that he is ready to relaunch political talks in the coming weeks. The UK effort should be focused on supporting the UN, and encouraging the parties to engage constructively and implement the commitments made.
The right hon. Gentleman also referred to aspects of the sugar tax and the availability of products in this place, and I suggest that he may want speak to the Administration Committee about that. It is a matter of great concern to a lot of our constituents that they are not able to continue their great success. I have to say that they are doing much better than I have been, Liverpool. He referred to a specific situation relating to diabetes programmes in Leicester. I am not aware of the details of that, but I am sure he is capable, as he has shown in the past, of taking that up appropriately with the Health Secretary. May I also congratulate the right hon. Gentleman on the Tiffin cup? This is the first year that I will be making a nomination, and I hope we will be successful.

Let me move on to the tour de force that is my hon. Friend the Member for Southend West. He is a class act, and other Members are starting to learn from him. He finished his contribution with a tribute to Her Majesty the Queen in the year of her 90th birthday. I can assure him that there will be ample time in this House to pay tributes in due course, but activities such as Clean for the Queen have been very successful.

On c2c, the Government accept that the December timetable changes have had a big impact on c2c passengers and their journeys. As my hon. Friend said, the Under-Secretary of State for Transport, my hon. Friend the Member for Dagenham (Claire Perry), who has responsibility for rail, asked c2c to undertake a review of the stopping pattern of the services into London. I want to assure him that officials in the Department for Transport will continue to work closely with c2c to ensure that appropriate changes are delivered and that an appropriate balance is achieved in respect of crowding and service levels.

On fire safety, the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton) wrote to my hon. Friend the Member for Southend West recently, explaining that he is considering a number of the issues that he had raised about building regulations. I am also pleased that he has had the chance to speak to the Minister for Schools about automatic fire sprinklers in schools.

I am aware of the concerns my hon. Friend the Member for Southend West has about the potential change in responsibilities involving police and crime commissioners, but I want him to be assured that those matters will be considered carefully if any changes are made. On Chilcot, we have all been waiting a long time for that report, and I hope it will not be too much longer before we have it. Sir John Chilcot and my right hon. Friend the Prime Minister exchanged letters in October. My hon. Friend will be aware that my right hon. Friend is exceptionally frustrated at how long this has taken, but it is an independent inquiry and an independent report, and the Government cannot direct when it will be published.

I congratulate my hon. Friend the Member for Southend West on piloting a private Member’s Bill successfully through this House. It just shows that a good, sensible piece of legislation that does not try to achieve too much but does something that matters can successfully gain the support of the House. In this case, it was a deregulatory measure and I wish it well in the Lords, with the hope that it will receive Royal Assent.

On the alternative city of culture, I think that, as has already been alluded to, Grimsby is trying to become the fringe zone for it—I think it is stretching a little far in terms of getting to Southend. Knowing my hon. Friend and the people of Southend, they will not let anything stand in the way. It sounds as if they have a really exciting programme, which I may well take advantage of next year. I am hoping to go to Southend in the near future—I must admit that it will be to campaign for my friend Alex Bright, who is running in the Southchurch ward. I say friend, as he is that, but he also works for me as my secretary, and I am sure he will do well.

My hon. Friend the Member for Southend West has a long history of championing animal welfare, and he will be aware that there are already laws in place that enforcement agencies can use to ensure the welfare of pet animals. However, the Government accept that the legislation needs updating, and there has been a consultation, to which we received about 1,500 responses. They will have to be analysed before any decisions are made, but this is not just about changing the law; it is also about working with key stakeholders to improve people’s understanding. He then tackled a number of issues connected with health, including the obesity epidemic. I should point out that the Medicines and Healthcare Products Regulatory Agency is the competent authority in this area, and although the Government may wish to encourage particular thoughts along certain lines, the agency is independent and needs to come up with appropriate evidence.

On salt, the data published this week by Public Health England showed that adult salt intake in England has decreased by more than 10% in the past decade. My hon. Friend is right that the UK is leading the world on salt reduction, and I will work with industry on voluntary reductions in salt levels by up to 50% in everyday products, such as ketchup, bread and baked beans.

On meningitis, my thoughts are with the family of my hon. Friend’s constituent. I recognise that this is a serious disease. He referred to the e-petition, and I know that the matter will be debated further in April.

Fuel poverty is a really important matter, and I recognise that my hon. Friend piloted a private Member’s Bill on to the statute book when he was in Opposition some years ago. The Government are serious about helping vulnerable people to heat their homes, and the Department is putting in place measures that are needed to meet our ambitious target for fuel poverty, requiring us to bring as many fuel-poor homes as reasonably practicable up to the band C energy efficiency standard by 2030.

My hon. Friend was right to praise what happened in the Budget on business rates. With regard to the Maldives, the UK is not alone in its concern about the sustained decline of democracy and judicial independence, but I am sure that he will make his points directly to the Minister.

The upcoming world humanitarian summit will provide a once-in-a-generation opportunity for the global community to come together and agree on how to serve those most left behind by conflict, extreme poverty and environmental change. My right hon. Friend the International Development Secretary has placed support for women and girls at the heart of her Department’s work, and the UK supports proposals to ensure that women are involved in planning and decision making during responses to humanitarian emergencies.
The hon. Member for Ceredigion (Mr Williams) raised a challenging case. I will not pretend that I can give him any assurances here today, but I will refer the matter to the Home Secretary to see whether there is anything that can be done.

I am sure that my hon. Friend the Member for Cleethorpes (Martin Vickers) and the hon. Member for Great Grimsby (Melanie Onn) will be going down Wembley Way together singing, “We’re on our way to Wembley”. He referred to the Greater Lincolnshire deal and Transport for the North. I think that there is a real opportunity with that devolution deal to make some of the changes to which he refers. I recognise his points about rail connectivity, and he was generous in accepting that work will be undertaken on the A160 and the A180, which will help Immingham, but I will pass his comments to the Department for Transport and ask Ministers there to reply.

The hon. Member for Ross, Skye and Lochaber (Ian Blackford) referred to early-day motion 1235. I am not aware that the usual channels have yet been activated for a debate on the statutory instrument to which he refers, so he may wish to take that up with the hon. Member for Angus (Mike Weir), who also has a birthday today. Specifically, UK state pensions are payable worldwide and uprated abroad where we have a legal requirement to do so—for example in the European economic area or in countries in which there are reciprocal agreements. That has been a long-standing policy of successive Governments for about 70 years, and the Government have no plans to change the policy.

My hon. Friend the Member for Stafford (Jeremy Lefroy) started with a strong proclamation of his Christian faith. I want to flag up the fact that I am delighted that he and his colleagues on the International Development Committee had a successful visit to Nigeria. DFID is committed to drawing 1 million more children into education in northern Nigeria by 2020. He referred to the sports fields at Shugborough Hall. He should recognise that Sport England is a statutory consultee on all planning applications affecting playing fields, and he may wish to approach it himself. In relation to the Hopton tunnel, there is a proposal to replace it with a false cutting. When compared with the green tunnel, the proposed false cutting would bring a substantial reduction in the footprint required to construct and operate HS2, as well as a reduction in the height of the structure.

My hon. Friend the Member for Congleton (Fiona Bruce) was exceptionally eloquent in her proposals for an eastern bypass about Middlewich. It is good to hear that she is working with her council and the local enterprise partnership. She made a compelling case in her bid for the local majors fund, especially recognising the access to Crewe. She is due to meet the Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Stockton South (James Wharton), but I strongly recommend that she meets the Minister of State, Department for Transport. I hope that she succeeds in her compelling case for housing—as I hope that I will succeed in the case that I will put forward—.[Interruption.] It is for the Suffolk Energy Gateway bypass.

Finally, my hon. Friend the Member for Eastleigh (Mims Davies) covered a wide range of topics. To get results, she urged people to vote blue to get green. She is right; she is an excellent MP, making that difference. She talked about apprenticeships, and I will pass on her comments to the appropriate Minister, and I know that she has already met my right hon. Friend the Secretary of State for Health about GPs. In terms of International Women’s Day, it is right that she gets the credit.

Finally, it has been a pleasure working with the hon. Member for Great Grimsby, and I thank her for that. I thank all the civil servants for helping in this debate, and I wish everybody a happy Easter.

Question put and agreed to.

Resolved,

That this House has considered matters to be raised before the forthcoming adjournment.

Mr Speaker: Before I call the Whip to move the motion for the Adjournment debate, I want to place on the record my appreciation and, I hope, that of all Members of the House, of more than four decades’ service to it by Alda Barry, who is spending her last day in the Serjeant at Arms’s chair. Alda will leave the service of the House to retire, extraordinary though it might seem, at the end of this month. It has been a career of outstanding public service and, Alda, we want to record our thanks.

Hon. Members: Hear, hear!
Charities: Veterans Care Sector

Motion made, and Question proposed. That this House do now adjourn.—(Julian Smith.)

5 pm

Johnny Mercer (Plymouth, Moor View) (Con): Thank you, Mr Speaker, for granting me this debate on a subject on which I know I speak often. I beg patience from those who might understandably become slightly exasperated by my ongoing drive. Let me outline briefly why this subject is so important, why we must start to get this right now and, crucially, how we can get it right. I am not in the Chamber for the last debate before a recess simply to whine away.

I do not profess to be the brains behind the operation when it comes to addressing the role of charities in a sustainable future veterans care model. My thoughts are a coalescence of those of many individuals and teams who have served at the coalface, delivering programmes of care and transition to our servicemen and women, both civilian and serving. This is not about me and my personal experiences, although I clearly cannot disregard them. Furthermore, I am not precious about these proposed reforms. I encourage others to come forward and to challenge and contribute to the debate. That said, since I published the reforms in early January, they have been scrutinised by many in the profession. It has become clear that they are a set of reforms that the service charity community and, crucially, the service charity users, can really coalesce around. I ask the Minister and his Department to consider my remarks in that context.

Charities have for more than a century been the mainstay of the provision and offer to servicemen and women returning from operations. There were just a few to start with, born in the aftermath of the first world war, in response to the sheer number of veterans and service personnel returning from that conflict. Through the decades, these charities have slowly but surely expanded to provide more and more whole-care, wraparound packages for our servicemen and women, who find returning to these shores a struggle.

Let me say now, at the outset, that we must stick to the truth about those whom the sector is set up to benefit. The vast majority of veterans settle and transition from wartime operations perhaps changed by their experiences but able to adapt and cope. Veterans are not victims, they are not dangerous and they seek no advantage or favourable treatment or, in particular, sympathy. In fact, a veteran will usually be the last to complain about their treatment and the last to seek to blame.

Against this burgeoning charitable provision in the last century, the state was happy to take a back seat, content to allow the sector to soak up the problem of veterans care. In some ways, this was understandable. Intense conflict was not a regular occurrence, veterans care needs are complex and long term and, I am afraid, the bald truth is that there are few votes in getting veterans care right. However, I think it would be fair to say that this century has seen a marked change in the scale and complexity of veterans care in the United Kingdom.

In 2003, this House decided to go to war in Iraq. This was swiftly followed by significant expansion of the British effort in Afghanistan to include the now notorious Helmand Province. In Afghanistan, we walked into the most intense ground combat seen by the British Army since Korea in the ‘50s. The numbers of troops that those two conflicts required combined with the increasing survivability of soldiers on the battlefield saw an explosion in the demand for the services of veterans care charities.

Against that scene, I decided to try to win a place in this House to be their voice, because I believe we can do it. We can deliver better for our veterans. It is not “us” to allow our veterans to become embittered, desperate or discarded. It is not in keeping with the debt that this nation owes those individuals. It is not British. It is not the British Army’s way of doing things. We look after our people; we do our duty by them, as they have done their duty by us. And crucially, we do not just talk a good game on this; we actually make sure it happens.

I have made it my mission in this place to understand as much as possible about the system as it currently stands. I have spent hundreds of hours in this House, visiting veterans, service providers and armed forces communities. I wanted to layer that knowledge on to my personal experience: I had recently made the transition from military service; I had seen many friends attempt to find help unsuccessfully; and I knew of the dark battles that some of my own men face daily in their minds. For the Government of the day, veterans care, like a lot of things, was not part of the plan for Iraq or Afghanistan.

Set against an increasingly desperate narrative of shocking cases of care, and against a complete vacuum of provision of this type of care by those who had asked our servicemen and women to do their bidding, the great British public stepped up. Help for Heroes and other charities like it were born. They were born out of the gratitude that said simply, “The boys deserve better than this. If the state won’t do it, we will.” Those service charities have been the saviours of many lives—the lives of those whose comrades fought to keep them alive on the battlefield, lives remarkably preserved in Iraq and Afghanistan, but who have found their hardest battles within the relative safety of the United Kingdom.

I cannot speak highly enough of those groups for what they have done. They have stepped up and delivered that duty of care that every commander, at any level in the UK military, feels towards the men and women they command. It is one of life’s deepest privileges to command men in war. Those of us who fought and bled with them will remain forever in the debt of these service charities for the fact that they carried on that duty on our behalf.

Nusrat Ghani (Wealden) (Con): I congratulate my hon. Friend on securing this important debate, and I wonder whether he would allow me, as chair of the all-party parliamentary group on eye health and visual impairment, to highlight the brilliant work of Blind Veterans UK, which empowers visually impaired veterans to live independent lives following their selfless service.

Johnny Mercer: I thank my hon. Friend for her intervention. I really mean what I say: these groups really stepped up and delivered what was needed for our armed forces veterans, when there were no other options. It was that very British way of coming together and dealing with that that made some of us so proud.
Johnny Mercer: Absolutely. I could not agree more with my hon. Friend. I shall not stray from the lane of this debate, but across the public service we have a special asset in individuals who commit themselves to public service and sacrifice their family life for the nation. If we do not look after them properly, that will eventually go. We need to make sure we get that right.

Sir David Amess (Southend West) (Con): I agree with everything my hon. Friend has said, particularly his words about the Help for Heroes charity. I had the privilege of being the president of the Royal British Legion in Leigh-on-Sea. Will my hon. Friend join me in congratulating the army of volunteers who do so much to raise money to make sure that we look after our retired servicemen and women?

Johnny Mercer: Of course. I cannot highlight enough what those volunteers have done, with no financial or selfish reward, but from a sense of duty to the country and to our servicemen and women. We must look after that. If we do not cultivate and protect it, I fear that over the years it will die out.

Dr Julian Lewis (New Forest East) (Con): Before my hon. and gallant Friend resumes his main narrative, may I thank him for the vigour that he brings to these issues on the Defence Committee and to other issues that we examine as well? What is his view on the sheer numbers of service charities and the difficulties of co-ordinating their efforts? I am thinking of the huge variety, from post-first world war charities such as Veterans Aid in Victoria to very modern ones such as the adventurous Pilgrim Bandits in Hampshire, where special forces take grievously injured service personnel on adventure treks to the mountains and rivers of Canada, for example? How do we bring all this effort together when there are so many actors in the field?

Johnny Mercer: I thank my right hon. Friend for his intervention. I will address precisely that point in about two or three minutes’ time.

Mims Davies (Eastleigh) (Con): Does my hon. Friend agree that local authorities must play a part in co-ordinating local charity work and supporting veteran care so that we ensure that our councils work with the armed forces covenant properly to produce tangible local results?

Johnny Mercer: I could not agree more that local and national Government should be involved in delivering that. We need to be careful about the involvement of local elected officials in veterans care. There is nothing political about veterans. It is a national issue and one that I wrestle with in Plymouth. We need to make sure that we stay in the lane of delivering a service for veterans, and the local professional side of the council is well placed to do that.

To sum up, the individuals who are suffering most from the changing tides in the debate are the blokes. Too many are falling short. Too many struggle to access care. Every weekend another case is reported in the Sunday papers. While the national debate moves on to
Europe, national security, the deficit and other important issues, those soldiers’ lives stand still, awaiting an intervention by somebody who cares. They are the lucky ones: their stories got in the paper, and they inevitably get helped by that knight in shining armour—the Great British public. However, for every one of them, there are many who do not get helped.

What is it really like for someone to be two or three years out of the Army—holding down a civilian job and providing for their family—when they start hitting rougher waters, and the thoughts just will not leave them alone? Where do they go? To whom do they turn? Do they self-refer to a charity and hope for the best? How do they know that it provides care that works? How do they know that it is professional? What happens if the course of treatment it provides does not work? Who will help them through the process? Who really cares?

The pre-Christmas report by the Ministry of Defence on the armed forces covenant made wide reference to what is going into the arena of military support, and that is to be commended. However, the report fails to provide any meaningful statistical reference to the single most important measure of success: what our military community got out of that support. The single biggest shift in mindset that must be achieved is about reconfiguring services around users.

There are problems: waiting times are simply too long; there are distinct regional variations in the services available; there is a huge challenge to veterans navigating a complex set of unclear treatment pathways; and there is a lack of regulation of the quality and efficacy of the treatments being provided by some, with some of the more unscrupulous outfits still receiving Government finance. The truth is that our veterans today use an array of treatments, which vary wildly in effectiveness, professionalism, access points and delivery, and that is especially so with mental healthcare.

I hope I have outlined why this debate is so important and so timely, and why it is tough for those of us who have been through these wars to let go of this issue, for which I am afraid I make no apology. I therefore want to add to the debate—to offer a solution to the Government so that we can get this issue right. I want the Prime Minister, who has always understood this issue, to accept that getting it right in this Parliament is part of his legacy, and I know that he does accept that. Chiefly, however, I want the MOD to really understand the challenge we face in getting this issue right now, and I make that appeal to the MOD today. There will always be better times to reform; there will always be opportunities to duck difficult issues because of the lack of a 100% solution; and there will always be those who have lost focus on who is at the centre of these services—the men and women to whom we owe so much.

How do we fix this? Users should be able to choose the service they wish, but they should be provided with unbiased assistance and helped to navigate their way through a highly complex array of services. We must be realistic in our reform. Currently, many of these services are not evidence-based, and some appear, unhelpfully, to compete for business, while a few are even unsafe or unethical in their approach.

If we are to produce the first-class service that the military service community and, indeed, the nation—having committed so much of its own money—deserve, wide-reaching but fair reform will be needed. That reform must be focused exclusively on the key principles of the following four streams: evidence-based treatment; a cultural shift, with the aim of creating not good veterans, but good citizens who have served; a service configured singularly around the service user, which will include service families; and clear and accessible care pathways.

It is worth noting at this stage that a sustainable model of future veterans care and support in this country cannot simply be modelled on how other nations have done this. We face a similar but subtler challenge in the UK, given our cultural and societal perceptions of serving and retired military service personnel and their families. Let me repeat that key point: veterans care must be singularly and exclusively configured around the needs of the user, with ease of access and dedicated casework management, rather than just signposting, at its core.

What do those four points look like in a little more detail? The future actually looks very similar to the present, but with key organisational, control and attitude changes. We are not looking at a huge demand or fiscal commitment to get this right. The Government must step up and take command of the national veterans challenge. Ultimately, it is the nation’s responsibility to care for our servicemen and women, and that must be realised.

The Government’s role in all this would be clear. They would provide access to service records. They would ensure there was a uniform access process across all providers, taking responsibility for a single point of contact. They would need independently to control the impartial case management of individuals, which would be focused entirely around individuals and their specific needs, which must be met. The Government must commit to providing interoperable case-management software and access to, or information about, NHS and other care providers’ data. Chiefly, however, they must accept some sort of legal responsibility for ensuring that there is that care pathway. The actual delivery of services would remain with the current providers across the charitable and NHS sectors.

What sort of reform is needed in the service charity sector? With our young men and women potentially at vulnerable stages in their lives, approaching almost anyone who can claim to provide a service, there can be no doubt that we need some sort of regulation—with a small “r”—of our service providers, which is something only the Government can do. It is not good enough to ask the veteran to shop around and bounce from charity to charity without resolving his issues. Too much has already gone into the system: too much time has been invested and too many cases have been exposed to allow that to continue.

I and everyone else in the sector are clear: nobody can tell a charity what to do—that is not what these reforms are about—but it would be naive to suggest that the entire sector is optimised at present to deliver care for veterans, which is a nation’s responsibility. With more than 2,500 military charities and funds, it is not realistic to suggest that there is no duplication, waste, bad practice or financial misdemeanours.

Tom Tugendhat: My hon. Friend is, rightly, speaking passionately about military charities. I know I can speak today without fear of opposition about the fact that many charities have tried to come together at
various points. Indeed, when I served in the Ministry of Defence and worked under General Richards, the then Chief of the Defence Staff, efforts were made to bring them together. There is, however, opposition to streamlining in many areas when so many different charities seek to fulfil a role in our society.

Johnny Mercer: Absolutely. This is the nub of the challenge when it comes to military charities and funds: how do we go about getting everyone to pull in the same direction? Some service providers need to consider whether they are exclusively configured around the user for whom they were originally set up to serve. Only a robust, dedicated and strong leadership team is capable of having that conversation, but I hold out hope that, with a vision of single-minded delivery in an increasingly challenging environment, charities can come together to identify their individual but equally special roles in the veterans care pathway and work together better as part of a greater machine and a greater cause than just their own. That requires leadership, including from the Government, but that will not happen unless we make a conscious move to provide it.

In my view, all groups that wish to provide a veterans’ service of any kind and raise money for anything related to veterans care, be it palliative or holistic, should be required by law to be part of an approved group, perhaps along the lines of Cobseo—the Confederation of Service Charities—but with teeth. In order to gain access to that group, service providers should adhere to a basic set of agreed standards on their suitability. Those standards could include showing a clear practice of evidence-based treatment, outcomes, a complaints system, independent financial oversight by a board of trustees, and refusal to accept individual cases that do not come through a single and agreed point of contact.

I am going to start wrapping up, because I want to give the Minister time to reply. I hope the House forgives me for going on for longer than I wanted to, but I wanted to take as many interventions as possible.

In summary, now is the time to get this right. The truth is that other allies are treating their veterans better than we are, and that cannot be right. We have this ever-closing window of opportunity. We owe it to these truly heroic men and women, who gave the best years of our lives willingly in service of the nation, hoping that we would not be disadvantaged for doing so. The Conservative Government can deliver that, but current structures need to be reconfigured. A department for veterans affairs would be a huge step forward, but it must be given the cross-departmental authority required to deliver those changes. Veterans care is a multi-agency operation within Government. At the very least, the veterans Minister must have that cross-departmental authority.

Finally, I pay tribute to the veterans Minister, with whom I have worked closely on this area. He has achieved much already and I am sure that he will continue to do so throughout this Parliament, but the truth is that he has no cross-departmental mandate or resource to empower him, or a clearly identified budget. In the United States, the Veterans Administration budget for 2015 was more than £160 billion.

This Government have done more in this cause than any previous Government. That is unarguable. We have made real progress, but there is some way to go—there really is. This Prime Minister presents us with an opportunity to get this right for my generation. Thank you, Mr Speaker, for the opportunity to bring this issue before the House.

5.23 pm

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): Let me start by congratulating my hon. Friend the Member for Plymouth, Moor View (Johnny Mercer) on securing this debate. I shall be honest from the start and say that, in the six minutes I have to reply to the debate, I will not, unfortunately, be able to respond to every point that has been raised. I agree with him: it is absolutely right that he spent his time articulating the case and allowing other hon. Friends to contribute. Perhaps we can pick up some of the detail at another time. Since arriving in the House, he has made it his mission to campaign on behalf of veterans, and he has already forged a strong reputation as a champion of ex-service personnel. That reputation was cemented by the excellent report he presented to the Prime Minister earlier this year. Indeed, we should expect nothing less from a former officer of the Royal Regiment of Artillery.

Today is also an opportunity to pay tribute to veterans. This year, we mark a series of major anniversaries, a century on from Jutland and the Somme and some 25 years on from the first Gulf war. Such momentous occasions remind us of the extraordinary service and sacrifice of our soldiers, sailors and airmen. Those heroes were willing to put their lives on the line to defend our nation. That only underlines our responsibility to all our brave veterans, of whom there are some 2.8 million in this country. We must ensure that their transition to civilian life is as smooth as possible.

The majority of service personnel go on to enjoy a successful second career or, indeed, a well-earned retirement, but, sadly, as we have heard today, there are some who fall on hard times. Although the Ministry of Defence takes its responsibility to address needs arising from service very seriously, charities fill a void. They play a vital role in supporting wider welfare requirements, providing everything from housing to healthcare and helping wounded, injured and sick personnel back on the road to recovery. They prevent vulnerable individuals, some of whom leave service early, from falling through the cracks.

With 12,000 to 20,000 individuals leaving the UK armed forces every year and the world becoming a much more dangerous place, as the terrible Brussels attacks this week remind us, we will inevitably demand more from our people. That means that the work of the voluntary sector will become even more important, but charities are under serious pressure, not just from the scrutiny of their governance procedures, but from a decline in charitable giving. That is a direct consequence of the end of our enduring combat campaigns, which acted as a significant recruiting sergeant.

The Government would not ask our great voluntary sector to take on more responsibility without giving more power to its elbow, so we are helping out in three ways. The first is funding. In last week’s Budget, my
right hon. Friend the Chancellor announced that £45 million of banking fines would be allocated over the next four years to support military charities. That includes £500,000 for CAIS Wales to fund its Change Step veteran services, which help veterans with post-traumatic stress disorder and a range of psychosocial problems to make positive changes to their lives. There is also £2.7 million for Royal British Legion Industries to help to fund its six care homes, which cater for ex-servicemen and women and their partners.

The second way in which we are helping is leadership. The MOD is providing critical support to the sector. Armed forces charities’ employees, many of whom give their time for free, do an incredible job. However, in tough times charities need to do more to pool effort, minimise duplication and make the most of their resources. There is plenty of scope in that respect. It is worth reminding the House that the military charity sector is as broad as it is complex. We are all familiar with household names such as the Royal British Legion, SSAFA and Help for Heroes. According to the 2014 Directory of Social Change online guide to service charities, however, there are more than 2,200 registered military charities, such as Blind Veterans UK and Go Commando, which were rightly mentioned by my hon. Friend.

We have been supporting organisations such as Cobseo, an umbrella organisation for 250 charities, in their critical cluster work. Cobseo is bringing more coherence to the sector by having members work together, as I saw for myself when I recently attended a housing cluster meeting. It is expanding the evidence base on the big issues that affect veterans at various stages of their lives, from better employment opportunities to residential care homes. We have recently given it almost £500,000 to intensify its efforts. Like my hon. Friend, we believe that common standards will help to focus charities’ activities and ensure a greater consistency of service across the country. We know that some smaller charities exist purely to satisfy a niche requirement in some areas of the country, but for the more established charities, we encourage membership of Cobseo.

The third way in which we are helping is through greater collaboration. My hon. Friend and I agree that there is also a need for the Government to do more. The needs of veterans straddle Whitehall boundaries and national borders. They take in the MOD, the NHS, local authorities and our devolved Administrations. At times, the arrangement is unwieldy and unnecessarily bureaucratic.

Yet, while we agree on the ends, we do not necessarily agree on the means. My hon. Friend believes that we should have a Ministry for veterans, but on balance I do not believe, having considered the idea carefully, that it is the best way forward. That is primarily because it would duplicate what already exists. As Lord Ashcroft has said, a veterans agency would be a cross-Government agency. Yet we already have cross-Government support from the Department of Health, the Department for Work and Pensions and the Department for Communities and Local Government, as well as other Departments. We also already have the DBS—Defence Business Services—Veterans UK, which, while focusing on pensions, compensation, and welfare support, works in the same way.

Above all, we are now using the armed forces covenant, which is designed to stop members of the armed forces family facing disadvantage, as a mechanism to join the dots between services. The covenant is backed not only by a £10 million annual fund, but by a clear governance structure. We have a three-star covenant reference group, chaired by the Cabinet Office, which co-ordinates delivery of the covenant for Her Majesty’s Government. It brings together all relevant Departments and devolved Administrations in a way that a single agency or Ministry could not. We have a ministerial committee on the covenant chaired by the Chancellor of the Duchy of Lancaster, and each year the Defence Secretary ensures that the MOD publishes an annual report to Parliament to communicate the delivery of our covenant commitments.

In my closing seconds, let me say that I find it deeply heartening that so many of my hon. Friends are in the Chamber for the last Adjournment debate before the recess. I hope that that demonstrates the commitment of this Parliament to our veterans.

Question put and agreed to.

5.30 pm

House adjourned.
Westminster Hall

Monday 7 March 2016

[Valerie Vaz in the Chair]

Non-EU Citizens: Income Threshold

4.30 pm

Paul Scully (Sutton and Cheam) (Con): I beg to move,

That this House has considered e-petition 118060 relating to the income threshold for non-EU citizens settling in the UK.

It is a pleasure to serve under your chairmanship, Ms Vaz. I want first to read out the petition so that people who read the debate in Hansard later can see what we are talking about. It is entitled “Scrap the £35k threshold for non-EU citizens settling in the UK.” It goes on:

“In April (2016) the Home Office and Theresa May are introducing a pay threshold for people to remain here, after already working here for 5 years. This only affects non-EU citizens that earn under £35,000 a year, which unfairly discriminates against charity workers, nurses, students and others.

This ridiculous measure is only going to affect 40,000 people who have already been living and working in the UK for 5 years, contributing to our culture and economy. It will drive more workers from the NHS and people from their families. This empty gesture will barely affect the immigration statistics. It’s a waste of time, money and lives.

Illegally, the first time the UK has discriminate against low earners. £35k is an unreasonably high threshold. The UK will lose thousands of skilled workers.”

I will now return to using my own words; my own views may be slightly different. I should add that the Select Committee on Home Affairs has considered the issue as part of a wider report on skills, and on how the tier 2 and other visa categories affect skilled workers coming into the country, to which the Government responded in February.

I have been a member of the Petitions Committee since it was set up in May, and the petition before the House is one of a number that have hit the public’s imagination since the e-petition system began. However, from memory, I think this is the first pro-immigration petition to be debated. I have led on one that wanted a stop to all immigration now; and we had a quite interesting discussion about a certain Mr Trump, relating largely to his comments about immigration in the US. This is the first to look at immigration from a positive point of view, and to deal with a specific part of immigration policy.

I hope that we will have an interesting debate on how the policy affects people, the contribution that people make when they come to this country and bring their skills here, including economically and culturally, and what we need to do to control mass uncontrolled immigration. I think that there is, largely, consensus that we always need to do more to address that.

I have a few general concerns about the wording of the petition, which are the sort of thing I would say to anyone considering putting something on the e-petition website. Some of the wording was not what I would have chosen—such as referring to a “ridiculous measure” and saying that it “is only going to affect 40,000 people”.

I think a lot of people who are concerned about immigration will say that 40,000 is effectively just over 10%—about 15%—of the current net migration figure, which is quite a lot. It is quite a high percentage that the Government are looking at, when we are talking about trying to control immigration as a whole.

Mr Steve Baker (Wycombe) (Con): Will my hon. Friend confirm that the Government cannot apply such a measure to European Union citizens precisely because we are European Union citizens and are consequently prevented from discriminating in the matter of free movement of EU citizens? Does he agree that it would be better, fairer and more just to everyone if we operated migration on the basis of British citizenship, so that we could treat people fairly, wherever they came from?

Paul Scully: I very much agree and will speak about that later. I think we are acting with one arm tied behind our back within the structures of our immigration policy.

The petition also calls the policy an “empty gesture”, which “will barely affect the immigration statistics.”

However, if we are talking about 40,000 people, it will do more than that. I do not think it is a waste of time. The petition says:

“This is the first time the UK has discriminated against low-earners. £35k is an unreasonably high threshold.”

I suspect that the debate will tease out the various types of occupations that may or may not be affected.

Carol Monaghan (Glasgow North West) (SNP): Of course, the occupations that will be affected are key to the debate. It will not be possible to recruit nurses, or teachers of science, technology, engineering and maths, from abroad. Gaping holes in those areas will not be filled.

Paul Scully: The hon. Lady is second-guessing what I was going to say, because I contend that the shortage occupation list, which is the second part of the tier 2 visa rules, takes that into account. Although the petition goes on about nurses, they are on the shortage occupation list. It also mentions charity workers, who tend to be dealt with on tier 5 visas, for temporary workers; and students, who tend to have tier 4 international student visas. Therefore there are a few factual inaccuracies in the petition, but none the less there are some real concerns within various occupations, and it is right that the people in question should make representations so that we can consider them. We should bear it in mind that the Migration Advisory Committee regularly looks at the list, and it is important that it should continue to do so.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): The economy relies on a wide variety of skills, and not all are paid at similar rates. Does the hon. Gentleman agree that a banker in the City will earn much more than, say, a classical musician? The blanket application of one threshold for all industries is inherently unfair.

Paul Scully: If that were the case, then yes, it would be, but I think that is where the shortage occupation list comes in. For example, a classical ballet dancer has an exemption of £20,800 and so will not be affected by the £35,000 limit. The threshold is far lower. I cannot say
what the market rate is for a classical ballet dancer, but there are such exemptions. That is why it is very important that the Migration Advisory Committee should keep the list under regular close inspection and review, covering such examples as the hon. Lady has mentioned.

Tier 2 is intended for skilled workers. The majority of reasonable people—if we can get past the people who say we should stop all immigration now—would consider immigration to play a positive economic and cultural role in the country. We bring in some fantastic migrant entrepreneurs and, as has been said, nurses, as well as pharmacists and people who work in the cultural industries such as music, dance and the arts. Those people contribute to the UK and the fabric of the country. In some cases they do jobs for which we cannot find the skills in this country, and they can help to train and upskill our own citizens.

Martin Docherty-Hughes (West Dunbartonshire) (SNP):
In response to an intervention by the hon. Member for Wycombe (Mr Baker), the hon. Gentleman talked about extending the policy to European Union citizens. Would he allow other European Union member states, where 1.26 million UK citizens live, to do the exact same to UK citizens?

Paul Scully: At the end of the day, when we talk about the European Union, we are talking about being able to control our own borders. We are talking about the skilled people we want in this country. My personal view is that I would like the UK to leave the EU, in order to get skilled people from other countries across the world. However, in the context of our debate, the best we can do is look at tackling immigration from outside the EU, work out the skills we need and the various industries that need particular help from outside, and work through the tier 2 visa rules in terms of the threshold and the various exemptions we have talked about.

Mr Baker: Does my hon. Friend agree that the key point is that the burden of proof lies with those who wish to continue to discriminate against people who are from outside the European Union, in favour of people from the European Union? That is the crucial point. The EU puts us in a position where we are discriminating against non-EU citizens; that should end.

Paul Scully: Yes, I have dealt with the curry industry—this may sound slightly random, but bear with me for a second. A lot of people representing that industry complain of the fact that two curry restaurants a week are closing down, out of the 10,000 or so around the country. There are lots of different reasons for that, one of which is that the restaurants are failing to attract skilled chefs. The associations and the trade bodies tell me that the restaurants can hire an unskilled person from another European country; that person can therefore come over here and get a job at the expense of a skilled chef with experience from, say, Bangladesh.

Carol Monaghan: In what way would raising the pay threshold to £35,000 alleviate that problem?

Paul Scully: Frankly, it would not, which is why I am not going to make that case. Leaving the EU would mean that we did not have to pinpoint all our immigration policy on tackling immigration from outside the EU, which at the moment is the only lever we have to pull. We cannot do anything about immigration from within the EU because of rules on the free movement of people. People from, say, Bangladesh or India—countries that are going to dominate the world economy for the next few decades—are therefore at an unfair disadvantage to unskilled people from within the EU. I was therefore not going to make that case.

The threshold will apply only to workers in graduate occupations. Given the way our skills and skills agenda have changed over the past few years, more and more occupations are falling into that category. Years ago, nurses did not need a degree, but now they do, as nurses are taking on more and more responsibilities—responsibilities akin to those of doctors, in many cases. They are highly qualified and highly skilled, and rightly so. We certainly need to ensure that we can attract the very best nurses to this country.

Any employer that wants to take someone on under the skilled work category needs to carry out a resident labour market test, in order to prove that the job cannot be filled from within our domestic market. PhD-level jobs are exempt, and as I said, shortage occupation list workers are also exempt.

Martin Docherty-Hughes: The hon. Gentleman mentioned the domestic market. Would that exclude Ireland, with which we have had a free movement agreement since the early 1920s, and every Irish citizen?

Paul Scully: That is an interesting point. All I was saying about leaving the EU is that we would have control of what we do. We have had control of what we do with Ireland for a number of years, well before we were members of the European Union.

The Migration Advisory Committee looked at this issue in December 2015 and recommended a salary cap of about £30,000. It acknowledged:

“The Government’s core objective is to significantly reduce the level of economic migration from outside the EEA.”

The Prime Minister has made it clear that the Government’s focus is on training domestic workers. That is the right long-term plan. I talked about curry chefs earlier. I know that the Government have talked about setting up training colleges, apprenticeships and that sort of thing. In the long term, that is absolutely the way to go. The curry industry and a number of other industries have struggled to get to grips with and adapt to the change in Government policy over the past few years. Those industries have been trying to push against the changes, but now that the rules are starting to come in and bite, they have realised that it is too late to make changes that they could have made over a number of years.

Even if the Government do not reverse their policy, I hope that they will be understanding and sympathetic to these industries, working with industry leaders and trade bodies to ensure that, where possible, compromises can be made to help the industries cope. The curry industry that I keep talking about is worth £3.5 billion to the UK economy and employs around 100,000 people. It would be a tragedy to see a UK industry of that level wither on the vine.
Tier 2 has a role to play. When I was campaigning, immigration was certainly the No. 1 issue on the doorstep. It came up time and again. Everybody was saying to me, “You know what? We need a points-based system.” Well, we have one; we have had one since 2008, and the tier 2 visa system forms part of that process. To work out whether someone can get a tier 2 visa, they need to be able to show their income, and information in a number of other categories, and they then get points on the basis of that information.

Several Members here will have received the briefing from the Royal College of Nursing. I know that the threshold is of concern to the RCN, and nurses have already been mentioned today. I am glad that nurses are on the shortage occupation list; that is important, especially when we are trying to recruit more nurses and bring more of them into the national health service. Obviously, it takes time to train nurses, so we have to find them from somewhere. According to the RCN, 3,365 nurses would have been affected if they had not been on that list. The shortage occupation list has to iron out unintended consequences, but it still provides the default position that the UK should supply its own workforce wherever possible. That is the right thing to do.

We must bear in mind that the tier 2 visa system is only one tool in controlling immigration. The Government have done a number of very good things on immigration, such as closing down 920 bogus colleges, slashing 45,000 visas from the further education route, cutting family visas by a third, restricting access to public services through the Immigration Act 2014 and cutting abuses of those services. All those measures have had an effect, but there is still more we can do, and we must do so for the reasons I have given.

There are only a certain number of avenues that the Government can control. The issue of unskilled labour from the EU is not one of them, unfortunately. The UK economy is the biggest pull factor for migration. We have talked a lot in debates in the main Chamber about welfare changes, but ultimately the biggest pull factor for migration is the state of the UK economy—it is the fact that we have had the fastest-growing economy in the western world and have been creating more jobs in the UK than the rest of Europe put together. When there is double-digit unemployment in parts of southern Europe, of course the UK will be an attractive place to come, so we need to do more on immigration.

It is important that we have a good debate. We have to keep on controlling mass immigration, which affects infrastructure and can often affect social cohesion. I hope that the Minister will look kindly on the basis of that information.

I believe that the petition has got one thing wrong: the Government have form when it comes to discriminating against low earners. For instance, such discrimination is part and parcel of the restriction on the right of people earning less than £18,600 a year to bring a non-EU spouse into this country. That not only restricts the right to family life of many people on low incomes but disproportionately affects women, young people, those from more deprived areas of the UK and workers in lower-waged sectors of the economy.

I am sure I will be echoing the concerns of other Members in saying that we need to keep driving home the message that the Government’s attitude towards the management of immigration is wrong-headed. The measure that we are debating today will do yet more damage to their reputation and that of the UK. Its message was well summarised in an online headline, which said: “Britain To Foreign Workers: If You Don’t Make £50,000 A Year, Please Leave”.

The Government’s response to the petition illustrates their attitude and the tone in which they conduct this debate. They talk of “uncontrolled mass immigration” making it difficult to maintain social cohesion, putting pressure on public services and driving down wages for people on low incomes, yet this measure deals only with people entering the UK to take up a graduate-level job, many of whom come here to work in vital public services in which there are considerable skills shortages. Despite the fact that some of those services are on shortage occupation lists and will not be affected in the short term, it is concerning to see what a high proportion of them attract salaries of less than £35,000. That suggests that the bar is set too high.

Margaret Ferrier: The National Union of Journalists has concerns that the income threshold will have a huge impact on media workers, including people employed at the BBC World Service. Does my hon. Friend share those concerns?

Kirsten Oswald: I do. The measures could cause difficulties in many sectors, including the one that my hon. Friend mentions.

This policy seems to be more about portraying an image than the effect that it will have. Even its proponents admit that it will have little, if any, effect on the actual level of immigration to the UK. In its initial report on this topic, the Migration Advisory Committee said that “it is likely that, to some extent, migrants prevented from staying beyond five years will be replaced by new migrants.”

Paul Scully: Does the hon. Lady not consider 40,000 fewer people coming to the UK to be a reasonably significant reduction?

Kirsten Oswald: I point the hon. Gentleman to what I said before; there will be churn, with people coming in and out of the UK.

The Migration Advisory Committee went on to say that “the impact on the UK migrant stock of applying a pay criterion will probably be lower than...estimates suggest.”

Indeed, the Home Office’s own impact assessment talks of the policy potentially leading to a “churn of migrant inflows”.

4.49 pm

Kirsten Oswald (East Renfrewshire) (SNP): It is a pleasure to serve under your chairship, Ms Vaz. I congratulate the organisers of the petition on their achievement in getting 100,000 signatures from all across the UK. I note that more than 100 people in my constituency have signed it.
Many commentators have expressed reservations about applying such a simplistic measure as a single pay benchmark to the granting of settlement. Many of the consultees see the need for greater flexibility than is reflected in the Government’s policy. Perhaps not surprisingly, I find myself in agreement with the Scottish Government, who, as my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) said, have criticised the crude use of wage levels, because many essential occupations are not necessarily well paid. In addition, as the Scottish Government and others have pointed out, there are significantly different wage levels across the UK. In most cases, people with the same occupation and the same skill level are paid different amounts in London, for instance, compared with other parts of the UK.

The Migration Advisory Committee report on the impact of the policy highlights the fact that only London has a mean wage for graduate occupations that is higher than the UK average. All other nations and regions are below the average—in some cases considerably so. The spread from the mean graduate wage in London to that in Wales is more than £15,000, and it is difficult to see how a standard wage requirement of £35,000 for tier 2 applicants for residence can meet the needs of all areas.

The notion that there is a single UK economy and demography, which can be managed by one-size-fits-all policies, is a fiction that should have been abandoned long ago. Of course, it is possible to construct models and reports that treat the UK as a single economic entity, but that does not make the whole UK the appropriate benchmark to the granting of settlement. Many of the consultees see the need for greater flexibility than is contained in the Government’s policy. I want briefly to look at the principles of immigration rules and the make-up of the Migration Advisory Committee with respect and put the question of immigration rules and the make-up of the Migration Advisory Committee on the agenda of the Joint Ministerial Committee. I would welcome confirmation from the Minister that he and his colleagues in the Department will consider that.

4.57 pm

Patrick Grady (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Ms Vaz. I think this is the first time that I have spoken in a Westminster Hall debate under the Petitions Committee system. I tried to squeeze into the debate on the Women Against State Pension Inequality petition, but I arrived about two minutes too late to get a seat, so I ended up sitting in what I believe is grandly called the “Press Gallery”—that little bench over at the side of the room—much to the chagrin of some members of the press. However, the fact that the Petitions Committee allows such debates to be triggered is a welcome development in this Parliament.

I note from the information provided by the Committee that 551 of my constituents have signed this petition—the 32nd highest number in the country—out of the 102,748 people who had signed the petition when I checked earlier this afternoon. I noticed that some of the constituencies with the highest number of signatories were held by Labour Members, so it is rather disappointing to see the paucity of Back Benches from what is supposed to be the official Opposition party at such an important debate.

In opening the debate, the hon. Member for Sutton and Cheam (Paul Scully) noted that there had been a variety of immigration-based petitions, some of them pro-immigration and some less keen on various aspects of immigration. That demonstrates a disconnect across the country on the issues. There is certainly not any consensus behind the Government’s position, which seems to me to be driven by ideology and an obsession with the net migration target. It does not reflect any kind of consensus among the population at large, and certainly not among political parties or the different regions and nations of the United Kingdom.

We in the Scottish National party recognise that effective immigration controls are important, but the £35,000 threshold that we are discussing is just another poorly thought out, unfair immigration policy from the Government. I want briefly to look at the principles behind the policy and the complexity of it, and I will raise a couple of specific concerns and the need for a fairer approach.

As I said, it is pretty clear to SNP Members that the UK Government’s immigration policy comes from a certain kind of ideology and a determination to pander to some of the more unpleasant elements of the support for the Conservative party and some other parties. The 100,000 net migration target does not seem to be based on any needs analysis of what might be good for this society’s economy. Rather, it is a nice round number that sounds quite big, and the Government hope that it will placate certain Back Benchers and UK Independence...
party voters. Incidentally, and interestingly, UKIP voters seem to be concentrated in constituencies that do not have much immigration or many asylum seekers.

The effect of the target has been a whole series of unintended consequences and ever more tortuous mechanisms to try to reach the target, focusing on smaller and smaller sub-groups of immigrants. That is having a disproportionate impact on the economy, society, communities and, most importantly, the lives of individuals.

Despite all that, there have been reports that net migration is beginning to fall, even if, at 323,000, it is much higher than the Government’s arbitrary target. Such an arbitrary target is almost impossible to reach, because so many factors that affect it are outwith the Government’s control. For a start, they cannot change the number of UK citizens who, rightly and legitimately, might want to leave the United Kingdom to live and work in other parts of the world, whether in the European Union, as my hon. Friend the Member for West Dunbartonshire (Martin Docherty-Hughes) said, or in other parts of the world. Nowhere in UK policy does there seem to be any consideration of how other countries might react to people from this part of the world who want to leave to work overseas.

That brings me to some of the failings of the proposal. A disappointing lack of parliamentary scrutiny has preceded its introduction, as is true of many aspects of immigration reform. This debate should be the beginning of a scrutiny process rather than, as is more likely, the end, after which the reforms will be introduced. As far as I am aware, there has never been a vote in the House of a scrutiny process rather than, as is more likely, the end, after which the reforms will be introduced. As far as I am aware, there has never been a vote in the House on the matter, nor is there likely to be one.

Our approach is at odds with that of many other countries that are trying to attract and retain expertise and skilled workers. In 2011, the Institute for Public Policy Research said in response to the original proposal:

“It is significant that no other major country is moving in this direction. Indeed, countries whose skilled migration policies are widely praised as exemplars such as Canada or New Zealand, are taking precisely the opposite approach: they may be fairly selective about who is allowed to enter, but they assume that those who do enter will settle, and have integration policies designed to make that work.”

Martin Docherty-Hughes: Does my hon. Friend recognise that one reason why Canada and other nations are going in the opposite direction is the ageing population in the northern hemisphere and the limitations on the ability to deal with it?

Patrick Grady: Absolutely. An ageing population and a declining birth rate have disproportionately affected Scotland and various regions of the United Kingdom. That goes back to my point about immigration policy being designed to placate voters and political parties in parts of the country that do not have such a situation.

Bodies in a number of sectors have expressed a wide range of concerns about the policy. The Government have responded to some extent to the concerns expressed by the Royal College of Nursing and others about the impact on the health service, but my understanding is that the proposal to put nursing into a skills shortage category will be temporary, with no guarantees about what might happen in future.

We have heard about the impact on other sectors that rely on special skills but do not necessarily pay above the £35,000 threshold. My background is in the international development charitable sector. People come to that sector with a whole range of skills and experiences, but £35,000 is a pretty high salary in such a field.

We have heard quite a bit about the catering industry. I was reminded of a video that was doing the rounds on social media at the weekend: the famous Rowan Atkinson sketch from the 1980s in which he speaks as a Conservative politician saying, “Well, you know, we welcome these people from different parts of the world, and they brought us exotic cuisine such as curry, but now that we’ve learnt the recipe, there is no real need for any more of them.” That was supposed to be satire, yet here we are hearing exactly that sort of sentiment expressed by today’s Tory Government.

I have just come from the all-party group on music’s live music briefing. Our creative sectors benefit hugely from people being able to come into the country to share their expertise, drawing on our rich cultural heritage and bringing their own. Again, £35,000 is a significant salary in those sectors, especially in the early years of work. My hon. Friend the Member for East Renfrewshire (Kirsten Oswald) made a point about churn in such sectors. As a result of the policy, people might come for five or six years and then have to leave, only to try to come back 12 or 18 months down the line.

Paul Scully: Does the hon. Gentleman agree that whether it is in the catering industry, the music industry or any other industry, the Government’s default position on lower-paid jobs should be to train our own people first, and then to attract the skills we need beyond that?

Patrick Grady: Yes, but those things need not be contradictory. People can come here with specific skills, and learn, develop and share their skills in different ways. The system will allow people to be here for five or six years precisely to develop professional skills and, hopefully, work their way up the ladder, but if they do not meet the arbitrary threshold they will face having to leave the country, forcing potential employers to start again, ultimately with more cost. The Government’s paper on the issue, signed on 14 March 2012 by the Minister who was responsible at the time, states that there will be a reduction “in economic output—estimated at £181m to £575m over 10 years”.

Even the Government’s own estimate is that the policy will have a negative impact on the economy, but clearly they believe it is a price worth paying to hit their arbitrary target.

The impact on the economy, society and culture as a whole is important, but so is the impact on individuals. I suspect that all of us—certainly all SNP Members—have had constituents in similar circumstances. If they are not directly affected by the income threshold, they are certainly victims of other pernicious aspects of the UK Government’s immigration policy.

The first time I was drawn to ask a question in Prime Minister’s questions—in fact, the only time—I raised the case of my constituent Steve Forman. I do not expect the Minister to have the details in front of him, but Dr Forman is a highly skilled musician, percussionist and teacher at the Royal Conservatoire of Scotland. He did not meet a particular income threshold, so he was being forced out of the country. He was not costing the taxpayer a penny. He was earning an income on which he was paying tax. He has access to a private income...
from his considerable years of work and experience around the world. He was a musician for David Bowie, among many of his contributions, yet the Home Office saw fit to try to deport him. That is what is costing the taxpayer money. A fortune is being spent on appeals, tribunals and further legal processes. My constituent could have been allowed to stay in the country. He is still here, but with a massive question mark over his appeal, which seems to be snarled up. I do not expect an immediate response from the Minister, but a letter telling us where we are with his case would be much appreciated. That is but one of the many examples that come to our surgeries daily.

Immigration is essential to the strength of our economy and greatly adds to the social and cultural fabric of the country. This proposal is, sadly, one more aspect of an ideologically driven Tory policy that is all about pulling up the drawbridge irrespective of the needs of the economy and society across the United Kingdom. When I raised the case of my constituent at Prime Minister’s questions, I said that if the UK Government did not want to introduce an immigration policy suitable to Scotland’s needs, they could devolve immigration powers to Scotland and let us develop a policy that would work in Scotland’s interests.

Our vision is of a fair and sensible system of managed migration, with a measured strategy to make the most of the huge benefits that immigration can bring to the UK and Scotland. That stands in stark contrast with the Conservative approach. I have no doubt that we on the SNP Benches will continue to stand up for that, whether in Westminster Hall or during discussion of legislation on the Floor of the House.

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5.9 pm

Tommy Sheppard (Edinburgh East) (SNP): I am delighted to speak in this debate, but like my hon. Friend the Member for Glasgow North (Patrick Grady), I wish the attendance was rather better. I do not want to score any political points, but I do think that a fairly nasty and pernicious little proposal is being put forward and it is incumbent on us all to encourage our colleagues to take this a little more seriously and show more interest in it.

Keir Starmer (Holborn and St Pancras) (Lab): Will the hon. Gentleman give way?

Tommy Sheppard: I will of course. Perhaps a meeting is going on that I do not know about.

Keir Starmer: I let that comment go the first time, but hon. Members will see on the screen that in the main Chamber at the moment there is a debate on a Home Office Bill, in which very many of my colleagues are down to speak. It is unfortunate that there is a clash, but it is not fair to read into that a lack of interest in this debate. I do not know whether the hon. Member for Edinburgh East (Tommy Sheppard) has seen the screen and realised that that Bill is now being debated in the main Chamber.

Tommy Sheppard: I thank the hon. and learned Gentleman for his point. As I said, I am genuinely not trying to score a political point. I am simply saying that we need to encourage colleagues to take more interest in this debate, this subject and this proposal in particular.

Since my election to the House, I have discovered that this is a place rich in irony, and I have been overloaded with it today. I have come to this debate from Portcullis House, where I was at an exhibition of scientists, engineers and technologists, who are trying to show Parliament pioneering work in which they are involved. I met three young people working at Edinburgh University on doctorates. One was from England, one from Italy and one from the United States of America. I am fairly confident that if this little proposal goes through, we will have to say to Laura Underwood, who is pioneering clean water technology at the University of Edinburgh, that if she is successful in discovering something new in that technology, she will not be welcome to stay in this country and realise that and get a job to develop it unless she is earning more than £35,000 a year, which in a first-time job, when someone has just graduated, is pretty near impossible. If some people in the House get their way and we manage to pull out of and turn our backs on the European Union, down the line we would have to say something similar to Enrico Anderlini, who is working on developing new forms of wave technology—that he would not be welcome here as an Italian unless he was earning £35,000 a year, which for a young 20-something is pretty hard to do. It is very ironic indeed that I should come from that gathering to discuss a policy that seems to be set up to put a major hurdle in front of such people.

I am here today because more than 1,000 of my constituents have signed this petition and because many people have written to me, giving examples of what the proposal will mean for them as individuals. I think—I welcome some of the comments so far—that we need to change the whole way in which we debate immigration in this country and we need to start in this Chamber by setting the pace and setting an example of how that should be done. Immigration is undeniably a good thing for our economy; it is a good thing for our communities, and it is a good thing for humanity and the individuals who are involved in that process. If we had not had immigration or migration over the centuries, this world would be a much more miserable and unliveable place than it is today, so I would be glad if we could at least try to couch the debate in positive terms.

I note the statistic that has been thrown up in the debate that net migration—this is seen as a horrible thing—was about one third of a million people last year. I thought to myself on the train down this morning, “Well, how much is that really?” It is about one in every 200 people in the United Kingdom, so in a town of, say, 20,000 people, it would mean that 100 people have come over the last year to live in that place. I cannot square that statistic with the thoughts in some people’s minds about our being overrun by alien hordes or alien cultures and the country’s being swamped by migrants. That is clearly ludicrous, so we could at least get a sense of perspective.

I understand that in some communities, among some of our citizens, there is deep apprehension about migration. I understand in particular that many of the people who are living at the margins of society and who feel themselves to have very little are susceptible to the argument that says, “You can’t afford to be generous to people from
elsewhere in the world. You need to be hard-faced about this and turn your backs on these people.” I do not agree with that approach, but I can understand why some people will develop it. It concerns me that we have politicians who want to manipulate that prejudice and who, rather than confronting with evidence the assumptions on which it is based, pander to it and try to use it for political capital. That is all of us going to hell in a handcart if we do not pull back from that general direction.

Although I can understand that type of feeling when it comes to whether we should take tens of thousands of refugees fleeing warzones in the third world, I cannot for one minute understand that when it comes to the question of tier 2 visas. Tier 2 visas, let us remind ourselves, are given to people who are coming to work here in a job that has already been advertised locally and that no one living in the area wants to take, so how that can be described as anything other than a positive benefit and contribution to our economy and our community, I do not know.

I want to question—the Minister will perhaps answer this—the rationale, the logic, behind saying that people have to earn a certain amount of money, a certain salary, to be able to come here, but a different amount of money, a different salary, to be able to stay here. That seems ludicrous; and the £35,000 a year figure is arbitrary. I need to hear the justification for it, because it certainly does not work in my constituency—in my city. It takes no account whatever of regional variations within the United Kingdom in employment and in salaries. Whereas there might be places in the middle of London where £35,000 is regarded as some sort of miserly salary, I can tell hon. Members that it is regarded as a very good salary indeed in my constituency. If we set that as the limit, all that will do is further imbalance the UK economy towards London and the south-east and those areas that are already sucking the lifeblood out of it, so I would caution people when thinking about trying to manipulate migration to this country so that it favours London and the south-east rather than the rest of the country.

The proposal also demonstrates no recognition of different industries. A constituent wrote to me and said, “This seems to indicate that the Secretary of State has a value system behind this—that they view some jobs as more important than others and that if someone is working in banking or finance and earning a good salary, they are regarded as inherently more valuable and someone we would want more than someone who is working in a lower-paid job in our public services or in the arts and creative industries.”

I want to make the point in particular about the arts and creative industries. This issue is particularly relevant to a city such as Edinburgh, a metropolitan, bustling city with people from all over the world, doing all sorts of exciting things and fuelling our great festivals. Many people in this Chamber will have attended those festivals and enjoyed them. That is partly because it is a welcoming place to come and we do not say to people, “To practise the arts here, you have to be in a job earning £35,000 a year, or you can’t do it.” As soon as we begin to do that, not only will that culture begin to ebb away and things will get that much duller, less creative and less exciting as a result, but other cities, in other countries, will directly benefit from that because people will go elsewhere.

Of all the petitions that I have ever seen come to this House, this one is the most eminently reasonable. If we read what the petitioners want, we see that they are not saying, “Oh, throw out the Government’s immigration policy.” They are not even saying, “Overturn and throw out the concept of having to reach a salary threshold before people can get indefinite leave to remain.” They are saying, “Press the pause button. Take a look at this again, and wait to get some evidence in particular about whether a different limit should apply to different industries.” I cannot for the life of me see anything more reasonable than that, and I think that not only should we consider it, as we do in these debates in Westminster Hall; I hope that the Minister will say that the Government will consider it to the extent that they will think again and go away and amend this policy.

5.18 pm

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): It is a pleasure to serve under your chairship, Ms Vaz. I, too, welcome the debate and am genuinely pleased to see the degree of engagement on this issue that use of the petitions facility has generated, not just in terms of numbers, although they are at first glance pretty remarkable, but in terms of the quality of submissions made possible through Parliament’s Facebook account. I also welcome the contribution of the campaign group Stop35k in engaging with those affected and making their voices heard.

We have heard some excellent speeches this afternoon, and I am pleased to see so many of my hon. Friends present. A lot of good points have been made. As my hon. Friend the Member for Glasgow North (Patrick Grady) and for Edinburgh East (Tommy Sheppard) pointed out, it is important to focus on the specific issue we are debating. It is not yet—thankfully—about raising the threshold for people who are coming here. People are being allowed to come here and take up jobs at a certain salary level that no resident could be recruited to do, but when those people put down roots, a huge extra salary hurdle is put in their way before they are able to gain settlement.

There are so many strong arguments in support of the petition and they broadly fall into two categories. The first is that the introduction of the new £35,000 salary requirement will cause a hell of a lot of pain. As some of my hon. Friends have argued, the second is the question of why we would want to inflict that pain. What is it all for? The answer seems to be that it is not for very much at all. I will take those two sides of the coin in turn.

The threshold will cause pain and, most importantly, distress and upheaval for so many people who have made their homes and built their careers in the UK over several years. My hon. Friend the Member for Glasgow North mentioned a powerful constituency case. Indeed, so many individuals will have their lives, plans and dreams turned upside down by the new provisions. Parliament’s Facebook page and case studies provided by Stop35k have allowed those individuals to explain their personal experiences. I will add another two or three examples that I spotted when looking at Parliament’s Facebook page this afternoon.

A typical example is Shannon, who has been here for more than seven years and who, but for the changes, would be eligible for indefinite leave to remain in a year.
She studied at Imperial College London and has worked ever since on a tier 2 visa, doing very good work for a charity based in central London that communicates original science and development news and analysis aimed at helping the global south. She says,

“I don’t have anything anywhere else. I hope you can help skilled people like us stay in our homes and continue contributing making the UK as unique as it is.”

Megan has three university degrees and works in the international development sector, in which, as my hon. Friend the Member for Glasgow North mentioned, very few jobs pay more than £35,000. She supports herself comfortably and presents no burden whatever to the UK system, but the rule means that she could be forced to leave. She argues:

“This £35k threshold determines the worth of an individual based solely on income rather than contribution to society, which is not just inhumane—it’s shortsighted. The UK will lose essential staff like nurses, teachers, and care workers, and for what?... I sincerely hope that Parliament will think better of this foolish, knee-jerk policy.”

Those case studies point out that people put down roots over time so the UK becomes home, and they illustrate the excellent contribution that those people make to our economy and society. Some might argue that people should have known that this was coming, but it is clear that many just simply did not know. One contributor to the Facebook page was pretty typical in saying:

“When I immigrated to the UK almost five years ago, there was no £35,000 rule...So the ‘deal’ I signed up for has been RADICALLY changed, but only after I uprooted my family and committed to this country...It’s iniquitous, in my opinion, to entice an immigrant with one set of rules, and then rip the rug out from under them like this.”

That point was also eloquently made by my hon. Friend the Member for Edinburgh East. One size simply does not fit all.

Even if people were aware of the rule changes that were provisionally announced in 2011, they cannot refrain from getting on with life and they cannot make a conscious choice to not put down roots, make friends, or build up a home and private life here. Nor can we stop folk having the ambition of meeting the £35,000 threshold by the end of their visas.

First and foremost, the Scottish National party condemns the impact that the provision will have on the individuals who are directly affected. Beyond that, we need to consider the impact it will have on the businesses and public services that employ those people. We are talking about teachers, classical musicians, IT workers, software engineers, professional ballet dancers, chefs and cooks, carers, media workers, biomedical and technological researchers, and many people with jobs in science and research, including in the NHS. We are talking about start-ups, employees of which will often earn less than £35,000 but will make a significant contribution to innovation and economic growth.

We are still concerned about nurses, as my hon. Friend the Member for Glasgow North West (Carol Monaghan) pointed out, despite the Government’s temporary sticking plaster of using the shortage occupation list. Prior to that move, 3,365 nurses working in the UK potentially would have had to leave the country, with a recruitment cost implication of £20 million for the NHS. The Royal College of Nursing pointed out that there was a steep percentage rise in non-EU admissions to the Nursing and Midwifery Council register in 2015. If nursing is removed from the shortage occupation list again, the figures for future years are potentially even more worrying, particularly if overseas recruitment continues to rise as a result of a shortage of home-grown nurses and a crackdown on agency nurse spending. A stopgap answer for the NHS is not sufficient, but at least it has a stopgap measure—the other industries mentioned cannot rely on any such measure.

As several of my hon. Friends have argued, a one-size-fits-all policy is being used where, yet again, it is entirely inappropriate. As my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) said, one size is being designed to fit all industries and jobs. The Government are also trying to make one size fit all nations and regions—a point made well by my hon. Friend the Member for Edinburgh East. One size simply does not fit all.

My hon. Friend the Member for Glasgow North highlighted the UK Government’s estimate of the damage to the UK economy of several hundred million pounds. Of course, the Migration Advisory Committee estimated that the cost to the UK economy would, in fact, be not far short of £800 million. The word “bonkers” springs to mind.

There will be personal pain, pain for business and public services, and economic pain, and for what? It is hard to find an up-to-date assessment of the numbers of people who will be affected but we are talking about comparatively small numbers in the grand scheme of things, particularly after various exceptions and exemptions are considered. Even the Government’s defence and response to the petition appears half-hearted, saying that the move

“is intended to make a modest contribution to the Government’s target of reducing net migration to sustainable levels.”

If the so-called gain is accepted, even by the Government, to be a modest one, why on earth inflict so much pain?

Patrick Grady: Is not the point that it is not really a modest measure, but a desperate one? The Government are so hidebound by this arbitrary target they have no chance of meeting that they will stop at nothing, even if it is at a cost to the economy and to people’s personal lives.

Stuart C. McDonald: I absolutely agree. One word that could be used is “tokenism”. Someone described the measure to me as “immigration theatre”; it is all in pretend pursuit of the so-called target that my hon. Friends the Members for Glasgow North and for Edinburgh East ripped to pieces. No one believes that the target is a genuine one. I think the Government recognise, to some extent, the ridiculousness of the move—hence the creation of an exemption for those whose job has been on the shortage occupation list at any time in the six years prior to a settlement application. There is an exemption for migrants who work in a PhD-level occupation, and for those who have a tier 2 minister of religion visa or a tier 2 intra-company transfer visa. With so many large exemptions and exceptions, should not the rule that we are creating those exceptions for be considered absolutely absurd?
As my hon. Friend the Member for East Renfrewshire (Kirsten Oswald) rightly asked, what assessment has been done of the displacement effect of the change? Will not the lives of thousands of non-EU citizens be disrupted, only for so many of them to be replaced with fresh migrant employees? If so, what on earth is the point?

The Home Office’s 2012 impact assessment states:

“The goal is a smarter, more selective, more responsive system that commands public confidence and serves the UK’s economic interests.”

In fact, all the signs are that the measure will have a negative economic impact and will undermine, yet further, any confidence that the public has in what the UK Government are doing on immigration.

I know that the policy was inherited by the Minister for Immigration and I know that his hon. Friend, the Under-Secretary of State for Refugees, who is responding for the Government today, has had nothing to do with it either. I wish that they would ditch it not only as singularly unhelpful, but as harmful and hurtful for all concerned.

5.28 pm

Keir Starmer: It is a pleasure to serve under your chairmanship, Ms Vaz. Like others, I welcome the debate and the valuable contributions made by hon. Members. Clearly, there is public concern about this policy, which has not been debated in the House. It was introduced by statutory instrument, albeit followed by a consultation. I, too, pay tribute to the Stop35k campaign that has helped to raise awareness and highlighted a number of consequences that could stem from the Government’s policy.

This afternoon, we have heard about the concerns from businesses and employers who recognise the potential economic consequences of the policy, as well as from teachers, nurses and trade unions who are rightly concerned about the impact it could have on key public services. Labour supports an immigration system that has control and fairness at its heart, but we also recognise that, as businesses across the country have told me, there are very serious skills shortages in our economy that we increasingly rely on skilled migrants to fill. We would like the need for skilled migration to be reduced, but the policy’s focus should be to upskill local workforces to reduce the long-term need for skilled migration. That is the best way to reduce immigration in the long term.

Carol Monaghan: To upskill the local population we need workers in key areas who will now be excluded, such as in teaching science, technology, engineering and maths and in lectureship positions. It will be almost impossible to upskill people who are living here without immigration for those key positions.

Keir Starmer: I accept the thrust of the hon. Lady’s point, and I will point out why the current policy is neither sensible nor sustainable, but the upskilling of the local workforce is much needed in the long term. Wherever I go across the country, I see a yawning gap between the skills that are needed in our businesses and our industry and the skills that are available locally, which points to a much wider issue than the narrow issue, framed in immigration terms, that we are addressing today. Labour’s position is that we should focus on upskilling the local workforce rather than relying on such a policy.

We recognise the concerns of the public, businesses, universities and, frankly, pretty well everyone else about the Government’s current approach to immigration. I remind Members that the Government’s net migration cap, which has already been mentioned—in fact, the primary aim of the Government’s immigration policy—is now in tatters. The latest figures show net migration at 323,000, which is more than three times the Prime Minister’s “no ifs, no buts” target. That is embarrassing for him but, more importantly, it is eroding public trust and is resulting in perverse consequences—this policy would be one of those perverse consequences—that are affecting British businesses and the British economy.

As we have heard today, the cap is leading the Government to clamp down even on those areas of migration that they acknowledge are likely to boost gross domestic product, fill skills gaps and support public services, which is a perverse consequence of the policy. The groups affected by the policy are those in work who have an approved visa sponsor and who have contributed to the UK economy and society over a number of years. Analysis of the group of individuals who currently would not meet the £35,000 threshold, the group most affected by the policy, shows that their mean income is £27,300. On any estimate, they are net contributors to the UK economy. They are the very people we should be welcoming to the UK, and they are filling skills gaps on which businesses and public services rely.

The Migration Advisory Committee’s assessment estimates that the threshold would reduce the numbers qualifying by around 16% per annum. That is the overall number, but the threshold will have a disproportionate impact on certain groups. The committee estimates that, as has already been mentioned, 48% of migrant nurses will be affected. Some 37% of migrant primary school teachers, 35% of migrant IT and software professionals and 9% of migrant secondary school teachers will also be excluded by the policy. The Department for Education made a critical submission to the Migration Advisory Committee’s call for evidence on the policy in 2011, warning that:

“If migrant teachers are required to leave the country after five years, this will present risks to the quality of teaching and incur further public expenditure on the training and recruitment of new teachers.”

That is the perverse impact.

Regional issues have also been mentioned, and I will stay with teaching. In London, there is a fair chance of a teacher reaching the £35,000 threshold in five years, but that is much less likely outside London, but the contribution and quality of input could be precisely the same in both cases. Obviously, like others, Labour welcomes the fact that nursing is currently on the shortage occupation list. Will the Government confirm that that will remain the case? We need to know, and it is a real concern for the national health service and the nursing professions. Nothing has been said to provide reassurance to the teaching profession, which will be affected in the way I have set out.

We recognise that there are strong arguments for addressing skills gaps in our economy, but the Government have failed to do so, and much more needs to be done.
That is why we believe that the Government should urgently focus on improving skills training and vocational education to address those skills gaps, but businesses and unions have made it clear that an arbitrary limit that cuts off skilled migrant workers is a form of economic vandalism. I remind Members of the Government’s impact assessment, which states that the impact will be a loss to the UK economy, on the figures I have seen, of £288 million over 10 years—that is the adverse impact on business. I checked with the Library, which confirmed that that is the Government’s most up-to-date estimate. The independent Migration Advisory Committee also warned in 2012:

“As skilled migrant workers are expected to have a positive dynamic impact on growth over the long-run, we would expect reductions in skilled Tier 2 migrants to have a negative dynamic impact on per capita growth.”

Does the Minister accept those figures and the Government’s own figure that the policy will cost the economy £288 million over 10 years?

Patrick Grady: The hon. and learned Gentleman has perhaps explained why many of his colleagues are not on the Back Benches today. Perhaps some of his figures explain why not very many Government Back Benchers are here to defend this ridiculous policy.

Keir Starmer: I am grateful for that intervention because my point is on the adverse impact on business, and I will go on to address the minimal effect of the policy even in the Government’s own terms. We have the Government’s figure, which I have checked with the Library, and I am told that there is no more up-to-date estimate other than that the policy will cost the economy £288 million over 10 years. The Government’s justification for the policy, and therefore, in effect, for the damage that it will cause the economy, is that it will make “a modest contribution to the Government’s target of reducing net migration to sustainable levels.”

So it is the old net migration target that is producing the perverse impact. Drilling into that target, I remind Members that the Government’s impact assessment estimates that the introduction of the threshold will reduce overall net migration by between nought and 4,000 a year. We have the prospect of damage to the economy in the realm of £288 million over 10 years, with an estimated reduction in net migration that could be nothing or, at most, 4,000 a year in the best-case scenario. On current figures, that would simply reduce net migration from 323,000 to 319,000. Again, I have checked the figure of between nought and 4,000 for the estimated overall impact per year with the Library.

Patrick Grady: We have heard that.

Does the Minister accept that figure?

The Government are asking the House to agree a policy that will cost the country millions of pounds a year, deprive businesses and services of key workers and force people who are making an economic and social contribution to the UK to leave the country. If that is not a good example of unintended consequences flowing from an immigration policy designed to create headlines rather than address the country’s immigration needs, I cannot think of many better. Would it not be better to drop this misguided policy and ring-fence some of the money saved to help boost skills and vocational training for local workers?

Labour supports a compassionate and controlled immigration policy. We also believe that there is scope to consider how the link between temporary work and indefinite leave to remain works. We will continue to push the necessity of long-term focus on skills and training, but we will not support policies that harm the economy, deprive public services of key workers and have next to no impact on net migration. Unless the Government can provide updated, materially different estimates for the policy, we cannot support it.

The Government welcome the opportunity to explain our reforms. My hon. Friend made balanced comments, stressing the important point that the £35,000 threshold applies only to settlement applications in tier 2, the route for skilled workers at graduate level. It does not apply to other routes, such as those for students or charity workers. Of course the Government believe that immigration can bring considerable economic benefits and has enriched our culture. I speak as a member of a family only two or three generations away from immigration, and as a Member for a constituency with a large number of immigrants. I have seen the benefit that immigration can bring to this country. However, the sustained high levels of net migration in recent years make it difficult to maintain social cohesion and put pressure on public services, and they can drive down wages for people on low incomes.

Martin Docherty-Hughes: What about the impact on social cohesion of oligarchs who come into the city of London, buy up council housing and exclude the working class from the city? Would the Minister like to exclude that type of people as well?

Richard Harrington: I have not seen any examples of oligarchs buying properties in my constituency of Watford, so I cannot comment on something that I do not know about. I do not think that comment is very relevant. If some oligarchs have done that, I am sure that compared to the total amount of accommodation in the country, it is a comparatively small amount. I must say that I would not know an oligarch if I saw one.

I will return to the debate, as I am sure you would expect me to do, Ms Vaz, or I will be ruled out of order. The case that immigration is somehow mixed up with the European Union renegotiation has been made by my hon. Friend the Member for Sutton and Cheam (Paul Scully), for securing it.

The Parliamentary Under-Secretary of State for Refugees (Richard Harrington): I would like to say, and I am sure that all of us agree, what an honour it is to be at this debate under your chairmanship, Ms Vaz. That is not the usual platitude that MPs use; I really mean it. I hope that you agree, as we all do, that it has been an interesting debate. I thank the Committee, represented by my hon. Friend the Member for Sutton and Cheam (Paul Scully), for securing it.

The Government are asking the House to agree to a policy that will cost the country millions of pounds a year, deprive businesses and services of key workers and force people who are making an economic and social contribution to the UK to leave the country. If that is not a good example of unintended consequences flowing from an immigration policy designed to create headlines rather than address the country’s immigration needs, I cannot think of many better. Would it not be better to drop this misguided policy and ring-fence some of the money saved to help boost skills and vocational training for local workers?
their contributions have not involved the European side of the issue. Rather conveniently, I will return to the overall—[Interruption.] Excuse me, Ms Vaz. My voice is disappearing somewhat.

Margaret Ferrier: Does the Minister agree that the UK has greatly benefited economically and culturally from the free movement of workers from other EU countries, and that in the event of a vote to leave the European Union, the income threshold will have serious ramifications for labour markets in the UK?

Richard Harrington: I agree that this country has benefited significantly from immigration, in labour markets and in every other aspect of life. It is true that a significant level of net migration comes from the EU—172,000 people in the year ending September 2015. However, what is often not said— I am sorry that my hon. Friend the Member for Wycombe is not in his place at the moment, but I hope that my hon. Friend the Member for Sutton and Cheam will pass this on—is that an even larger amount, 191,000, is the result of non-EU net migration. The Office for National Statistics estimated that there were 67,000 non-EU long-term immigrants for work, an increase of 2% compared with the previous 12 months.

Paul Scully: Just as a full stop on the European point, we have talked a little about the fact that the threshold may apply to European citizens. If we left the EU, the threshold might not apply in quite the same way, because we would have greater flexibility within our immigration policy.

Richard Harrington: I do not think anyone could dispute that we would certainly have greater flexibility if we were not in the EU, but many of us would argue that the benefits of being in the EU are so significant that that would be a small point. For the record, that includes me; I totally agree with that view.

It should also be placed on record that numbers of those using tier 2, the skilled work route, have increased by 35% since 2010. Even if we were not experiencing high levels of migration from the EU, I argue that we would still need to reform the rules leading to such large population flows into the UK. I have dealt as much as I can in this debate with the EU issue. I have certainly given the Government’s view, which—luckily for me—coincides with my personal view on these matters.

In the past, it has been too easy for some employers to choose to bring in workers from overseas rather than invest in training for our existing workforce. On average, employers in the UK underinvest in training compared with those in other countries, with a marked decline over the past 20 years. In an increasingly global economy, it is not surprising that many skilled workers come to the UK for a short time to fill a temporary skills gap, or perhaps to experience work in another country, but—this is an important point—reducing migration is not just about reducing the numbers coming here. It is also about being more selective in who we allow to settle permanently. In 2015, some 44%, or nearly half, of all migrants granted settlement in the UK—

Patrick Grady: How does the Minister answer the point that other countries with skill shortages are actively encouraging people to come? Moreover, what kind of message does he think this policy sends to other countries to which UK citizens might want to travel or emigrate?

Richard Harrington: I answer that by restating that the consensus is that this country has a significant skill shortage, and that it is easier—this is a question of fact, whatever values one adds to it—to get people with skills from abroad rather than train staff oneself.

Keir Starmer: How does the policy, under which an employer could simply sponsor in another person earning under £35,000 to fill the job that has just been vacated by the person leaving, help the skill shortage in this country?

Richard Harrington: If employers want long-term employees, they will have to concentrate on training them here. In the short term, the hon. and learned Gentleman is absolutely right.

The Government consulted on reforming the rules for settlement in 2011, as we do not believe that there should be an automatic link between coming to the UK to work temporarily and staying permanently. That is common in most countries: there is a difference between temporary work and permanent settlement rights.

The minimum earnings threshold was set following advice from the Migration Advisory Committee. The main purpose of the tier 2 category is to support the UK economy, not to provide migrants with a route to settlement. While the MAC considered a number of alternative criteria, such as age or qualifications, it advised—this is where some hon. Members would have disagreed with it—that the strongest indicator of economic value is salary, and those migrants earning more than a given amount are more likely to make the biggest contributions to the UK economy in future. There may be exceptions to that, but fundamentally I believe that in the majority of situations, that is the case.

Tier 2 is reserved for those filling graduate-level jobs; that is what it is for. The figure of £35,000 a year was not invented by politicians from nowhere; it was worked out professionally by the MAC to be equivalent to the median UK pay in skilled jobs that qualified for tier 2 at the time of the MAC’s consultation in 2011. Hon. Members should be aware that the most recent research that the MAC has carried out means that the equivalent figure today would be £39,000.

The MAC has also identified evidence of a wage premium for migrant workers with specialist skills that are in short supply. On average, tier 2 migrants—that is, general migrants—earn an extra £3,000 per annum compared with UK workers with similar characteristics.

However, the Government recognise that salary is not always the strongest measure of the importance of a job, a point made very strongly by many Scottish National party Members who have spoken today. I thank all the SNP Members who are here for coming to this debate, because without them there would be comparatively few Members here. The hon. and learned Member for Holborn and St Pancras (Keir Starmer) made the point that this debate unfortunately coincides with a Second Reading debate on the Policing and Crime Bill, but I still thank the SNP Members for coming to this debate.
Within tier 2, there are exemptions for migrants working in a PhD-level occupation, for example, university researchers, and for those working in recognised shortage occupations. The hon. Member for Edinburgh East (Tommy Sheppard) gave the example of a university researcher in the field of clean water technology and said that she would have to leave her job. As I say, there are exemptions for PhD-level occupations—

**Tommy Sheppard:** After the PhD.

**Richard Harrington:** Yes—after-PhD-level occupations. Therefore, that person would be exempt.

I mention that to show hon. Members that the £35,000 figure is not just an arbitrary amount; there are proper exemptions. The shortage occupation list includes nurses, as has been said, several healthcare professional categories, many engineers, many roles in the creative sector and some teachers.

The exemption extends to those in jobs that have been on the shortage occupation list at any time in the preceding six years. That guards against occupations being returned to shortage and provides reassurance to workers in those occupations against future changes to the list.

**Mr Andrew Smith** (Oxford East) (Lab): I am sorry that I have come to the debate relatively late. I am sure the point has already been made about nurses, but can the Minister give us some explicit reassurance about nurses? A constituent of mine, Siân Marvalley, is very worried that the threshold is going to affect her and require her to stop working.

**Richard Harrington:** I thank the right hon. Gentleman for making that point and he correctly said that nurses have been mentioned several times already. So I shall respond to his point and the points made by several other hon. Members about the same subject. Basically, they were worried that an occupation’s position in the list was temporary and it could be withdrawn from the list at any time, which does not give people any certainty—the very points that the right hon. Gentleman just made.

The MAC, which Members should remember is not a political committee but an independent committee that operates very analytically with skilled staff who study data from the Office for National Statistics and any other data that are available, has just conducted a review of nursing, and the Government will consider that report carefully. We do not know what it says yet, because the MAC has not published its review. There was an interim measure and the change took effect in the end of last year, Health Education England—I am afraid that I do not have the relevant statistics for Scotland—proposed further increases in the number of nursing training places in 2016-17. So there is a lot of forecasting on this subject—the number arrived at is not just an arbitrary one—and there has been a full report.

At this juncture, I feel that I should consider the point about the regional salary thresholds, which hon. Members from Scotland discussed very eloquently. In its November 2011 report on the settlement threshold, the MAC could not see a clear case for differentiation on a regional basis. Its argument, and therefore the Government’s argument, as we have adopted it, was that having a single threshold provides clarity and simplicity for applicants and sponsors. The minimum salary requirements for occupations in tier 2 are for the most part set using annual surveys of hours and earnings. The data generated are very sophisticated and UK-wide, and therefore take account of salary levels throughout the regions.

**Kirsten Oswald:** Although I understand what the Minister is saying, does he not accept that this averaging does not take account of the needs of Scotland? Scotland needs an immigration policy that welcomes world-class talent from abroad, but in this case this ideological policy is doing more harm than good to our business sector.

**Richard Harrington:** I clearly disagree with the hon. Lady about that, and I have just said that the way the statistics are worked out includes all the regional variations, so the MAC is not just taking numbers that suit London and the south-east, as was the implication of many hon. Members’ contributions.

The Government clearly agree that those who have helped to fill vital skill shortages in the UK should be able to do so. The subject of skills and skill shortages was mentioned—particularly eloquently, if I may say so—by the shadow Minister. He said that upskilling was very important, because why would employers need to bring workers in from abroad if there are people here with the relevant skills? I think that we would all agree about that.

The Government have done a lot about skills. My previous Government role was as the Prime Minister’s apprenticeship adviser.

**Martin Docherty-Hughes:** The Minister says the Government have done so much on this issue since 2010. However, does not the fact that they have to set the type of limit that we are discussing today show that their skills policy is an unmitigated disaster and failure?

**Richard Harrington:** I disagree very much with the hon. Gentleman on that point; I do not think that the Government’s skills policy has been a failure at all. The number of apprentices is increasing significantly, and with the new apprenticeship levy, whereby larger companies have to pay a percentage of their payroll to fund training programmes, we will see a very significant upskilling of the workforce. I have seen many, many examples of this type of training going on in all parts of the country. Nevertheless, as usual the shadow Minister made a very considered point.

My hon. Friend the Member for Sutton and Cheam gave the curry industry as an example of an industry with skills shortages. Both he and I have been involved in our constituencies with the owners of curry restaurants; it is probably fair to say that my hon. Friend is more of an expert on the hotter variations of curry in those restaurants than I am. The curry industry has lobbied
Government very extensively on the fact that it cannot bring in chefs from Bangladesh or other places in the Indian subcontinent, saying that it is a problem.

However, there is beginning to be a significant amount of training for such chefs, and so I think that we will see, as time goes on, exactly the point that we have been making today—namely, that the answer is making the industry, and people who want to be in it, put the resources, the effort, the money and the skills into training people to fulfil these roles. That is of benefit to everyone, particularly the industry itself. All of us realise the contribution of the curry industry to the country as a whole, and, from my personal experience I know that that is true from the north of Scotland down to the south-west of England.

Kirsten Oswald: My point is not about curry. Although the Minister says that he sees things improving, last year the skills shortage in Britain worsened for a fourth consecutive year—Britain was one of the most severely affected countries in Europe—so his arguments do not stack up. We still have people who should be able to work here being sent away.

Richard Harrington: I welcome you to the Chair, and I apologise. No offence was meant when I called you Ms Vaz.

Andrew Rosindell (in the Chair): Please continue.

Richard Harrington: I would like briefly to respond to the points about the notice period. The view was expressed that it was unfair that people who had come here to work believing that it would lead to settlement had no idea about the changes that were going through. The Government made it clear that new rules would apply to migrants who entered tier 2 from 6 April 2011, and employers have had time to prepare for the possibility that their workers might not meet the required salary threshold for remaining in the UK. Workers who cannot meet the threshold may extend their stay in tier 2 for up to six years and may, during that period, apply to switch into any other immigration route for which they are eligible. It is not on or off, black or white; there is a transitional period.

I know that hon. Members recognise the importance of sustainable immigration. We must ensure that the UK economy can thrive while also reducing pressures on schools, hospitals, accommodation, transport and social services. We believe that the minimum earnings threshold for settlement under tier 2 ensures that the employee—I am proud to have had many employees from all sorts of backgrounds—I think that the policy is a rosy future.

Just to finish on curry, the industry has had access to numerous transitional immigration routes in the past—the key worker scheme in the 1990s and the sector-based scheme in the early 2000s—but I argue that a flow of lower-skilled migrant labour militates against the industry taking action itself. I am sure that the curry industry, which is a bastion of small enterprise in the whole of the United Kingdom, will rise to the challenge, in a short period, of training its own staff. I think it has a rosy future.

In the end, the curry business is a good example. We want to nurture more home-grown talent and encourage young people in this country who want to pursue a skilled career, and that means the restaurant sector offering training to attract and recruit resident workers to meet its staffing needs.

I would like to make an additional point, if I may, Ms Vaz—

Andrew Rosindell (in the Chair): Ms Vaz is no longer in the Chair.

Richard Harrington: I do apologise, Mr Rosindell. I was so preoccupied with speaking that I failed to see you take the Chair. I am sure that you will continue to chair the debate with the spirit and discipline with which Ms Vaz started it.

Andrew Rosindell (in the Chair): I intend to. Thank you, Mr Harrington.

Richard Harrington: As the hon. and learned Gentleman would expect, I do not accept that. That impact assessment was from the previous Immigration Minister, my right hon. Friend the Member for Ashford (Damian Green). I would like hon. Members to look at the policy in two years’ time and see its effects.

In part based on my many years’ experience as an employer—I am proud to have had many employees from all sorts of backgrounds—I think that the policy will make a significant difference to the number of skilled UK residents being employed here while, at the same time, because of the significant exemptions regarding qualifications and shortages, allowing reasonable numbers of skilled and qualified people to come here. I do not agree with the shadow Minister’s view and I think that, in time, the policy will be seen to be sensible, reasonable and measured.
We have had a good and constructive debate, and I think that we all agree on the benefits, both economic and cultural, of immigration. I am the son of an immigrant. My father moved to England from Glasgow, where he completed his apprenticeship on the docks, but he was born in Burma. I have therefore seen the good side of immigration, but mass uncontrolled immigration, when it affects infrastructure and social cohesion in some areas, needs to be tackled. It is important that we see the tier 2 visa situation as one of a range of elements in the Government’s armoury for tackling that.

I thank everyone who has contributed to the debate. Very interesting points have been made, and I know that the Minister will take away hon. Members’ reflections, especially those of Scottish National party Members, who have taken time out to make their points eloquently. I pay tribute to the petitioners themselves, who encouraged so many people to sign a petition about which they feel so strongly, and also to those people on Facebook—mentioned by the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Stuart C. McDonald)—who engaged with the process that we, as the Petitions Committee, started in the lead-up to the debate, so that we could hear directly from people who believed that they might be affected by the policy, or had concerns about it. Their points have definitely been listened to and taken on board.

I am sure that the debate will run and run. When we talk about petitions, we always say that they are the start of a process, the start of a campaign and the start of raising a profile. They should not be seen as a full stop, as a final move. I am glad to have been able to put people’s voices across today, and I thank everyone who has contributed.

Question put and agreed to.
Resolved,
That this House has considered e-petition 118060 relating to the income threshold for non-EU citizens settling in the UK.

6.7 pm
Sitting adjourned.
Welfare of Young Dogs Bred for Sale

9.30 am

Sir Roger Gale (in the Chair): Good morning, ladies and gentlemen. Looking at the number of colleagues present who wish to take part in the debate, I am minded to impose immediately a time limit of four minutes on speeches, other than that of the mover of the motion. That will allow 10 minutes for each of the three Front-Bench spokesmen, whom I shall call at 10.30 am, with a little injury time in the case of interventions. Once Dr Cameron has spoken, I will endeavour to be helpful to colleagues and give an indication of the order in which I wish to call them.

9.31 am

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I beg to move, That this House has considered the welfare of young dogs bred for sale.

I am delighted to serve under your chairmanship, Sir Roger. It is a privilege to have secured this debate. This is an issue I feel very strongly about, having had rescue dogs in my family since childhood, and it is one on which there is overwhelming support from the public across the UK.

I would like initially to thank the organisations, many of which are represented here today, that work tirelessly on animal welfare and have supported this debate. They include the Royal Society for the Prevention of Cruelty to Animals, the Scottish Society for the Prevention of Cruelty to Animals, the Dogs Trust, Marc the Vet, the Blue Cross, Pup Aid and the Battersea Dogs and Cats Home, to name but a few. There are three important strands to this debate that I will cover: the breeding, trafficking and sale of young dogs. I know that other Members are keen to contribute, and I will therefore aim to be concise.

In terms of what is most visible to the public—the sale of young dogs—there is a real issue with puppies being sold in pet shops on our high streets. That is a long-standing issue, which was debated in this House only last year. The sale of dogs in pet shops gives the impression that they are mere commodities and does not afford them their status as man’s best friend.

Numerous recent reports on puppy farming indicate an overwhelming lack of care and concern for basic animal welfare. Mothers who are used excessively as breeding machines for profit purposes are then discarded or even killed when no longer of any use. They are kept for their whole lives in cramped, unhygienic and often horrendous conditions that make us weep.

Puppy farming and trafficking is, however, big business. Recent studies indicate that, in the European Union, trade in cats and dogs is worth £1.3 billion annually. In 2015, 93,424 dogs were imported into the UK from the EU. The RSPCA indicates that in the past year, 30,000 dogs were imported to the UK from illegal farms in Romania, Hungary, Poland and Lithuania, and 40,000 came from Ireland.

Mr Kevan Jones (North Durham) (Lab): I congratulate the hon. Lady on securing this debate. This is an animal welfare issue, but it is also linked to serious and organised crime. Does she agree that if we are to tackle it, we should do so from a welfare point of view, but also from a crime point of view?

Dr Cameron: The hon. Gentleman makes an excellent point. I feel extremely strongly about this. Having looked at the literature, it is clear to me that this is organised, professional and big business, and we must make concerted efforts to address it.

The RSPCA petition to scrap the puppy trade was signed by 50,000 UK citizens, with 82% of people surveyed indicating that they wanted the puppy trade scrapped. The petition highlighted the fact that a licence is needed to sell scrap metal, but not to sell man’s best friend. Concerns have also been raised by ferry companies and port authorities in Stranraer in Scotland and beyond that puppies brought in from the EU under puppy passport schemes often have no microchip, health certificates or rabies vaccines. That goes beyond animal welfare; it is organised and surely poses a public health risk.

Legislation must be fit for modern day society, where many transactions, including the sale of dogs, take place via the internet. The Pet Advisory Action Group indicates that, in conjunction with the authorities, it has had to remove 130,000 inappropriate adverts regarding the sale of dogs by individuals. The sale of dogs in pet shops badges them as commodities and does not give a clear message to the public that a dog is for life. Pet shop puppies are often removed from their mothers too early, separated after just four weeks. Many have been reared in puppy farms, which many notable recent reports have exposed as unacceptable in terms of their animal welfare conditions. Puppy farms do not foster good care, socialisation or attachment with mothers, and we know that those issues contribute to poor temperament in dogs and an increased likelihood of illness and disease. That is not good for puppies, and it is not good for the public.

The high street is not, in my view, the place to buy a puppy. Selling puppies on the high street fosters puppy farming and puppy trafficking. It also leads to impulse purchases, where the household may not be best suited to the dog, nor the dog to the household. That is a very poor start. I am not alone in my view: polling indicates that 90% of the public do not wish to buy a puppy that has been reared on a puppy farm. People are often doing so unknowingly when they buy on the high street.

The sale of dogs in pet shops badges them as commodities and does not give a clear message to the public that a dog is for life. Pet shop puppies are often removed from their mothers too early, separated after just four weeks. Many have been reared in puppy farms, which many notable recent reports have exposed as unacceptable in terms of their animal welfare conditions. Puppy farms do not foster good care, socialisation or attachment with mothers, and we know that those issues contribute to poor temperament in dogs and an increased likelihood of illness and disease. That is not good for puppies, and it is not good for the public.

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animal sales. We must reform our system so that it is fit for purpose and so that welfare requirements are universal in our modern society.

We know that to develop into a healthy, well balanced dog, puppies must be reared in natural environments. It is recommended, including by the Department for Environment, Food and Rural Affairs, that puppies remain with their mothers for a minimum of eight weeks after birth. That must be properly enacted and monitored to protect dogs, ensure puppy development, attachment and socialisation, and reduce the incidence of aggression, illness and premature death. All responsible breeders should abide by the best standards and take pride in doing so. The “Where’s Mum?” campaign, supported by the public, highlights those issues and argues that puppies should only be purchased from a breeder when the mum is present and standards are adhered to.

The journey of a puppy should also be tracked from birth by registration and microchipping. Disreputable breeders ignore guidelines but often go unpunished, which only reinforces their behaviour. Guidelines indicate that dogs should breed no more than six times in their lifetime, and the Kennel Club’s recommendation is no more than four times. The Kennel Club reports that one in five pups bought in pet shops needs veterinary care or dies before they are five months old. They become sick due to the sickness of our system.

We are aware that animal welfare legislation is a devolved issue but close collaboration is needed to ensure that we get this right across the board and across the nations of the UK. In Scotland and England, further consultations are under way. The Welsh Assembly introduced additional animal welfare legislation in 2014. I ask that all Governments across the UK view these issues with the gravity they deserve. Actions, not merely words, are required.

I request today that the Minister consider the following. We need a public awareness campaign, co-ordinated across the UK, outlining how to recognise best practice in dog breeding and providing the public with guidelines on how and where to buy puppies reputedly. We are looking for leadership on this issue directly from Government, and I would advocate that concerned citizens contact their MP or Member of the devolved Assemblies and ask them to champion that.

We need stipulations that those selling a puppy must have licences with adequate welfare conditions attached, and we must reduce the threshold for a breeding licence from four litters to two, as recommended. The construction and monitoring of a national database of puppy sellers is required to ensure the enforcement and checking of welfare conditions. The microchipping and recording of all puppies for sale is needed to ensure welfare requirements are universal in our modern society.

On welfare, the minimum age of selling a puppy at eight weeks should be not just recommended, but clarified and made mandatory. The principles of the assured breeders scheme must be enacted. Guidance under the Assured Welfare of Young Dogs Bred for Sale legislation is required to ensure the enforcement and checking of welfare conditions. The microchipping and recording of all puppies for sale is needed to ensure welfare requirements are universal in our modern society.

On veterinary, we must tackle the sale and trafficking of illegally imported puppies. Key agencies require regular shared intelligence across the EU and a published strategy that is monitored, enforced and reviewed. Visual checks must be routine for dogs entering the UK. That is required not just on welfare grounds, but on public health grounds, as outlined.

Angela Smith: I have listened very carefully to what the hon. Lady has said. I am glad to hear of a consultation by the Scottish Government, but I do not see, in anything she has said a clear commitment from them to do all the things that she is demanding of the UK Government—the Government relating to England. Is she saying that the Scottish Government will do all the things that she is outlining today?

Dr Cameron: I am saying that these are the issues that I wish to be taken forward across the UK, so that there are commensurate animal welfare policies right across all the devolved Governments and in the UK Parliament. I would not seek to pre-empt the outcome of any consultations, but this is certainly an issue that I feel strongly about. It is an issue I have brought to the House and I hope that the Governments will take it on adequately, given what I believe to be the gravity of the situation.

In conclusion, there is cross-party support on this issue. More importantly, there is widespread public support. Fundamentally, we are here to represent our constituents, not to enable big businesses trading in puppy maltreatment. The public demand and deserve action—meaningful action—on the welfare of young dogs bred for sale. We claim to be a nation of animal lovers: it is time that we walked the walk, because at this moment—today and tomorrow—puppies are being maltreated in this country by rogue breeders, traffickers and traders. We must put a stop to it.

Sir Roger Gale (in the Chair): I said that I would try to indicate the order in which I will call Members to speak, so I shall do so now. In a moment I will call Sir David Amess and then, in the following order, Angela Smith, Jim Shannon, Drew Hendry, Jim Fitzpatrick, Margaret Ferrier, Liz Saville Roberts and Danny Kinahan. That should leave sufficient time for the Front Benchers to reply if everybody adheres to the four-minute time limit and does not take too many interventions.
Puppies are cute, but they grow up and then perhaps they are not so cute. I utterly condemn unlicensed breeders, as articulated by the hon. Lady. I also want to step into more controversial areas: I am not very keen on what I call “designer puppies”. To me, that seems to have increasingly got out of hand, and of course there are health issues there.

The illegal practice of the puppy farm trade affects the whole of the United Kingdom. Unfortunately, in my county of Essex, an investigation was launched by the RSPCA last June into a puppy farm, as there were serious concerns about the owner selling underweight and ill dogs and not providing the right paperwork to buyers. Although the owner has insisted that no puppies are bred on the premises and the council has confirmed that the owner is covered under a pet shop licence, the grey areas surrounding the licensing laws make it very difficult to know whether these operations are legal or to check whether the welfare of the puppies is of a responsible standard.

The excellent RSPCA reported over 3,500 calls on puppy farms in 2015, which was a 122% increase on the last five years. Many of those calls included people complaining that their puppies had become ill after the dog shows and ensuring that diseases such as clear litter should be allowed and think that the number of ill puppies that are being sold is totally reprehensible.

I do not want to start a row about membership of the European Union, but the importing of puppies from Europe to the UK has soared in recent years, due to the change in EU law in 2013 to allow the free movement of people’s pets—perhaps that is another reason to leave the EU. According to the RSPCA, the British puppy market has changed in the past three years, with the number of imported puppies increasing to over 60,000 puppies a year, coming from places such as Ireland, Lithuania and Hungary. That leads to puppies not being vaccinated against diseases and showing behavioural problems due to the transit conditions from the continent to the United Kingdom. EU regulation No. 576/2013, which intended to strike a balance between allowing the free movement of people’s pets for holidays or travel and ensuring that diseases such as rabies are contained, has simply not worked.

In conclusion, what can be done to tighten the rules and regulations of the puppy trade in the UK? I welcome the review by DEFRA of animal licensing, which recommends changing the legal framework, which, in some parts, is outdated and preceded the internet age. Furthermore, compulsory licensing ought to be implemented for anyone selling a puppy—including commercial breeders who breed two or more litters a year—setting out clear requirements for the vendor, such as clearer sales information on any online puppy adverts, and more transparency for consumers on the puppies they buy online. That could be achieved by having model licensing conditions for puppy breeding and selling to provide better harmonisation between local authorities. To mitigate the illegal trade in puppies from the continent, surveillance at ports to catch and prosecute puppy dealers should be intensified to ensure that puppy dealers are not evading import controls.

Most importantly, there should be a revision of the current European Union regulation on the free movement of pets.
penalties, such as fixed penalty notices or on-the-spot fines, to make sure the problem is tackled effectively before more dogs suffer and more owners are duped into buying dogs that are supposedly UK bred.

9.52 am

Jim Shannon (Strangford) (DUP): I congratulate the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this debate on this important issue. It is always good to come to this Chamber and say what we have done as a devolved Administration. The Minister will be aware of that because I am sure that he will have done his homework before coming here, as will the shadow Minister. The Northern Ireland Assembly has introduced legislation to make wonderful and important changes to animal welfare rules. My party is committed to that, has shown great concern about it, and has championed legislation and activism.

My hon. Friend the Member for Belfast East (Gavin Robinson) launched our party’s animal welfare policy about a year ago and we have taken steps to make Northern Ireland a zero tolerance country for those who seek to abuse animals. With great respect, Sir Roger, as so often happens, Northern Ireland leads the way legislatively and sets standards for other parts of the United Kingdom of Great Britain and Northern Ireland to follow.

In addition to introducing legislation, we have created public awareness campaigns throughout the Province to highlight the issues, making those who wish to report abuse aware of how and where to do so, and those who abuse animals aware that their time is up. The Democratic Unionist party supports the creation of a centrally compiled banned offenders register, which I think we should share across all the regions of the United Kingdom of Great Britain and Northern Ireland and in the Republic of Ireland, one of our neighbouring countries. The hon. Member for East Kilbride, Strathaven and Lesmahagow also referred to the movement of animals, so let us have a relationship and an offenders list that take in the Republic of Ireland.

Just last month, our plans were put into action with an amendment to Stormont’s Justice (No.2) Bill. Under the amendment, the maximum sentence that can be handed down in the Crown court for animal cruelty crimes will increase from two years to five, sending a clear message to those who abuse animals. As the hon. Member for Penistone and Stocksbridge (Angela Smith) said, much more needs to be done. There is evidence to show that removing puppies from their mothers through sale or theft has a detrimental impact on the welfare and wellbeing of the puppies. How that affects pups is important.

There is an issue when selling puppies because of the inherently negative impact on their health, welfare and behaviour. Infection and disease in puppies removed from their mothers before weaning is commonplace. These puppies have underdeveloped immune systems and are often sold to the public with infections such as, Parvovirus, Campylobacter, Giardia, kennel cough and hip dysplasia. Those are just some of the problems animals may have. Just last week, I was made aware that puppies can be bought on Google and eBay with absolutely no control. Again, I would like to hear what the Minister has to say about that.

Inbreeding and lack of health testing leaves puppies prone to painful hereditary conditions that may be life limiting, and when someone buys a puppy, they want to know that it is healthy and well. On lack of socialisation, it is important to have interaction and communication between human and animal so that behavioural issues can be addressed. Transporting a young puppy, which the hon. Member for East Kilbride, Strathaven and Lesmahagow mentioned, from breeding establishments to licensed pet shops, poses an immense health and welfare risk. Again, enforcement must be part of the process. Acclimatisation of puppies to new premises before they are sold is necessary, otherwise they are exposed to the risk of disease. That must be addressed.

I have spoken about retail outlets. Poor health and behavioural issues also result in dogs being relinquished to the rescue system and possible euthanasia by owners who are unable to cope.

In conclusion, what have we done in Northern Ireland sets a pattern for the rest of the United Kingdom. I hope that the shadow Minister and the Minister will respond to that positively. Animal cruelty and theft have no place in a civilised society. Although it seems to be only now that real and coherent action is being taken, it is encouraging to see the successes I have mentioned. We look forward to more of that.

I apologise to the shadow Minister and the Minister for having to leave to go to the Defence Committee.

9.56 am

Drew Hendry (Inverness, Nairn, Badenoch and Strathspey) (SNP): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this important debate. As I have indicated, unfortunately I will have to leave before the end of the summing up due to a ministerial meeting, but I would like to underline and back up the comments so far about this trade.

It is impossible not to have an emotional reaction when seeing a puppy. They give us a warm feeling and we are automatically attracted to them so they are easy to sell. It is also easy to blind others with barriers against how they have come to be available for sale. One has only to look on the internet to see the booming business of so-called designer puppies and young dogs. It has never been easier to buy a puppy.

Despite that, puppy farming has been illegal in the UK since the 1970s. Scotland has taken additional steps through our Licensing of Animal Dealers (Young Cats and Young Dogs) (Scotland) Regulations 2009 to restrict further the sale of young cats and dogs and to ensure the welfare of any puppies that pass through a dealer. From 6 April this year, it will be compulsory for all dog owners in Scotland to microchip their dogs.

I agree with the hon. Member for Southend West (Sir David Amess) about designer dogs, which is a growing issue. Dogs should be bred for the benefit of dogs, not for fashion. Mixed breeds, such as Jack Russell terriers crossed with pugs, which are called “Jugs”, may
sound attractive, but are not necessarily a good thing. The consequences of mixing different genes will come through in time, perhaps with serious health problems and defects resulting in high vet bills, which owners may struggle to meet, not to mention the long-term suffering the dog might endure. I disagree with the hon. Gentleman about the benefits of being in the European Union, because last month it introduced new resolutions to end the illegal trafficking of pets. That is a direct benefit for us being in the EU.

The RSPCA received over 3,500 calls about puppy farms in 2015, which is a 122% increase from five years ago. Many were from people complaining that their puppies had become ill after they had been bought. The RSPCA claims that criminal gangs can earn £2 million annually from the puppy trade. That is also a cost to the taxpayer. A puppy farmer’s main objective is profit. As we have been told, to maximise their profit, they typically separate puppies from their mothers too early, and keep the dogs and puppies breed in insanitary conditions.

Mr Kevan Jones: Does the hon. Gentleman agree that we also need to target some of the big breeders? As he rightly said, this issue is not just about welfare, but about organised crime. A targeted approach by DEFRA and other agencies, targeting some of the big breeders, would make big inroads into the issue.

Drew Hendry: I thank the hon. Gentleman for his intervention. I agree that there should be some targeting and, if it is not possible to get these people on other things, perhaps the Al Capone principle should come into effect and we should catch them for tax evasion.

As I was saying, the breeders breed the puppies in insanitary conditions and fail to follow breed-specific health schemes or to apply basic, routine health measures such as immunisation and worming. As a result, puppies bred by puppy farmers are more likely to suffer common, preventable infectious diseases, painful or chronic inherited conditions, behavioural issues because of poor early socialisation, and shorter life spans. According to Battersea dogs home, fewer than 12% of puppies born in Great Britain every year are bred by licensed breeders; 88% of puppies born in the UK are born to unlicensed breeders.

Angela Smith: The Kennel Club has asked the Scottish Government to endorse its assured breeders scheme and to prohibit the sale of puppies in pet shops. Can the hon. Gentleman give us a view on what the Scottish Government will do to respond to that?

Drew Hendry: I would have to look in detail at that, but I can say that pet shops do have to be licensed and they now account for fewer than 5% of puppies sold. I am sure that, as part of the consultation, further measures will be taken. It is important to say that there is a common purpose here across the piece. We do not necessarily need to make this a party political issue. There are issues on which we agree about the welfare of puppies and other young animals and about the long-term welfare of the families who are looking after them as well. We can come together across the political divide on this issue, and I am sure that there will be a warm reception for any suggestions that can improve our ability to clamp down on this illegal trade.

Puppy farms are places where dogs are often bred in filthy conditions and, as I said, with very little human contact. Female dogs, or dams, are often discarded when they are unfit to breed anymore. As we have heard, a dam may be forced to have litter after litter of puppies, even though the recommendation is for only two to four. That can be quite a traumatic experience for the animals involved.

There needs to be a focus on Government help to fund rehoming centres, such as Dogs Trust and Battersea, which are actively working to end illegal breeding. It should be illegal for a puppy to be taken from its mother before the age of eight weeks. There should be stricter licensing by local authorities. Online adverts absolutely should carry the details of the licence, and we must continue to inform and educate people that puppy farms and the illegal importation of puppies will result in a generation of pets that are likely to have health problems and to suffer in the long term.

10.3 am

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to see you in the Chair, Sir Roger. I congratulate the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this important debate. I am pleased to follow the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry). I thank colleagues at Dogs Trust and Battersea dogs and cats home for their briefings and, like my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith), who is also my colleague on the Select Committee on Environment, Food and Rural Affairs, I want to concentrate on the trust’s briefing on the illegal importation of puppies into the UK under the pet travel scheme.

Since the introduction of the scheme, Dogs Trust has found that it is being used as a cover for the illegal importation of puppies for commercial sale. In 2014, the trust’s undercover investigation, “The Puppy Smuggling Scandal”, found evidence of puppies being brought into the UK for sale via PETS from both Lithuania and Hungary. Despite changes to the scheme in December 2014, including the requirement for member states to carry out non-discriminatory checks, the problem continues, with the second investigation in 2015, “Puppy Smuggling: The Scandal Continues”, identifying that the changes have not been the deterrent that they were intended to be, with the trade continuing from Lithuania and Romania.

Dogs Trust tells me that it is conducting a pilot scheme with Kent trading standards to pay for the quarantine costs of any puppies that they seize at the border, in the hope that that will disrupt the trade. Last year, more than 3,000 dogs were imported into the UK from Hungary under PETS. From Lithuania, 2,000-plus dogs were imported, and more than 2,000 were also imported from Romania. However, those figures represent only the dogs that have been declared. The trust cautions that many more undeclared dogs are entering from those countries and others.

Despite the trust’s work to raise awareness of this illegal trade, it is concerned that little progress is being made in tackling the problem. This is a more important point, to which I would like the Minister to respond: during the pilot, it has not received any details about the puppies that are handed over to it and, as a result, it
10.6 am

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): It is an honour to serve under your chairmanship, Sir Roger. I might “litter” my speech with a few dog puns, but if you think any of them are a bit “ruff”, I will understand if you have to “paws” the proceedings to “collar” me.

I thank my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) for securing this important debate. It is often said that the UK is a nation of dog lovers, although the pedant in me would point out that we are four nations. That is salient, as it is important to bear it in mind that these animal welfare matters are devolved. Although my speech today is made in London, the points that I raise are just as pertinent in Edinburgh, Cardiff or Belfast.

I think that the scale of the problems associated with the breeding and trade of young puppies would shock most people. The RSPCA estimates that anywhere between 700,000 and 1.9 million puppies are sold each year in the UK. About 60,000 puppies are imported, as we have heard, from other European countries. Only 70,000 puppies are born to licensed British breeders. That massive shift in how the industry operates has it operating much more like an industry, and anyone who has ever taken on the responsibility of raising a pup will understand why that is so damaging.

In the first eight weeks of life, a pup needs to be mentored by its mother and, in playing with littermates, will learn important lessons in behaviour and interaction. Those few formative weeks are crucial for a pup to grow up balanced, confident and healthy. Unfortunately, many of the puppies mass-bred and reared purely for profit are denied that, and disease is an inevitable consequence.

There are major issues, too, with the import of puppies, as we have heard. However, not all people who sell puppies are irresponsible. I acknowledge that there are many very capable, principled and accountable sellers and breeders.

There are simple things that prospective puppy purchasers can do to ensure that they are not, as it were, being sold a pup. They should always see a pup with its mother. They should ensure that it is not being sold when it is younger than eight weeks old, and it is important that they understand what they are letting themselves in for and educate themselves about the animal’s welfare needs. Most important, they should not buy a pet on impulse; it is a serious commitment.

I know that the UK Government are consulting at the moment. I hope to see serious consideration given to restrictions and regulations to address the issues discussed today, and I hope to see similar action from the devolved Administrations. There is a great need for the nations to work together to tackle the trade and to ensure that rogue dealers are not able to evade the law by crossing a border. I would like the Minister and the responsible Ministers in the devolved Administrations to give serious consideration to measures that could ensure that puppy welfare improves across the UK.

The licensing of puppy sellers and breeders needs to be looked into closely and there needs to be greater surveillance at ports to catch and prosecute puppy smugglers. Many measures can be taken, and a far-reaching consultation involving key animal rights and welfare charities will highlight many others. I thank hon. Members for taking the time to listen to my contribution. If they will permit one last dog pun, I will tail off my speech now.

10.10 am

Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr, Gadeirydd. I thank the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) for securing the debate.

It is worth remembering that it is now 15 years since the foot and mouth outbreak, so we should be alert to animal welfare and health. Unlike foot and mouth disease, a number of particularly unpleasant and possibly fatal diseases are transferrable between animals and people. Some are passed directly from dogs and other mammals to people, and others involve parasites.

One disease that causes concern to vets and doctors alike is echinococcosis, which is transmitted by a type of tapeworm. The disease causes cysts in people’s livers and lungs that may require surgery to remove. It presently affects 1 million people worldwide and the particular species of tapeworm is increasing in range and numbers across the continent. It is worth mentioning that the UK chief veterinary officer has expressed concern about the disease.

Another serious risk is rabies. The rabies virus attacks the brain and, unless treated during the incubation period, it is fatal. The World Health Organisation estimates that someone dies every 15 minutes from rabies and that 40% of victims are children. Some 99% of cases in
humans are caused by dog bites. However, the rabies risk must be considered proportionately because the disease is completely preventable if dogs are vaccinated against the virus. Vaccination against rabies is therefore a critical requirement of the pet travel scheme.

In December 2014, changes were brought in that stated that puppies must be at least 12 weeks of age before they could be vaccinated against rabies. The vaccination requires three weeks to take effect, which means that no puppies under the age of 15 weeks should be entering the UK. Surely that needs to be clarified in Government advice about pet travel and, more importantly, must be enforced properly. No dog with any risk of carrying rabies should be allowed to enter the UK, which would mean extending the waiting period for travel from three weeks to three months.

**Sir David Amess:** I understand that the problem of puppy farming is a very serious issue in Wales. Would the hon. Lady advise the House whether the Welsh Administration have debated the subject in the past year?

**Liz Saville Roberts:** I have to answer completely honestly: I do not know. However, issues regarding dogs, including their welfare and how they are treated with electric collars, have been taken very seriously. I will find out and come back to the hon. Gentleman.

Dogs Trust has been supporting overwhelmed trading standards officers and port authority staff in Kent by stepping in to care for illegally imported puppies that are seized by funding their veterinary treatment and quarantine fees. The pilot scheme has been in operation for only three months, yet it has had to deal with 100 illegally imported puppies, and the charity believes that that figure is just the tip of the iceberg.

Although some puppies were so ill that they did not survive, many have been saved, socialised and found loving homes at great cost to the charity, with one puppy requiring veterinary care costing in the region of £5,000. The sickly puppy was destined to be sold online and its new owner would have been dumped with that hefty bill had the charity not stepped in. The scheme receives no Government funding at present and is due to be reviewed in May.

Consider what is likely to happen if Dogs Trust were to cease funding the care of those puppies. What incentive is there for local authorities and port authorities to prioritise issues such as dog smuggling at a time of ongoing budget cuts and concerns over the movement of people? How are they expected to identify a 15-week-old puppy? What incentive is there to seize puppies when it will only result in extra costs?

I have been very kindly informed that the subject was last debated in the Welsh Parliament in December 2014. I am most grateful to the hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) for informing me of that, as hon. Members will appreciate that I have been concentrating on the topic of rabies.

If traffickers are caught, they can abandon puppies at the border. Regardless of the fact that dogs are living creatures, in law they are simply property. Surely, many traffickers are making regular journeys through the Eurotunnel. Could agencies not share information such as car registrations? Such cars must be going back and forth, and must be seen regularly. Surely that information could be used and we could make better use of it.

I call on the Government to respond to Dogs Trust’s proposed actions regarding the pet travel scheme; to share intelligence about those caught illegally importing puppies across agencies; to ensure that proper visual checks on dogs entering the UK are undertaken; and to ensure that key staff have the expertise to assess the health and age of dogs. That last point is an important one. Vets may not be at hand, and the critical point is to know the age of the dogs—staff must be able to age them.

Dogs Trust also proposes that the waiting period for a rabies vaccination is extended to six months to safeguard against the disease’s incubation period—we should at least have a full discussion about that—and that sanctions such as fixed-penalty notices are imposed to deter the dog smuggling trade.

10.15 am

**Danny Kinahan** (South Antrim) (UUP): I congratulate the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this debate, in which I am pleased to speak. I did not want to have any puns in my speech but then realised that I wanted to say, “It’s quite nice to be tail-end Charlie”, which is one of the better speaking positions.

I thank all the people who work so hard on animal welfare in the devolved Administrations and here. In particular, I thank Dogs Trust for bringing the issue to my attention. I am deeply ashamed when I hear that 40,000 dogs—various numbers are mentioned—come from Ireland, through Northern Ireland, into Scotland and into the trade here. My main drive today is to call for us all to work together and to set up some mechanisms to make it possible for us to stop the trade.

I asked a written question on the pet travel scheme in January. The answer I received stated that 184,000 dogs came here under the scheme in 2012, and that the figure went up to 267,000 dogs in 2015. However, the number of quality assurance checks decreased from 6,070 in 2012 to 4,863 in 2015. Over those years, we did fewer checks although more animals came in.

The numbers we hear about differ between speakers. We are told that there are 9 million dogs in the UK and that some 900,000 puppies may be needed each year. That is why we have to deal with 70,000 coming in illegally. I ask that all the devolved countries work together.

As the hon. Member for Strangford (Jim Shannon) mentioned, legislation was introduced in Northern Ireland in 2013 that works on breeding establishments based on three breeding bitches having three or more litters a year. That is the way we have been dealing with the issue, but that is different from the recommendations we heard earlier. We must adopt something that works. There are nine councils and there is one council inspector in each whose job it is to check, so we do not even cover it. In Northern Ireland, crime is still linked to the troubles of the past. There is not just puppy farming, but fuel laundering and cigarette trading. A whole mass of things are going on and puppy trading is part of the criminal world.
[Danny Kinahan]

Coming back to my main point, we must start working together, and sharing information and data. That includes working with the Irish, who work phenomenally well with us on other major crimes. We must learn from the issue and look at how we deal with advertising, including on Gumtree and Google, which just makes dog trading look easy. We do not know where those dogs have come from, what diseases they are carrying and how they are looked after. Think of the poor things travelling long distances.

While I am here, I will keep banging on about the need for the Union to work together. It is not just about little Northern Ireland. It is about Scotland, Wales, Northern Ireland and all the parts of England working well and ensuring that we deal with things together. We need a Committee or a group that meets at least twice a year so that we can work together, share information and deal with the matter.

Everyone adores their animals. Dogs, particularly, are a great love. Every year our little Mid Antrim Animal Sanctuary in my patch does a draw. Hon. Members might expect that small numbers of tickets are sold, but 8,500 are sold every year. The sanctuary does a wonderful job. However, going around knocking on doors, we can see how many dogs are probably illegal. We need to deal with the problem together.

10.19 am

Graham Jones (Hyndburn) (Lab): I will be brief, as I have just an odd few comments. I congratulate the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this important debate. Pets are an emotive issue. They have affection, they develop relationships and they understand torment and mistreatment. However, the purchase of dogs seems all too easy, particularly from overseas breeders but also from domestic breeders. There is a real issue here.

The 2013-14 figures, the most recent available, in my Hyndburn constituency were drawn to my attention under freedom of information. Seventy-one dangerous dogs had to be put to sleep—rescued from their owners but then destroyed—and 525 had to be kennelled. Those figures are absolutely appalling, and a lot of those dogs are pit bull types, and so on. They are trophy dogs that are bought from breeders, both domestically and internationally. That ease of access between breeders and disgraceful, poor owners is causing the problem we need to address. Breeders should not be easily able to supply dogs to people who are clearly inadequate in looking after such pets. The Government should look at that. Something should be done, because to see so many pets put down is disgraceful, to be honest.

Not enough information is provided to some dog owners. Besides tougher regulation, we need to do something about some of the breeders. I have a Sealyham terrier. He is a small dog, but he is difficult to breed. Sealyham terriers have an eye disease, and if they are not cared for, and if the eye disease is bred and re-bred through generations, further dogs bred from the parent suffer, too, and are imported. There is not enough regulation of dogs and the diseases that they carry, such as through dog passports and checks on breeders to ensure that their dogs are healthy before they breed and before they put them on Gumtree or wherever for sale into the United Kingdom. There is an issue with disease and the breeding of disease into breeds. Pet owners in the United Kingdom buy such dogs in all good faith, only to find when they take their dog to the vet, that there is a serious issue.

Many issues in this industry need to be considered, and I am deeply concerned that we do not seem to be a nation of pet lovers any more. I see so many dogs being destroyed in my constituency alone, and I hate to think what the figures are for the United Kingdom. I will draw my comments to an end on that sad note.

Sir Roger Gale (in the Chair): Members have been extremely prudent in their time conservation, so if the Front Benchers act in similar vein, Dr Cameron should have a few minutes at the end to wind up the debate.

10.23 am

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): I congratulate my hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this debate. She has raised an issue that touches the hearts and minds of many people living in Scotland and, indeed, the rest of the UK. We have heard powerful arguments that have attempted to give voice to the plight of young dogs that have been bred in appalling conditions, removed from their mothers early and exported, sometimes thousands of miles, to be sold as pets to unwitting owners who are ignorant of the suffering and torment that the new member of their family has experienced.

The Select Committee on Environment, Food and Rural Affairs, of which I am a member, recently reported on greyhound welfare. While conducting that inquiry, my colleagues and I encountered many accounts of dogs being bred in poor conditions and smuggled across borders for sale as puppies, whereas other animals, having been deemed unfit or too old to race, were transported abroad for breeding or other activities so horrific that I can scarcely begin to imagine their torment. We live in a cruel world.

I know that the Minister takes a keen interest in animal welfare. Backstreet breeding is the unregistered, unauthorised and unlicensed breeding of dogs, and it has much in common with puppy farming. Unseen, but commonplace across the UK and elsewhere, mothers live miserable lives in sometimes squalid conditions and are forced to produce litters repeatedly without respite, so that their puppies can be sold for easy money. Exhausted and under-socialised, such dogs are all too often thrown on to the streets once they have served their purpose.

My hon. Friend the Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) noted that puppy farming has been illegal in the UK since the 1970s. Anyone involved in the large-scale production of puppies without being licensed, or without fulfilling licence conditions, can already be prosecuted under existing UK legislation. Scotland, as we have heard, has taken additional steps through our Licensing of Animal Dealers (Young Cats and Young Dogs) (Scotland) Regulations 2009 to further restrict the sale of young dogs and to ensure the welfare of any puppies that may pass through a dealer or pet shop.
The Battersea report on breeding licensing exposes the ineffectiveness of the current system. The law states that a licence is required if more than five litters are produced in a year and/or if dogs are sold commercially. The report notes that there are only 895 licensed dog breeders in the UK, and 40% of those breeders are located in just 6% of local authority areas. A third of local authorities do not have any licensed breeders. Some 90% of licence applications each year are renewals, rather than first-time applications. Licence fees vary greatly, from £23 in Glasgow to £741 in Lambeth. Only 12 licensed breeders are registered in London, a city of more than 8 million people, of whom on average a quarter, or 2 million, are dog owners. Less than 12% of puppies born in the UK each year are bred by licensed breeders, who produce an estimated 67,000 puppies each year. Those facts prompt the question as to what the current system is for, given that it is clearly not achieving what is expected. Nevertheless, it has been identified that the trade in puppies within England and Scotland has significantly increased over the past 10 years. The main areas of increase relate to the importation of pups into Scotland from eastern Europe and Eire.

The Scottish Society for the Prevention of Cruelty to Animals advises me that pups from eastern Europe are predominantly high-value breeds such as British bulldogs, pugs and French bulldogs. Those breeds are also bred under the same system—dog breeding on an industrial scale. Evidence obtained by the SSPCA reveals that pups are being transported from the Republic through the north of Ireland and into Scotland via ferries at Cairnryan, a port for cross-border trade. The countries involved include Romania, Hungary and Lithuania. The average price of a pup imported from eastern Europe is between £1,000 and £1,500.

The increase in imported dogs from Eire is most notable in new crossbreeds such as labradoodles. Research shows that a large number of dog breeders have been established throughout the Republic. Premises are both licensed and unlicensed for the purpose of breeding, and some are known to have more than 1,000 breeding bitches—this is dog breeding on an industrial scale. Evidence obtained by the SSPCA reveals that pups are being transported from the Republic through the north of Ireland and into Scotland via ferries at Cairnryan, a point made by the hon. Member for South Antrim (Danny Kinahan). From there, the pups are transported throughout the UK, with little consideration given to welfare by dealers intent on making a profit. Pups can quickly become ill, often with fatal consequences, among a group of animals with already compromised health due to breeding conditions, lack of vaccination and stress, having been removed from their mothers at an early age—a point eloquently made by the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts).

Enforcement by the SSPCA has evidenced efforts by breeders to maximise the value of their pups by subverting the current system. The SSPCA also claims that criminal gangs can earn more than £2 million annually from the puppy trade, costing the Treasury millions in unpaid tax and the animals concerned significantly greater hardship—as was pointed out by my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier), who also noted that animal welfare is devolved to Scotland and that the Scottish Government have used their powers to good effect, initiating a review of existing companion animal welfare legislation, including legislation on the breeding and sale of dogs. The Scottish Government are developing long-term options for further work in that area. My colleagues in Scotland are at the forefront of animal rights. From 6 April this year, it will be compulsory for all dogs in Scotland to be microchipped.

Enforcement by the SSPCA has evidenced efforts by breeders to maximise the value of their pups by subverting attempts to trace dogs back to the Republic. For example, pups are not being microchipped, which is a legal requirement in the Republic, and they are not being vaccinated. Unvaccinated pups, as we have heard, are at risk of developing diseases, most commonly canine Parvovirus. Risks also increase where pups are held in poor conditions, such as in the boot of a car, or become stressed through transportation on poorly ventilated lorries and/or diet. Pups are being sold in Scotland to consumers who are told that they have been bred in Scotland or England. To promote that, bitches—often not the parent bitch—are transported with pups by breeders. Once the pups are sold, the bitches are returned to the breeder to enable further breeding. Within the illicit trade, these bitches are referred to as “show bitches”.

The motive, of course, is money. Pups are believed to be purchased in Eire, for example, for as little as £50 and sold in the UK for up to £700. Pups originating in eastern Europe are also believed to be purchased for as little as £50 and sold in the UK for up to £1,500. As we have heard, a recent investigation by Dogs Trust showed that vets in Lithuania and Hungary freely admit falsifying information on pet passports, such as vaccinations, and that breeders and dealers regularly transport under-age puppies to the UK, as the hon. Member for Southend West (Sir David Amess) noted.

Dogs Trust also found that vets issue passports for puppies that they have not seen, that puppies’ ages are changed to evade the pet travel scheme, that dogs banned under the Dangerous Dogs Act 1991 are being brought into the country and that false vaccination stamps are added to indicate that puppies have been given rabies vaccinations when they have not. That point was made eloquently by the hon. Member for Dwyfor Meirionnydd.

Worryingly, the scale of profit and the rapid turnover mean that organised crime groups become involved in the puppy trade to exploit the potential for making profit from offences with relatively low risk and penalties, and for laundering the proceeds of other crimes, as the hon. Member for South Antrim pointed out. Eurogroup for Animals suggests that puppies are the third most valuable illegally traded commodity in the EU, after narcotics and arms. The hon. Member for North Durham (Mr Jones) rightly highlighted the importance that we should place on tackling organised crime.

The Royal Society for the Prevention of Cruelty to Animals estimates that between 700,000 and 1.9 million puppies are sold in the UK each year from all sources. The RSPCA also claims that criminal gangs can earn more than £2 million annually from the puppy trade, costing the Treasury millions in unpaid tax and the animals concerned significantly greater hardship—as was pointed out by my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier), who also noted that animal welfare is devolved to Scotland and that the Scottish Government have used their powers to good effect, initiating a review of existing companion animal welfare legislation, including legislation on the breeding and sale of dogs. The Scottish Government are developing long-term options for further work in that area. My colleagues in Scotland are at the forefront of animal rights. From 6 April this year, it will be compulsory for all dogs in Scotland to be microchipped.

Last month the European Parliament introduced new resolutions to end the illegal trafficking of pets. The regulations will ensure that microchipping of pets across EU member states is more harmonised, so that pet microchips can be more easily compared and more compatible databases are produced. A range of additional measures are being considered to enhance the powers of local authorities and to make breeders identifiable and accountable.

Scotland’s voluntary sector is not being found wanting either. The Scottish Society for the Prevention of Cruelty to Animals’ special investigations unit has been collecting intelligence and targeting offenders in an attempt to disrupt and reduce the illicit trade in dogs bred for sale.
Importantly, it has been working with the devolved Assembly in Northern Ireland, as the hon. Member for Strangford (Jim Shannon) noted.

Nevertheless, the ease and popularity of the internet has meant that the impulse buying of pets has in many ways become an even more pressing issue. As we have heard, online sellers have little accountability, and web adverts are often a front for puppy farms with highly questionable welfare standards. The problem is exacerbated by the ease of acquiring pet shop licences, which are often used by puppy dealers to distribute animals for sale rather than regulated traditional high street pet shops.

How can we effect change in the UK context? First, as we heard, principally from the hon. Member for Strangford, a public awareness campaign is needed. We have also heard that an outright ban on the sale of puppies through licensed pet shops might be the simplest, cheapest, most effective and most easily enforceable means of making a significant and swift improvement to the welfare of thousands of dogs and puppies. My hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow noted that a ban on the sale of puppies under eight weeks old would also help, and the hon. Member for Southend West suggested the introduction of a required breeding licence for any household producing two or more litters per year.

A system involving a single animal establishment licence should be introduced and applied equally to online and offline sellers of dogs. The list of registered and licenced sellers should be publicly accessible and, ideally, centralised, so that potential buyers can check breeders’ credentials. Website sellers could be required to enter their licence number as a mandatory field on adverts, so that each potential buyer can see it. We also need revisions to the pet travel scheme, as we have heard. All those measures would be consistent with the proposals outlined in the Department for Environment, Food and Rural Affairs’ consultation on the breeding and sale of dogs, issued at the end of December 2015.

However, the key message remains simple. Anyone considering buying a puppy should do so only if they can see it feeding with its mother at the breeder’s premises. The importance of visual checks cannot be overstated. That simple demand minimises the risk of buying an illegally imported puppy or one that has been bred in unsuitable conditions, and it should form the basis of any consideration undertaken by any individual or family seeking to purchase a dog.

10.35 am

Alex Cunningham (Stockton North) (Lab): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate the hon. Member for East Kilbride, Strathaven and Lesmahagow (Dr Cameron) on securing this important debate. She and others have put a powerful argument about the need for change. Although we know that activities in this area are currently subject to consultation, I hope to hear at least some encouraging noises from the Minister in answering the debate to show that he recognises that need.

Animal welfare issues always attract a great deal of support among the people we are here to represent. We have heard about the problems of unregistered, unauthorised and unlicensed dog breeding. Colleagues from across the House have put forward many excellent points that are worth emphasising. The hon. Member for Southend West (Sir David Amess) referred to our many past debates, but was sure that this one would be groundbreaking. I leave him to judge that, but he demonstrated great confidence that the Minister would put an end to what he called the dodges used by the unscrupulous to get around the law. We will hear later what the Minister has to say.

My hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) reminded the House of the need for action across the UK, and rightly placed the challenge at the door of the hon. Member for East Kilbride, Strathaven and Lesmahagow and the Scottish Government to use their powers in that area. Others referred to other delegated responsibilities. The hon. Member for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) took the opportunity to promote the benefits of EU membership and outlined how European legislation protects animals. Perhaps the Minister, who I believe is in favour of leaving, will tell us what work he is doing to ensure that animal welfare will retain those rigorous controls if we leave the EU.

The hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) littered her speech with puns—I will just leave that there. My hon. Friend the Member for Hyndburn (Graham Jones) questioned whether we are still a nation of dog lovers, but also made the point that there is insufficient information for buyers out there in the marketplace. I hope the Minister will comment on that.

I was stunned by the size of the trade that we are discussing and horrified by the content of some of the briefings from animal welfare organisations. The hon. Member for East Kilbride, Strathaven and Lesmahagow rightly paid tribute to such organisations. The briefings outline how some dogs are effectively bred to death, resulting in the birth of weak dogs, themselves likely to face suffering and even abandonment.

The RSPCA tells us that as many as 1.9 million puppies are traded in the UK each year. That number is driven by factors including fashion, family and friends. I am sure that hon. Members across the House will have had substantial numbers of contacts from constituents angry about what is happening. I agree that it is appalling that the latest fashion can drive overbreeding and suffering for dogs, or any other animal for that matter. Steep demand creates a market for puppies that often focuses on small numbers of popular breeds, such as Shih Tzus, labradoodles or pugs. As demand increases, prices rise and the unscrupulous enter the market on a huge scale. The puppies to satisfy that demand come from a vast array of sources both within the UK and further afield. Breeding practices and welfare standards vary enormously during the rearing, transport and sale of such animals.

Sadly, one upshot of this situation is that thousands of animals end up being mistreated, with many developing health problems and being abandoned each year. Institutions such as Battersea Dogs & Cats Home, along with the rescue centres run by organisations such as Dogs Trust, see the sorry results of this growing problem on a daily basis. They are being left to care for the dogs, to rehome them or to take the decision to end their lives.
One issue of particular concern is the ease with which breeders, dealers and traders can advertise and sell puppies online, in addition to an array of other animals, online. We do not have to look very far hard to unearth some shocking examples of animals being purchased over the internet that have been cruelly mistreated after being acquired by abusive owners. The RSPCA tells me that it has received over 3,500 calls about puppy farms in the last year—a 122% increase on just five years ago. Many were from people complaining that their puppies had developed illnesses after they had been bought, and of those calls where the point of sale was noted, almost nine out of 10 of them involved an internet advert. That is backed up by data from the Kennel Club suggesting that as many as 20% of puppies bought from pet shops or directly over the internet, where many so-called farmed puppies are sold, will suffer from parvovirus and other potentially fatal diseases, which can cost up to £4,000 to treat. That represents an incidence rate roughly four times higher than among puppies from other breeders.

That leads me to an issue that has been touched upon briefly this morning already, but is worth mentioning again—the suspected illegal puppy trade from Ireland and continental Europe that supplements the legal movement of puppies. Estimates of the number of puppies born to licensed British breeders stand at just 70,000, with the Kennel Club registering around 250,000 puppies each year and rescue organisations rehoming roughly the same number, so there remains a significant shortfall to meet the demand. Inevitably, the remainder are imported or come from unlicensed breeders. Dogs Trust has noted a huge increase in the number of puppies being brought into the UK for sale, particularly from eastern Europe. Other hon. Members have already mentioned this in some detail, but Dogs Trust also says that it has identified a 61% increase in the number of dogs entering Britain in the 12 months after the introduction of the pet travel scheme in 2012, with the number arriving from Lithuania and Hungary between 2011 and 2013 rising by 780% and 633% respectively, and those figures only account for the dogs that were actually declared.

Although some unlicensed British breeders, including many of those registered by the Kennel Club, will sell only one litter a year, other litters will doubtless come from large-scale commercial breeders for whom animal welfare is often only of secondary consideration, if it is considered at all. As we have already heard, this backstreet breeding has much in common with puppy farming. As the RSPCA has highlighted, these practices, although frequently hidden behind closed doors, are alarmingly commonplace across the UK. The mothers often live miserable lives in sometimes squalid conditions and are forced to produce litter after litter so that their puppies can be sold for easy money. Exhausted and under-socialised, these dogs are abandoned once they have served their purpose.

Although it is not our primary concern here today, it is none the less important to recognise that such trade, based on cash transactions, could be costing the UK millions of pounds each year in undeclared income. A recent study found that a ring of puppy dealers was worth €1.3 billion annually in the EU, with 10% of the trade coming from breeders who each breed more than 200 dogs annually. A ring of puppy dealers in Manchester who were uncovered by RSPCA investigations were found to be earning £35,000 a week—more than £1.5 million of undeclared income annually. A separate investigation estimated that a different dealer was earning £200,000 a year importing puppies from Ireland into Scotland.

It is to be welcomed that the Government are working with the Pet Advertising Advisory Group, which, in co-operation with several internet sites, has agreed a set of minimum standards for animals sold online. Indeed, I understand that as many as 130,000 inappropriate adverts have been removed as a result of this code, which is undoubtedly good news for animal welfare. However, the practices of puppy farming and backstreet breeding still exist, along with the various welfare problems with which they are inherently associated. I would therefore be interested to hear what actions the Minister is considering taking to widen the uptake of the PAAG’s code of conduct and what measures are being examined to further strengthen these minimum welfare standards.

At the same time, I would also like to hear what steps are being considered to better enforce higher welfare standards and to better target enforcement actions across the board.

As many Members present this morning will be aware, the Government are currently reviewing animal licensing schemes, including for the sale of pet animals, with a consultation running until the end of this week. A couple of months ago, we had a debate in Westminster Hall about the trade in exotic pets—pets sold to people who were ill-equipped to care for them. The Minister was clear in his resolve on that occasion to take action on that particular issue. I recognise that today the Minister may not able to pre-empt the responses to the consultation exercise and that it would be unwise for him to commit to decisions without a thorough consultation and an evidence base in place. Nevertheless, I would like to hear his current thinking on the steps that could be taken to drive up standards and drive out unregulated breeders and dealers, in order to provide and safeguard animal welfare. I challenge him to tighten licensing requirements to achieve those goals.
two litters per year. The law had been changed in 1999 because in one debate in Parliament, the view was expressed that the authorities should focus more on large puppy farms and not on smaller breeders. Although the law as drafted means that anyone who is in the business of buying and selling puppies requires a licence, an idea had taken hold—encouraged by a Home Office circular sent at the time in 1999—that five litters per year was the correct threshold to go by. In 2014, therefore, we clarified things. We wrote to all local authorities and made it clear that anyone in the business of breeding and selling puppies, irrespective of the number of litters per year, must have a licence.

The second area where we have made progress is microchipping. I hope hon. Members have seen the attempts in the last few days to raise awareness about the new provisions that will commence from next month. They require all dogs to have a microchip and will make it easier to reunite stray dogs with their owners, to tackle the problem of dog theft and to track down irresponsible dog owners.

The third area where we have undoubtedly made good progress is, as a number of hon. Members have already alluded to, through the Pet Advertising Advisory Group. I pay tribute to those online advertisers who have participated in that group. Some real progress has been made. In total, 130,000 inappropriate adverts have been taken down. We have had volunteers from a number of the animal welfare charities assisting in moderation to do that.

However, when I talk to companies such as Gumtree—I regularly attend the PAAG meetings on these issues—they say that, in the last three years, they have seen an 80% reduction in the number of pets being advertised on their websites. It is a real credit to them that they have engaged in a responsible code of practice that has seen such a drop in the number of pets being advertised online. For instance, if any of those companies see high-velocity sales—that is, if anyone advertises a pet on their website more than three times in a year—they immediately block that individual or firm from being able to advertise again, and they report that to animal welfare charities. If someone has a licence, it must be displayed in any advert on a website, and they have to show a photo.

PAAG also looks for keywords. One of the saddest, most tragic things is when pets are being sold online for use in baiting or dog-fighting. There are certain keywords—code words—that people who are involved in that dreadful and appalling activity understand, and PAAG is now picking up on them.

Angela Smith: I am greatly enjoying the Minister’s response to the debate. I acknowledge absolutely the work that charities, online sellers and websites, and indeed the Government, have done on this issue—I will be absolutely honest about that. However, does he not acknowledge in return that there has been a shift from registered sites to unregistered sites, and that more needs to be done?

George Eustice: Yes, and I was going to come on to that point.

Finally, Gumtree, Preloved, Friday-Ad, Pets4Homes, Epupz and Vivastreet have already signed up to be members of PAAG, and some of them are now starting to send guidance on buying a puppy and caring for it to anyone who expresses an interest in buying a puppy or searches for puppies online. Again, that is quite a big step forward.

I agree about getting others to sign up. Some of the classified ads are registered and based overseas, and it is harder for us to track them down. Just a few weeks ago I had a meeting with Facebook, to encourage it to participate. It obviously has a slightly different model and it is harder to search for puppies in the same way as on the internet in general. Nevertheless, it has given an undertaking to go away and think about whether there is something it could do.

I also accept that there is more to do, and that is why we are doing more. First and foremost is the consultation, which a number of hon. Members have mentioned, that is reviewing the licensing of animal establishments. The consultation closes at the end of the week, and I encourage anyone watching the debate who has ideas to make a contribution. We are looking at a number of key areas, including in relation to puppies.

First, we are reviewing the Pet Animals Act 1951. The Act makes it clear that, if someone is in the business of selling pets online, they require a licence. Not everyone understands that, so we are looking to tighten the provisions to put it beyond doubt that, if someone is internet trading, they require a pet shop licence, whether or not they have a shop in the high street.

The second area we are looking at, and which a number of people have raised with me, is that of selling puppies that are under eight weeks old. Under the new microchipping regulations, it is illegal to microchip or transfer ownership of a dog until it is eight weeks old, but when it comes to pet shops, there is a quirk that allows such practices to continue. We propose to tighten the provision and ban the sale of puppies that are under eight weeks old.

Sir David Amess: Does my hon. Friend think it sensible for puppies to be sold in pet shops?

George Eustice: Only about 70 pet shops in the whole country still sell puppies. There is a danger that we get distracted by what is a small part of the overall sales when, to me, we should focus our efforts on the much bigger problem of people who are totally unlicensed, not inspected by local authorities, off everyone’s radar and trading on the internet. That is my priority.

Thirdly, on the number of litters, we are adding a condition that puts it beyond doubt that, if someone breeds more than three litters a year, they must have a licence, whether they are in the business of trading puppies or not—it is a backstop. That would bring us into line with countries such as Wales.

We are also looking at the issue of giving information on the sale of a pet, which is particularly important for exotic pets. The matter was considered in the Animal Welfare Act 2006 and we are now considering adding it as a legal requirement.

Graham Jones: Will the Minister give way?
George Eustice: I am going to make some progress—I am conscious of the time.

On enforcement, it is all very well having a licensing system for the breeding of puppies, but it is a big problem if local authorities do not enforce it. The statistics for most local authorities are in single figures. We are considering introducing a system that is accredited by the United Kingdom Accreditation Service under which responsible puppy breeders, who sign up, for instance, to the Kennel Club accreditation scheme for rearing puppies, can be exempt from the licence requirement. Local authority resources could be freed up to go after those who are off the system altogether. In doing that, we borrow an idea that the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) pioneered in the field of greyhound racing. There is a UKAS-accredited system for most tracks and a backstop local authority licensing system for those outside that system. People have their own views about greyhound racing, but that hybrid system has been successful and we want to learn from it.

A number of hon. Members have raised the issue of enforcement. I accept, particularly when it comes to the importing of puppies, that we can do more. In 2015, the border police, trading standards and the Animal and Plant Health Agency worked together on Operation Bloodhound and brought a number of prosecutions. At the end of last year, I met with our chief veterinary officer to ask what more can be done. Some veterinary practices, particularly in Lithuania, Hungary and Romania, have been fraudulently signing off paperwork for pet passports, and the chief veterinary officer has written to the authorities in those countries to raise his concerns. Investigations have taken place and, in some instances, veterinary licences have been suspended, so we have taken action on that front.

We are also working with the Dogs Trust initiative. The trust has made available some quarantine premises, which is helpful to the work of the Animal and Plant Health Agency. Since 2 December, when the operation, led by APHA and local trading standards and supported by Dogs Trust, began, 108 puppies have been licensed into quarantine. The principal reason is that the puppies were under age when inspected by a veterinary officer, either because they had not been left for three weeks after receiving their rabies jab or because they were given the jab prematurely. That is a matter of serious concern and APHA will follow it up, learn lessons from it and raise concerns where necessary with any other European authorities. In one case, there was a deliberate attempt to deceive, with microchips being hidden in the collars of five puppies. The puppies appeared to have valid pet passports but these did not correspond to those particular dogs.

We are doing a lot of work on enforcement but there is more to do. I have considered whether we can do many more random inspections, for instance tracking vehicles that are associated with the trade, working more closely with the border police and making use of thermal imaging. I asked our veterinary experts to give consideration to that. It is not easy. It is a complex area, but we are redoubling our efforts to tackle the terrible trade of illegally imported puppies.

Dr Cameron: I thank all the gracious and hon. Members for their contributions. It is clear that we are all equally keen that best practice is realised right across the UK. Constructive dialogue and policy formation is required to ensure best practice across and between devolved Administrations. I particularly thank the Minister for his detailed response, and for his reassurances regarding both the progress that has been made in some areas and the action that will be required as a result of the consultation.

No one wants to return to the debate in a year’s time to reiterate the same grave concerns. I am sorry that there was regression in 1999, because I feel that this is an area in which we always need to show progress. I am heartened, however, as it is clear that the issue is not a party political one but one of animal welfare, dear to the public and dear to all.

Question put and agreed to.

Resolved,

That this House has considered the welfare of young dogs bred for sale.
Autism Diagnosis Waiting Times

10.58 am

Jo Cox (Batley and Spen) (Lab): I beg to move, That this House has considered autism diagnosis waiting times.

It is a pleasure to serve under your chairmanship, Sir Roger, and to lead this important debate.

As hon. Members will know, autism is a lifelong developmental disability that affects how a person communicates with, and relates to, other people. It is a spectrum condition, which affects different people in different ways. Some people with autism are able to lead a substantially or even completely independent life, while others may need a lifetime of specialist, complex support.

Diagnosis, which is what we are here to discuss, is a critical milestone for people on the spectrum. It helps individuals to take control of their lives and can unlock access to essential support and services. Diagnosis is important not only for those who are on the spectrum. It can be just as important for their parents, friends and loved ones, enabling them to better understand their child, friend or partner.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): My hon. Friend may know that I have an autistic child in my family and that I chair the newly formed commission on autism. Would she agree that it is absolutely about the family support that would come from early diagnosis? At the moment, so few people get it.

Jo Cox: Absolutely. I bow to my hon. Friend’s experience, expertise and doughty campaigning on this issue, and I could not agree with him more. Tragically, as we know, many thousands of people up and down the country, including children, wait far too long for a diagnosis. For children, on average the current wait is now more than three and a half years.

Mrs Cheryl Gillan (Chesham and Amersham) (Con): I congratulate the hon. Lady on obtaining this debate, which is very important to a large number of people beyond this Chamber. As she knows, I hold the honour of being the elected chair of the all-party group on autism, which has been going for many years now. Diagnosis waiting times are a very important issue for Members of Parliament involved in this area. Does she also hope that we will hear in the Minister’s reply about the importance of NHS England’s collecting and monitoring those diagnosis times for each clinical commissioning group in England? That is important and will mean that we have the data.

Jo Cox: I agree entirely. Let us hope that we have an answer on exactly that point from the Minister. I applaud and bow to the right hon. Lady’s commitment and experience on this issue.

While the average waiting time for children is more than three and a half years, many adults receive a diagnosis only five years after concerns first emerge and often two years after seeking professional help. Some 61% of people who responded to a National Autistic Society survey said that they felt relieved to get a diagnosis when it finally came, and more than half—58%—said that it led to their getting new or additional much-needed support. It is of particular concern that children are having to wait so long for a diagnosis. Not only does that place tremendous strain on their whole family, but it means that many children do not receive the early intervention that could have a big impact on their formative years. Indeed, in many cases, children are being locked out of the services available to them, and that support can be life-changing.

Snowflakes is a nursery for children with an autism diagnosis or who are awaiting an autism diagnostic observation schedule assessment. The nursery is run by my sister-in-law, Stacia. One of its children was lucky and got an early diagnosis aged three. He joined Snowflakes and the team worked with him and his family for two years. The dedicated staff managed to help him into a mainstream primary school with support, and he is still in that school and is thriving. Another child came to Snowflakes because her mainstream nursery was unable to cope with her challenging behaviour. She is now on an 18-month waiting list for a diagnosis, but is due to start primary school in just six months’ time. She is making good progress within the specialised setting and is now a role model for other children. Her parents want her to move on to a primary autism resource, but to get a place she needs a diagnosis.

Dr Lisa Cameron (East Kilbride, Strathaven and Lesmahagow) (SNP): I thank the hon. Lady for securing this important debate, which I feel strongly about. In my constituency, I have had contact with families experiencing exactly the issues that she is raising. Is it not important that more clinicians are trained to diagnose and that teachers are able to pick up very early signs of autistic spectrum disorder?

Jo Cox: I thank the hon. Lady for that helpful intervention. I agree with her, and let us hope that the Minister addresses that point in his comments.

To return to the example of a little girl who faces a choice. Without a diagnosis she will be forced to accept a place in a mainstream primary school that will not be able to meet her needs. With a diagnosis, however, she would go to a primary autism resource using the specialised teaching methods she knows and trusts. She would be able to continue her education and in turn increase her life chances.

Many parents tell the National Autistic Society that delays in getting diagnoses have also led to the development of serious mental health problems, both for the individual and for the family. For example, having presented himself to GPs for 20 years, Chris was diagnosed with Asperger’s syndrome in 2007 after finally deciding to go private. Without a diagnosis, appropriate support or an understanding of his needs, he experienced mental health conditions for most of his life, including depression, anxiety, obsessive-compulsive disorder and mild Tourette’s. He was hospitalised when he was 15 and later became suicidal when his needs were not met.

We now know the value and importance of early and fast diagnosis, yet our system continues to fail so many children and adults. Members present will have heard stories from their constituents or family members and will have no doubt been deeply affected by them, as I have. One has to meet only a handful of parents to realise the unbelievable pressures that the waiting times put them under.
I could tell a number of stories from my own constituency—members of some of the families affected are here today—but I want to tell the story of a young man from Batley. He is one of the lucky ones: he now has his diagnosis of Asperger’s syndrome. His mum wrote to me and told me what a blessing the diagnosis has been. It did not just provide access to support and services, but it helped everyone, including him, to understand why he felt and behaved the way he did. He said he wished he had been diagnosed earlier because:

“I always knew I was different, now I know why.”

He is one of the lucky ones, because his parents had the ability to pay for a private diagnosis. They raised £2,500 to fast-track the process, but they should not have had to do that. What about the great many of my constituents who do not have the means to afford a private diagnosis? Another of my constituents, who is also from Batley, has had to give up his job to accompany his son to school every day. Without a diagnosis, the school is not able to fund the additional staff it needs to take care of his complex needs. It is a problem not only in my constituency, but throughout the country.

Mr Sheerman: My hon. Friend is being generous in giving way. Is it not also disappointing for constituents and for people we know in the autism field—some very experienced people have intervened on her on that count—when someone goes into a health diagnosis and the health people say, “We can give you the diagnosis, but you will not get any help because the local authority does not have the capacity or the trained people to provide that help”?

Jo Cox: Absolutely. My hon. Friend again raises a very valid point. We are talking specifically about diagnosis delays, but once someone has a diagnosis, that opens up a whole range of issues that I hope the Minister will address.

Mrs Gillan: Further to the intervention by the hon. Member for Huddersfield (Mr Sheerman), one of the key things that the all-party group has been pushing for is better data collection in local areas so that we can more effectively plan and commission services. Nationally, it would mean that we could then ensure that each area is meeting the needs of its local population. Does the hon. Lady agree that it will be interesting to see whether the Minister can tell us what discussions he has had on that and how he intends to take the subject forward appropriately and properly with NHS England?

Jo Cox: I agree entirely, and one of the worrying things that became apparent to me in my research for this speech is the growing regional disparity in autism diagnosis waiting times, as well as in the service someone gets once they have a diagnosis. Let us hope that the Minister addresses that point.

My constituent from Batley has given up his job so that his son can attend school every day. As I have said, the problem exists not just in my constituency, but up and down the country, and stories from the NAS highlight that. There is Mel from Watford, whose son waited nine years. Noah, who is four, waited two years for his diagnosis—that is half his life. Meanwhile, data from Public Health England from the latest adult autism strategy show huge regional variation in adult services, with waiting times between referral and first appointment—not even the whole diagnosis journey—in the south-west reaching 95 weeks. In my region of Yorkshire and the Humber, it is 84 weeks. The NICE quality standard on autism is clear: once referred, people should wait no longer than three months before having their first diagnostic appointment. For this to happen, the Government, local authorities and NHS England need to act.

In my own local authority, Kirklees, despite strong leadership and a clear commitment to protect and safeguard vulnerable children and adults, there is an acknowledged crisis in children’s mental health and autism services. Some families have been waiting more than two years for a diagnosis, often longer. I have been encouraging Kirklees and its clinical commissioning groups to clear the backlog and redesign their services, and I am pleased to announce that, starting last Friday, a plan to clear the backlog within 12 months is now being rolled out regionally. This will quadruple the number of diagnoses that can take place in my constituency.

Jim Shannon (Strangford) (DUP): I congratulate the hon. Lady on securing this debate. Autism diagnosis across the whole of the United Kingdom of Great Britain and Northern Ireland is a big issue. In Northern Ireland, some 2,000 young people are waiting for a diagnosis, although the Minister has set some money aside. There is a need not only for early diagnosis, but for further stages of the education programme as well. How is the hon. Lady’s local authority progressing with the backlog?

Jo Cox: I agree entirely. It is time for the Government to bring a wider discussion about autism services to the Floor of the House.

My local authority’s announcement last Friday now means that we will quadruple the number of diagnoses that can take place in my constituency. It still needs to redesign the service in a way that prevents future backlogs, but this is good news for Batley and Spen and for people across Kirklees. However, it should not go unacknowledged that local authorities such as mine are working hard to reform services in an environment of severe and disproportionate budget constraint, imposed on them by Government. Of course, this is just one local authority; what about the hundreds of others and the desperate families in their care?

We also now have to accept that this failure to diagnose autism early ends up costing taxpayers much more. When developing its guidance for health services, NICE stated:

“Investment in local autism services also contributes to: a reduction in GP appointments, fewer emergency admissions and less use of mental health services in times of crisis, including the use of inpatient psychiatric services.”

Tom Tugendhat (Tonbridge and Malling) (Con): The hon. Lady speaks with great power and passion. I support her absolutely and thank her for securing this debate. In my own constituency, the Grange Park School, which I have often visited, specialises in autism. The school’s view is that proper care and diagnosis relieves the burden on the police, who are often called in to deal with situations that are not policing matters and...
not for the judicial system, but for the mental care system, and, if handled properly, for the education system.

Jo Cox: The hon. Gentleman makes a fascinating and pertinent point, particularly as we heard about a case this morning that was very tragic and relates to some of the themes he has raised. I know he is personally committed to this issue, and it would be good to have a response from the Minister on his point.

The National Autistic Society tells us that by investing in autism diagnosis, the NHS could save the enormous amounts of money currently spent on mental health services that result from autistic people not getting the support that they need, as they have not got a diagnosis. As well as having negative consequences for someone's life, acute services are also very expensive, with in-patient mental health care costing between £200 and £300 a day. In other words, the annual cost of supporting two people with autism in a mental health ward would fund a specialist autism team serving an entire borough for a whole year.

Furthermore, identifying and supporting someone on the autism spectrum can save money in the wider public sector. According to the National Audit Office, an 8% identification rate would save £67 million a year. Over the five years to 2020, that is a potential saving to the public purse of £337 million.

Tom Tugendhat: We rightly look at pounds, shillings and pence when we talk about the public purse, but does the hon. Lady recognise that identifying and supporting autism saves families from failing? The saving to the public purse is significantly greater than the figure she has given, because it relieves the burden on many other branches of public services that would otherwise have to support a failing family.

Jo Cox: I entirely agree. The hon. Gentleman makes a very valid point.

Crisis in autism services are a decade or more in the making. The blame cannot and should not be pinned on one party or one Parliament, but now that we are more aware of the problem and the scale of it, this Government should be judged on how they fix it.

I urge the Minister, who I know is personally committed to this issue, to agree to implement in full the National Autistic Society's key recommendations to help tackle the crisis: first, a new requirement on NHS England to collect, publish and monitor data on diagnosis waiting times, including data on how many people are known to their GP to have autism. Secondly, NHS England should ensure that standard waiting times on mental health reflect the NICE national guidance that no one will wait longer than three months between referral and being seen for diagnosis. Finally, the Government must share in this commitment, ensuring that NHS England now meets the three-month target. To help fulfil that aim, access to an autism diagnosis should be clearly written into the Department of Health's mandate to NHS England, which means that it will be held to account on this target and it becomes a priority to get it right.

Before I finish, I have three additional questions that I hope the Minister will address directly. What steps has his Department taken to ensure that the work done by NHS England's information board will improve the collection and recording of data on autism in primary and secondary care? Will the Minister ensure that the recommendations in the King's Fund's recent report relating to autism diagnosis waiting times are taken forward? Finally, what assessment has the Minister made of the costs to the NHS of failing to diagnose people with autism in a timely manner?

The fundamental question facing us is this: the crisis is now so acute that some desperate parents and individuals are paying for help that by right they should be able to access on the NHS, but what about those without the resources to pay? They are currently left in a distressing and damaging limbo, often for years. I hope for their sake that when the Minister responds we will hear clear, time-bound commitments and actions, rather than vague assurances. I also hope, along with other Members, that he will commit to more time on the Floor of the House to discuss the many challenges facing individuals and families even after they have received a diagnosis.

I pay enormous tribute to the National Autistic Society, whose relentless campaigning continues to raise awareness and continues to press for action on this critical issue. I also pay tribute to all the parents, carers and professionals who support and love people living with autism.

11.18 am

The Minister for Community and Social Care (Alastair Burt): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate the hon. Member for Batley and Spen (Jo Cox) on securing the debate and on how she has represented her constituents’ particular interests and also the wider interests of those with autism. I thank colleagues for their interventions. The hon. Lady is right: there are a number of colleagues in this room with considerable experience in autism. Before I get into specifics, let me say that I will not have time to answer all her questions, but I will write to her on those that I cannot answer.

The debate raises once again one of those issues that in the course of my parliamentary lifetime has changed markedly. Only a generation ago, recognition and understanding of autism was extremely vague, but now it is very different. Recognition of the need to treat and to understand the families involved is beyond where it was, but that creates pressures in the system.

I want to say a little bit about what is happening locally. What the hon. Lady has described is a good example of how things can be recognised over a period of time. As she said, it is not the responsibility of one particular Government, but the responsibilities have grown over time, and what has been done about them might be a pattern for others. I will also say something about what we are trying to do nationally. I also want to recognise the work done not only by parents and those who are intimately involved, but by the National Autistic Society and the Autism Alliance—organisations that have done much work to represent those involved and will continue to do so.

Before I forget, I should respond to the hon. Lady's last question: I would be very happy to spend more time discussing autism in the House. We ought to have a
three-hour debate, or longer, and I would be very happy to respond to that. There are a number of questions out there about autism, not only in the House but in other places, and I would be happy to try to answer them, although I would have to deal with the general rather than the specific.

Mrs Gillan: As chair of the all-party group on autism, I am hoping to apply for a three-hour debate so that we can celebrate national autism week. I hope that the Backbench Business Committee will look on my application favourably, and I am sure that several colleagues present would not mind signing up to it as well.

Alistair Burt: I am sure it is of little interest to the Backbench Business Committee whether or not a Minister welcomes a debate, but if it is in any way helpful, colleagues can be sure that I would indeed welcome such a debate.

Before addressing the national picture, I shall discuss briefly the situation in Batley and Spen. Why has it taken so long to resolve the issues there? The list built up over a period of time because of pressures on both autism services and child and adolescent mental health services, and because of how services were commissioned. The number of referrals has increased to a level greater than one would expect based on national prevalence, so the clinical commissioning groups involved—North Kirklees and Greater Huddersfield—had to identify a service that had the right capacity and expertise to meet requirements. Colleagues who made points about training and the need to ensure that professionals are in place were absolutely right.

The CCGs have been working on the service for some time. As the hon. Member for Batley and Spen said, the issue has been identified and they are investing £340,000 over the next 12 months to bring down the backlog, including agreed funding for additional diagnostic capacity. The CCGs recently appointed Socrates Clinical Psychology, an independent sector organisation, to deliver extra assessments over a 12-month period, and they are about to begin writing to parents and guardians to inform them of developments. Appointments will be prioritised based on the length of time patients have been waiting for an assessment. As the hon. Lady said, the extra capacity will see the number of assessments rise from four a month to around 16.

The CCGs are currently in the process of redesigning adult social care services to meet national guidelines, to provide a greater number of assessments and to avoid the development of long waiting lists in future. A draft service specification and business case, which includes several options, will be discussed by the CCGs in the coming months, and the new service is to be in place by, at the latest, March 2017, when the existing contract comes to an end. Their response in recognition of the pressures that have built up is to be commended.

It is important to understand what is happening nationally as well as locally. We are all agreed on the importance of the timely diagnosis of autism. Although diagnosing someone with autism can be complex and involve a number of different professionals and agencies, it is clear that some children and adults can wait too long. Getting an autism diagnosis can be particularly important for families who are worrying about their children or for adults who did not have their condition recognised when younger and who need support to live their lives.

Yes of course early diagnosis saves money, but as my hon. Friend the Member for Tonbridge and Malling (Tom Tugendhat) said, it is not simply a question of saving money later in the system: early recognition makes such a difference for the families involved, as well as the individual. That is taken as read, which is why there is now much more concentration on early diagnosis than there used to be.

Young people with autism face challenges to their education and wellbeing in all areas of their lives, and that can have an impact on their academic attainment and their ability to make the transition to independent adulthood. For adults who have not been diagnosed, their life to date may have been affected by a sense of not fitting in and not understanding the way they respond to situations or why they find social settings difficult.

Let me outline the framework that is in place to improve the lives of adults with autism. The 2010 cross-Government autism strategy, which came out of the Autism Act 2009, was updated in 2014 as “Think Autism”. New statutory guidance was issued in March 2015 which set out what people seeking an autism diagnosis can expect from local authorities and NHS bodies. The aim of the adult strategy is to improve the care and support that local authorities and NHS organisations provide for people with autism.

Nevertheless, we know that there is more to do to ensure that all those with autism get the help and support they need. In January, the Government published a progress report to further challenge partners across Government in areas such as education, employment and the criminal justice system—the latter was mentioned by my hon. Friend the Member for Tonbridge and Malling. The reforms to the special educational needs and disabilities system that came into effect in September 2014 represent the biggest change to that system in a generation. They are transforming the support available to children and young people with autism, by joining up services across education, health and social care to identify and meet their needs.

The Department of Health’s mandate to NHS England for 2016-17 sets the priorities for the NHS and signals what the Department will hold the NHS accountable for. It includes an important call on the NHS to reduce health inequality for autistic people. Waiting too long for a diagnosis can be one of the health inequalities that autistic people face. Local authorities and the NHS should work in collaboration so that there is a clear pathway to diagnosis that is aligned with care and support assessments. Commissioning decisions need to be based on knowledge and awareness of autism and the needs of the local population, and, importantly, informed by people with autism and their families.

We know that in some parts of the country more needs to be done on developing diagnostic assessments. The hon. Member for Batley and Spen referred to the bane of the NHS system: local variability and the fact that things are not always done in the same way in the same place. I absolutely support the call by the National Autistic Society to ensure that good practice is shared.
across all areas. It is essential that the practice of the best becomes the practice of all, and I know that right hon. and hon. Members support that.

To help to standardise and improve the care and management of autism, particularly around diagnosis, and to enable health and social care services to support people with autism more effectively, NICE has published three clinical guidelines on autism and a quality standard. It recommends that there should be a maximum of three months between a referral and a first appointment for an autism assessment, and the NHS should follow that recommendation. Local areas will continue to be asked to assess their progress on implementing the adult autism strategy through Public Health England’s informal local area self-assessment exercise.

Let me address the point made by my right hon. Friend the Member for Chesham and Amersham (Mrs Gillan), as well as by the hon. Member for Batley and Spen. The Department of Health has discussed with NHS England the difficulties that can arise in getting a diagnosis. As a first step, NHS England, with support from the Association of Directors of Adult Social Services, is currently undertaking visits to CCGs and local authorities with the specific purpose of developing an understanding of the existing diagnostic process for children and adults, including engaging with people who have had experience of accessing the process, and their families. The focus is on identifying local barriers and how they can be overcome; how local areas measure quality and outcomes; the alignment with care assessments; and the identification of positive approaches that can inform learning for other areas. NHS England will issue an initial report in April, once the visits are complete.

To help with local planning, NHS England has also made a new commitment to collect data on the number of people in touch with learning disability and mental health services who have a diagnosis of autism. It is not for me as a Minister to task NHS England formally with monitoring waiting times; it is for NHS England to determine how it holds commissioners to account. Nevertheless, it will have to demonstrate effectiveness to me in meeting its mandate requirement. It is essential that waiting times are monitored locally by commissioners and included in their oversight of provision. I am interested to see the information that will be collected on the commissioning exercise that was mentioned. That information must be made public and will help with the provision of much-needed extra data about this subject. I hope that will help the new commission, the all-party group and others.

It is important to note that there are others involved. I draw particular attention to the service provided by our hard-pressed and excellent GPs. They are, of course, usually the gatekeepers to diagnostic services, and need to have a good understanding of the autistic spectrum and the diagnostic pathway that has been developed in their area. To build knowledge and expertise among health professionals, the Department has provided financial support to the Royal College of General Practitioners’ clinical priorities programme on autism, which is undertaking practical work on autism awareness and training for GPs. That will enable people who may have autism to be supported more effectively from the start of the assessment process.

In recent years there has been considerable progress on how effectively we identify and support the needs of people of all ages on the autistic spectrum. I do not deny that the complexity of autism and the multifaceted nature of the needs of those on the spectrum pose particular challenges to professionals and commissioners. CCGs locally and NHS England at a national level are working to bring down the waits in line with NICE guidelines, working with many different agencies, along with service users and their families, to create a more responsive environment of diagnosis and support. I know that the House will welcome that, although there is more to do.

Question put and agreed to.

11.30 am

Sitting suspended.
Swansea Tidal Lagoon

[Mr Graham Brady in the Chair]

2.30 pm

Mr Graham Brady (in the Chair): Many colleagues have indicated that they would like to speak in this debate, so it might help if I point out that we anticipate Divisions in the Chamber at 3.50 pm. It is entirely up to hon. Members whether they wish to continue the debate after 3.50 pm. If so, we will have to come back after a suspension.

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I beg to move,

That this House has considered the potential economic benefits of the Swansea Tidal Lagoon.

The 2015 Welsh Conservative manifesto said:

"We know how important Wales is to the UK’s energy security… We’re entering into the first phase of negotiations on a Contract for Difference for Swansea Tidal Lagoon to recognise Wales’ potential to become a major hub for tidal and wave power. This project will create thousands of jobs and attract millions of pounds worth of investment into Wales. We will continue to support strategic energy projects in Wales to boost the Welsh economy and help secure Wales’ energy future."

So far so good. It is unusual in this day and age for a manifesto commitment to have the widespread support of quite so many interested groups. They include the UK Government, all parties in this House, the Welsh Government, all parties in that Assembly and local government in areas where the lagoon might be constructed and other areas in Wales that will reap the benefits of it. Environmentalists by and large see it as a clean form of renewable energy; economists across the UK and further afield recognise the long-term value of the project; and, almost without exception, the local communities affected directly or indirectly support the proposal. I can remember few, if any, commitments from any party’s manifesto that have such widespread and cross-party support.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The hon. Gentleman did not mention the Scottish National party—perhaps for understandable reasons—so may I say, as an SNP Member, that I am very supportive of it as well?

Simon Hart: The hon. Gentleman makes a good point. The only reason I did not mention the SNP is that I forgot. I hope he does not take that to heart.

The Swansea bay tidal lagoon project ticks a lot of boxes—to use that rather awful expression. If I make only one point this afternoon, it is this: it must not be seen as a one-off project or a stand-alone project. It is part of a four-part proposal for the Severn estuary. It will lead to other projects around the UK coast, and after that—who knows?—perhaps across the rest of the globe. We have a chance to be a global leader in this technology; to start it down with us in the Swansea bay. It is equally important that the Government look at it not as a stand-alone project, but in the context of the proposals for Cardiff and Newport. This is not about just Swansea, Wales or the UK; nor is it about just renewable energy, which has been debated so often here.

I have four issues that I will deal with as quickly as I can, given your steer, Mr Brady: the current situation; employment opportunities; the questions about costs, which have been reported in the press; and other benefits, which sadly do not seem to have been reported at all. On the current situation, this is about a long-term plan for the UK and beyond. Over the next 10 years, the UK will lose 11 of its coal-fired power stations, followed by our ageing nuclear capability. In technical terms, that is the same as a 25 GW reduction out of a total capacity of 85 GW across the UK. As yet, nobody has made it entirely clear how we will fill that void. Hinkley Point is 10 years off, and today further questions were raised about the speed and certainty of that project. No new gas-fired power stations are under construction in the UK.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I congratulate my constituency neighbour on securing this debate and on his opening remarks, many of which I agree with. The big issue with Hinkley C is the strike price. The problem with the tidal lagoon is that the financing model that is envisaged for it is the contract for difference. Does he agree that we should perhaps look at other models, such as direct public investment? If we go for a CfD, the cost ends up with the consumer. If we go for direct investment, it ends up with the public, but it is far cheaper than a CfD.

Simon Hart: The hon. Gentleman makes a very good point. I will come to that issue later in my speech. That is an important message to the Government. I entirely agree that using a model for this form of energy infrastructure simply because it is used for other forms, such as offshore or onshore wind, is potentially a mistake. There is an opportunity, especially with the Government review, to look at other models to see whether we can make it work over a longer period using different technology.

Richard Graham (Gloucester) (Con): My hon. Friend is being very kind in giving way. He is making a series of very good points. Does he agree that time is of the essence not just for the company and its employees, but for investors, for the communities that he mentioned and for our ability to show technological leadership, which could lead to a great export business?

Simon Hart: My hon. Friend is spot on. Many people are watching the Government’s approach to this—not only investors, but people who question whether we have the technical capability and the political will to proceed with this type of project. He is absolutely right that, as long as the Government do not prevaricate about the outcome of the review, they have the chance to put right the concerns that he raises.

Craig Williams (Cardiff North) (Con): I apologise for turning up late because of the vote in the Chamber. I commend my hon. Friend for securing this debate. Is not the issue that we are at the proof of concept stage? The review is very welcome. I know that we need time on our side, but proof of concept is a difficult stage for any project. Although we wholly support it, we need to review it and look at the financing.

Simon Hart: I think I understand my hon. Friend’s comment. I should have said earlier that we are not unique in using tidal power. This technology has, in
various forms, been tried and tested in other parts of the world, so there are not significant doubts about its workability. We should look elsewhere to ensure that the world, so there are not significant doubts about its various forms, been tried and tested in other parts of the world are applied here.

Huw Irranca-Davies (Ogmore) (Lab): Will the hon. Gentleman give way?

Simon Hart: I will. The chances of us finishing at 3.50 pm are getting slimmer by the moment, but we will do our best.

Huw Irranca-Davies: I congratulate the hon. Gentleman on securing this debate and on his opening remarks. This project is as significant as the previous investment in the offshore wind industry in the east of England, which included £60 million of pump-priming for port infrastructure and so on. This project is as significant, not only because it will have an immense impact on the region, but because it will make us a global leader. The hon. Gentleman is right that there are those looking to take it elsewhere if we do not get on with it.

Simon Hart: I will devote a section of my speech to concerns about the cost, which are raised in the media. I want to address those points, because at the moment we are looking at added value or some of the other elements that move this project from being simply a good idea to being an irresistible one. However, I will hopefully deal with the hon. Gentleman’s point properly in a moment.

Before I took those interventions, I was talking about the uncertainty about Hinkley Point. Until literally the last few days it was seen as the saving grace of UK energy production, but suddenly we discover that we are back in the land of the unknown. An important message for the Government is that an energy void needs to be filled, about which we know very little. I do not want to sound too melodramatic, but there will be a lights-off moment in about a decade’s time unless the Government—I would say this to any Government—take it seriously. They must act with haste, as my hon. Friend the Member for Gloucester (Richard Graham) said, to ensure that no uncertainty creeps into the proposals.

It is also reasonable to say that everyone who supports the proposal understands that it is not a silver bullet. Our energy demands will be met by a range of different options, of which this happens to be one, but it is an important one. Tidal lagoons can provide—there is no doubt about the statistical back-up for this—8% to 10% of the UK’s total requirements. That is an extraordinarily tempting prospect. To quote, or possibly misquote, the Secretary of State for Energy and Climate Change, it is home-grown, reliable, affordable, sustainable and clean, and I am not aware of any other current proposed energy projects that can boast such descriptions.

The second thing that I want to cover is the added value, which has not been discussed in great detail in this House or in the wider media. It is important to point out that the Swansea bay tidal lagoon will employ nearly 2,000 people at its peak construction period. The programme over the whole of Wales—including Cardiff, Newport and Colwyn Bay—if it goes ahead, will consist of a £20 billion investment, which will need an average of 12,000 jobs for 12 years and result in more than 2,000 full-time positions. That does not even begin to touch on some of the supply chain, tourism and leisure benefits associated with the proposal.

Angela Smith (Penistone and Stocksbridge) (Lab): The statistics for the steel required for the project include 8,000 tonnes in the mechanicals package, 60,000 tonnes of rebar and 3,000 tonnes of structural steel. Furthermore, Sheffield Forgemasters and DavyMarkham, another world-class manufacturer in Sheffield, are both well placed to work on several of the core turbine and generator components, remembering that the project includes 16 turbines. On that basis, it would be good just to get on with this—UK steel would be helped enormously to get over its difficult period if the project were given the go-ahead as soon as possible.

Simon Hart: The hon. Lady makes a good point, although of course I want all the construction work, including the steel, to be in Wales and, preferably, with bits of it in Pembrokeshire. However, I recognise with a heavy heart and rather grudgingly that we may have to extend our reach to Sheffield—

Angela Smith: This is a UK debate, but nevertheless DavyMarkham has said that it will invest in Wales as a result of the project, so I think we are all friends on this.

Simon Hart: I accept the hon. Lady’s polite reprimand in the spirit in which it is intended. According to my figures—I will come on to steel in a moment—we are talking about 370,000 tonnes of steel for the Swansea project alone, and double that as we scale up to include Newport and Cardiff. As that figure goes up, it brings a whole range of other possibilities for UK steel, which, given the state of the industry at the moment, can only be welcome. I take her point.

Jason McCartney (Colne Valley) (Con): To keep the Yorkshire theme going, one of the chief advisers for the Swansea tidal lagoon project is my constituent Bernard Ainsworth, who has also managed construction of the Shard and the millennium dome. Does my hon. Friend agree that this project, as the hon. Member for Penistone and Stocksbridge (Angela Smith) just said, is not only about boosting the economy and confidence of Wales, but about benefiting all of us across the whole of the United Kingdom?

Simon Hart: My hon. Friend is of course absolutely right. At least 50% of the £20 billion investment to which I referred is to be in Wales, so by definition the other half is not. My very next comment was to be that more than 1,000 companies have already expressed interest in this project, or these projects. I have seen a rough outline map, and the whole of the UK is covered. The line-up is impressive, and includes companies such as General Electric, Andritz Hydro, components suppliers, construction companies and a whole range of small and medium-sized enterprises from sandwich makers to pretty much every area of SME activity in Wales and beyond. Everyone in the Chamber will have a bite of the cherry, in terms of constituency interest, as might plenty of those who are not present and do not yet realise it. Our job is to remind them of that.

My third point is about cost, which has been cited regularly as a major obstacle to progress on the project, despite its being a manifesto commitment and Government
having trawled the numbers for a long time. It cannot come as a particular surprise that the costs are what they are. However, over 90 years—this is key—the Swansea bay tidal lagoon needs a contract for difference, or CfD, of £118 per MWh, which is the same as for offshore wind projects that already have consent. So Government have already taken a favourable view of projects at that cost, admittedly possibly over a different timescale. None the less, the revised figures show a more attractive number as far as value for money for the British taxpayer is concerned and, once we add in Newport and Cardiff, the cost actually falls to £68.3 per MWh, which really gets it into the realms of acceptability in anyone's language—even that of the Treasury during these difficult times.

That means that if the Swansea project alone were to be built at the current cost, arguably 10p per annum would be added to energy bills throughout the UK. If we add Newport and Cardiff into the scheme, let alone all the other places that we are talking about, annual bills would be reduced by between £8 and £12. So Swansea alone will add 10p per household bill per year, but Swansea with Cardiff and Newport will start to make significant reductions to householders' energy bills.

That leads me to my fourth and final point, which is the other benefits. We have not learned much about them so far. Starting with leisure and tourism, the comparable Rance project in France attracts between 70,000 and 100,000 people a year, and there is no reason to believe that the same level of attraction cannot be generated for Swansea and the other tidal lagoons. There is already interest in individual sporting events around the lagoon constructions, which could attract up to 8,000 people a year. Plans are afoot for an offshore visitor centre, sailing and boating centres, and a hatchery. Local and national sporting groups have put in for a sailing triathlon, and there are rowing, canoeing, open-water swimming and sea angling ideas and concepts. There is no shortage of significant extra activity around the lagoon constructions, which can only be good for the tourism offer and employment in Wales.

The great unknown is the export of technology. The lagoon products will be at the cutting edge of global technology, so we have the possibility of creating and growing our own experts in the field, with our own concepts, ideas and plans, which could be exported to 30 or 40 countries, all of which have potential capacity for tidal lagoon generation.

That leads me to steel. I have had various conversations with interested parties, and the fairly modest figure for the steel requirement on the Swansea bay project alone is 370,000 tonnes. Anyone who has been following the plight of the steel industry in Wales and beyond will prick their ears up at that potential for rescue and sustainability. In passing, one potential investor in the project is Liberty Steel, which has already stated that it would move its operation to Wales in the event of the go-ahead from the UK Government, because it sees the opportunity for a UK recycled steel project. At the moment, recyclable steel is exported, recycled and then reimported for use in the UK, which is a crazy situation in anyone's language. Now we have investors thinking that the scale of the tidal lagoon projects is sufficient to enable them to set up shop properly in the UK, thereby forgoing the need to export 5 million tonnes of recyclable steel. We could do it all here, with significant benefits for the country that are not only to do with tidal lagoons.

Guto Bebb (Aberconwy) (Con): My hon. Friend is making a strong case for looking at the development in the round. Is it not also the case that a tidal lagoon in north Wales would not only be an energy and tourism-generating opportunity, but play a significant part in flood defences? That is another issue that should be brought into the equation.

Simon Hart: My hon. Friend makes a good point. Many people have raised issues with me in support of tidal lagoon technology but I had not heard that one. It is useful to use occasions such as this in Westminster Hall to bring to the Minister's attention the added benefits that somehow never seem to get into the Treasury calculations as prominently as they might.

Dr James Davies (Vale of Clwyd) (Con): I thank my hon. Friend for calling for the debate and for his reference to north Wales. It is important to protect national infrastructure such as the A55 and the north Wales branch of the west coast main line. In fact, tidal lagoons on the north Wales coast offer an opportunity for that as well as for development in areas currently categorised as flood risk zones.

Simon Hart: My hon. Friend reinforces the earlier intervention. It would be helpful to hear from the Minister on that.

We have a Minister representing the Department of Energy and Climate Change here, which is welcome, but I hope that she will share her thoughts with the Treasury, because it is as much a decision maker in the process as her Department. I know that she takes our manifesto commitment seriously and recognises that the project comes with almost unique widespread support, and I hope that she recognises the huge economic, social and practical benefits that this and other projects will bring, should they be rolled out. Her Department is aware of the safe and clean nature of the proposal and the longevity it offers the country in an uncertain time.

Back-Bench Members welcome the Government's review, but we have all been down the review road before on various issues and so often we have come away disappointed that instead of “review” we could have said “delay”. I have no doubt that the review is genuine, but that needs to be demonstrated—the Minister has an opportunity to do that—because as colleagues have mentioned, investors and interested parties do not want prevarication, delay and doubt; they want us to honour our commitment, stick to our word and see the project through under the new, revised terms. DECC has already been involved in negotiations on this project and others for five years, so it has got a lot of the information it needs and it has already granted the development consent order, so it is not as if the project is coming out of the sun without having been seen before. A lot is known about it, so there is no reason to delay matters beyond the lifespan of the review.

I hope that the Minister will address the issues that colleagues have raised and that above all she will recognise and confirm that Swansea on its own is not the entire picture. We are looking at a range of projects of which that is just one, but it is important because it is the first one. I hope that she recognises that, for Wales and the
wider UK, there is nothing but upsides from the project and that, as a result, the Government will give it the go-ahead at the earliest opportunity.

Several hon. Members rose—

Mr Graham Brady (in the Chair): Order. Before I call Mr Flynn, it may be helpful to say that, because a large number of hon. Members have indicated their desire to speak, I propose a five-minute limit for Back-Bench contributions in the debate.

2.53 pm

Paul Flynn (Newport West) (Lab): I am filled with optimism, because the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart), who called for this debate, recently had a debate about S4C and, lo and behold, the Government miraculously found some funding for it. Therefore, this debate might well presage good news about investment in the tides.

This is an ancient dream. There is a nineteenth-century painting of a Severn barrage—somebody foresaw it in Newport—and an inquiry in 1980 looked at it in great detail. I wrote an article for the Western Mail in which I foresaw a series of barrages that would make use of the tides all around the Welsh coast—different pulses of electricity come at different tides—which, to ensure that the project was demand-responsive, were locked into pumped storage schemes in the valleys of south Wales. When the high tide came in at about 3 o’clock in the morning, the water would be pumped up the hills in the valleys and then it would be let down. Dinorwig has proved to be a battery for all of Britain.

When I dug out that article, which I wrote 40 years ago, I was struck by the fact that in all that time we have ignored what is the great source of untapped power, certainly of Wales, but of all the British Isles: the great cliffs of water that surge around our coasts twice a day. Immense amounts of untapped power are wasted. As the hon. Gentleman said, such power is clean, green and, unlike most other renewables, it is entirely predictable. We know exactly when it will happen and it will last as long as the human race inhabits the planet. What are we doing with it? Very little. The great example is in Brittany, where a barrage was opened across the Rance river and now, 50 years later, the turbines are in pristine condition and, without carbon or pollution, it produces the cheapest electricity in Europe. Of course, we should go ahead.

There is now another reason why we need to invest in the project: what I believe is the collapse of the Hinkley Point C project. All that is left promoting it is the stubbornness of the French and UK Governments and the reluctance to accept the mountain of evidence that says that the project cannot work. It has not worked in the past, it is not working now and it will not work in the future. Even today, in The Times, following similar articles in the Financial Times and many other papers in the last seven days, I note the realisation—it was in the main headline—that £17 billion could be saved if we abandon Hinkley Point. There is no rational case left for European pressurised reactor projects. Have they worked anywhere? Three are being built in the world but none is working. The one in Finland, due to cost €6.4 billion, should have been generating electricity in 2009.

Richard Graham: You will have to rule as to whether this is the right place for an anti-nuclear campaign, Mr. Brady. May I gently suggest that many of us here believe that we need more energy full stop, from nuclear and from tidal lagoons?

Paul Flynn: Yes. At the moment the Government are approaching an impasse, because Hinkley Point is doomed, and that is crucial to where else they can go. They must go somewhere else to create energy for the future, so it is crucial to the debate that we understand what the entire scientific establishment and the two chiefs of EDF have recognised: it cannot go ahead. EDF is €37 billion in debt—if it were anything other than a nationalised company, it would be bankrupt and out of business. Its share price has collapsed by 10% in the past 24 hours.

EPR electricity has not worked anywhere. The other great EPR project is in Flamanville, where there is a serious problem with the roof of the reactor vessel, which means it may never be completed— it will certainly be delayed for years. Again, that project is billions over budget. How on earth can anyone rely on that?

Mr David Jones (Clwyd West) (Con): Does the hon. Gentleman not agree that the difference between nuclear power projects such as Hinkley—which he is dilating on at the moment—and the proposed technology at Swansea bay and around the Welsh coast is that in lifespan, while nuclear projects are finite and have potential unforeseen consequences in terms of disposal of waste, tidal lagoons provide a clean source of power that, built on a Victorian scale, will last for many decades if not centuries?

Mr Graham Brady (in the Chair): Order. Mr Flynn, before you respond, I hope you will use your last two minutes to focus more on the tidal lagoon side than the nuclear side.

Paul Flynn: Of course. The right hon. Gentleman is absolutely right about every comparison we make on what tidal has to offer. It has cleanliness as a source of power, it is ours—it is British—and it is eternal. It does not have to come from anywhere else. There is a simplicity in taking moving water, getting it to turn a turbine and then generating electricity.

It is time now for this dream to come true. The Government are into investing in huge projects. They have spent £1.2 billion on their railway project, but they have not built an inch of track yet. Those projects they have taken on are long term, and some of them have failure written into them, but this project has success written into it. Tidal power has simplicity and works in several other ways, whether it is through a lagoon or some other project.

We should look at the serious objections there have been in the past 40 years to building a barrage, particularly from those in the natural world who say that building a brick wall across the Severn will have all kinds of repercussions for the natural world. That is not a problem that occurs with lagoons. In order to provide electricity for the future that is green, non-carbon, eternal and everlasting, it must be tidal power.

3.1 pm

Byron Davies (Gower) (Con): I congratulate my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) on securing this important
The tidal lagoon is the result of five years of hard work on the part of the developers, and we have now arrived at the point of the strike price. The pilot scheme at Swansea may, as has been said, move forward to bigger projects at Cardiff, Newport and elsewhere in Wales and, indeed, the UK. The lagoon has the potential to produce energy that is cheaper than even nuclear and gas. The potential future investment in Wales alone is more than £10 billion, and more than 3,500 jobs will be generated over a decade in Wales, with many more generated in the supply chain across the UK. That is a particularly important point.

Mr MacNeil: The hon. Gentleman makes a good point about the economic benefits of the project. The Chancellor has talked about a northern powerhouse; this would strike me as being a western powerhouse. At a time when borrowing costs are low and there is a need for demand in the economy—Martin Wolf is even talking in the Financial Times about helicopter drops—this lagoon would add to our energy security and strengthen the economy in Wales, which needs to happen. Wider interconnectivity would benefit not only Wales but Europe, and that is another reason the project should be supported.

Byron Davies: I totally agree with the hon. Gentleman; I could not have put it better myself.

More than 1,000 companies in the supply chain across the UK have registered their interest in these projects. The scope for further investment in other lagoons and in the export market will eventually give rise to a contribution to the UK balance of payments of tens of billions of pounds.

Chris Davies (Brecon and Radnorshire) (Con): I thank my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) for securing this debate. I want to add to the comments being made by my hon. Friend. I fully support the project at Swansea bay because it offers Wales, and the UK, the potential for further investment and that is another reason the project should be supported.

A study by the Centre for Economics and Business Research has found that a national fleet of six tidal lagoons would contribute something in the region of £27 billion to UK GDP during construction, as well as creating or sustaining 35,000 jobs on average and roughly 70,000 jobs at its peak. When operating, the fleet would contribute just more than £3 billion per annum to UK GDP.

I am sure Members will be aware that Gower was the first area of outstanding natural beauty in the UK. It is a great tourist attraction, and I am sure that the development of the tidal lagoon will add to that. Swansea bay tidal lagoon would be the birth of a new industry based in Wales, and it now needs our support to get it into construction. Where that project leads, others will follow.

Carolyn Harris (Swansea East) (Lab): The hon. Gentleman agrees that, since the mention of a tidal lagoon being in Swansea, his constituency, my constituency and the constituency of my hon. Friend the Member for Aberavon (Stephen Kinnock) have seen a great increase in the feel good factor and a driving of the agenda to take forward other projects that would be less exciting without a tidal lagoon?

Byron Davies: The hon. Lady makes a good point. The tidal lagoon has great benefits, including from a health point of view.

Tidal Lagoon Power started work on Swansea bay in 2011 and has spent more than £30 million on the project to date. The company has been wholly privately financed by a number of private individuals, and more recently by a small number of institutional investors. The enterprise is therefore a purely UK-led initiative in the area of tidal power.

In February, the Department of Energy and Climate Change announced an independent review of tidal lagoon energy, which I support and believe is the right decision. Swansea bay tidal lagoon has development consent, while the other projects do not. This has to be looked at in the round, and DECC is making the right decision in considering it properly. Tidal Lagoon Power has welcomed the review as a clear signal that tidal lagoons are being taken seriously and are no longer simply a footnote to UK energy policy. With negotiations on Swansea bay progressing in parallel, it should be possible to sustain investor confidence and ensure that this first-of-its-kind project at Swansea bay is ready to go, should the review conclude that the UK needs tidal lagoons.

In conclusion, I am concerned that the project has been used as a bit of a political football locally. We need to come together on a cross-party basis to provide the project with the support it needs. I know there is support in the Swansea area from other politicians. We all want to see the project develop for the benefit of our communities and the Welsh economy, so we need to lay aside political differences and have a serious and sensible dialogue, as we are today, on the way forward for the lagoon.

Stephen Kinnock (Aberavon) (Lab): It is a pleasure to serve under your chairmanship, Mr Brady. I congratulate the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) on securing this debate. The presence of so many hon. Members here today shows why the project is of such importance. I rise today to urge the Government to give this vital project the go-ahead soon.

I believe that the tidal lagoon should be approved for the following reasons. First, it offers Wales, and the Swansea bay region in particular, an unrivalled opportunity to place itself at the forefront of what this year’s World Economic Forum at Davos called the “fourth industrial revolution”—an industrial revolution that will be characterised by new forms of renewable energy and by the exponential outward expansion of technological...
innovation. We can be at the vanguard of that revolution, and the Swansea bay tidal lagoon could be a catalyst for it.

To have the first project of this type in Wales—not only in Wales, but in my constituency of Aberavon and, I hasten to add, that of my hon. Friend the Member for Swansea East (Carolyn Harris)—would be a source of tremendous national and local pride. The project would also provide a significant alternative to carbon-intensive industry.

This is a chance to harness the natural environment and the unique nature of Swansea bay to our advantage. It is an opportunity to use the environment to protect the environment, power the local community and local homes and to save money—because, secondly, the tidal lagoon will help not only to tackle climate change, but to save money in the long run. The lagoon requires a strike price of £96 per MWh. That is 16% below the cost of any offshore wind farm ever granted a contract.

Stephen Kinnock: The hon. Lady is correct. My argument is that that strike price, as a unit price, is very attractive, particularly when we consider the economies of scale that would come from the construction of further tidal lagoons. We will see a downward trend in that strike price, which is a very convincing economic argument.

Huw Irranca-Davies: Two Members rose at the same time. I will, in a very biased way, give way to my hon. Friend.

Huw Irranca-Davies: I understand that the Government want to get the financial details right and the best value for money for the taxpayer and bill payer, but on the basis of such unanimous cross-party support throughout Wales—at Assembly, ministerial and MP level, as well as right across society: there are no dissenting voices—should it not be the case that at the end of the consultation we have the deal on the table and we go ahead?

Stephen Kinnock: I agree entirely with my hon. Friend and also with the hon. Member for Gower. There is a cross-party consensus and what seems to be a rare outbreak of unanimity. Let us take that opportunity to move forward.

Mr MacNeil: I am grateful to the hon. Gentleman, who is losing time because of interventions; he is very kind. To put the matter into some context, the strike price for nuclear will be for 35 years, but we must remember that nuclear has been on the go for 60 years in the UK. So 60 years after it first came along, it is still getting support for a further 35 years—95 years in total—and the strike price being talked about for the barrier is for only 90 years. I do not want to get into a debate about tidal versus nuclear, but that is interesting for context and background.

Stephen Kinnock: I agree with the hon. Gentleman, and I would add that we have seen a disastrous overrun in the cost and timing in Flamanville and in Finland, so let us give the tidal lagoon a chance, because in the long run it looks like a very good investment.

Over the project’s lifespan, it will deliver cheaper-than-wholesale electricity. The combination of the Swansea and Cardiff tidal lagoon projects, the first two of their kind in the world, would, over the course of their lifetimes, deliver the cheapest form of electrical generation on the UK grid. Thirdly, the project will create thousands of highly skilled, well paid jobs locally, supporting hundreds of local businesses. Indeed, it is already having a positive impact in the local area, as my hon. Friend the Member for Swansea East mentioned, giving rise to plans for many small businesses in the city bay region and feeding into the strategy for the Swansea bay city deal. This is exactly the kind of project that must go ahead if we are to see the rebalancing of the economy that this Government are so keen to talk about, but are apparently not always so keen to act upon. Well, here is the chance: approve the tidal lagoon and create jobs; support small business in the area; help to rebalance the economy and produce green energy.

Finally, as hon. and right hon. Members will be aware, the Welsh steel industry is going through testing times. Nowhere is that more acutely felt than in my constituency, where we are recovering from the devastating news two months ago of 750 job losses at the Tata steelworks in Port Talbot. With the Swansea bay tidal lagoon, there is a real opportunity to support not only the local community, but the local steel industry. The turbines and generator package are worth around £300 million, and Tidal Lagoon Power has committed to sourcing all the major components from the UK.

The company has detailed plans in place for a turbine manufacturing plant in Swansea docks and heavy fabrication in Pembroke, and the generators are to be manufactured in Newport and Rugby. This is all welcome, but I want to see the Government go further when approving the project, and show real leadership by committing to help to source all or as much of the steel for the turbines from the British steel industry. Not only would that help to create jobs across the Swansea bay area, helping some of those highly trained and skilled men and women who were made redundant at Port Talbot in January; it would also help to support local jobs at the Port Talbot steelworks, supporting local jobs and Welsh steel.

Jessica Morden (Newport East) (Lab): I thank my hon. Friend for giving way so near to his closing remarks. I want to reiterate that we in Newport also urge the Government to get on with the Swansea bay lagoon. We can also see the benefits further down the line in terms of procurement—my hon. Friend mentioned the steel industry—and in terms of investment, construction and long-term jobs.

Stephen Kinnock: My hon. Friend and I stand shoulder to shoulder on this issue.
A positive decision on the lagoon would put a much needed tick in the Government's green credentials and deliver a massive boost to the local economy and steel industry. This project needs and deserves rapid advance. The Government need to get off the fence and fast, because each day of delay is costing months or years of progress. The recently announced review cannot be another airport-style case of kicking things into the long grass. While welcoming the review, the chief executive of Tidal Lagoon Power, Mark Shorrock, stated:

“A welcome review should not be a substitute for action.”

He made it clear that unless work starts on the lagoon now, and unless structuring and commercial negotiations are concluded in the next six weeks, “the opportunity will be lost and the review will be all for nothing.”

That was almost a month ago to the day. That gives the Government just two weeks if the project is to go ahead on schedule. The clock is ticking. If the Government want to know what the time is, it is time to act now.

3.14 pm

Antoinette Sandbach (Eddisbury) (Con): I am grateful to my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) for securing this debate. I sat on the Environment and Sustainability Committee in the Assembly for a year and we did an inquiry into energy in Wales. I know very well the potential for tidal power in Wales, but I would like to sound a small note of caution. My hon. Friend made a very good speech that highlighted the sunny uplands, which will no doubt be reflected in the beauty of his constituency. However, on the plains of Cheshire, the concerns of my constituents are about the cost of electricity. I think this project is fantastic, but not at any price.

I currently sit on the Energy and Climate Change Committee, and I have real and substantive concerns about the reported strike price.

Simon Hart: My speech was not an entirely optimistic picture of energy production in the UK; I hope my hon. Friend accepts that. My point is that her constituents will not have any electricity at all, expensive or cheap, unless we fill the void that will be staring us in the face in about a decade’s time.

Antoinette Sandbach: I am grateful for my hon. Friend’s intervention. He will know about the excellent progress being made by the Horizon project and the Wylfa nuclear power station in north Wales, which will provide a large amount of generation. I am delighted because that is a very good project that will proceed at an even lower strike price than Hinkley Point’s, which is £92.50 per MWh. That is my real concern around this.

Carolyn Harris: Will the hon. Lady give way?

Antoinette Sandbach: I will just finish making this point. Citizens Advice has issued a report that highlights that, per unit of output, this would be the most expensive significant renewable energy project in Britain, with an impact on those who can least afford to pay the bills because, as was pointed out earlier, the project would be funded by a contract for difference, which gets added on to consumer bills. That means that the poorest and least able to pay would have the levy on their bills to pay for the project. I therefore welcome the review that the Government have announced, because there are other tidal projects and other forms of tidal energy and research coming forward.

Value for the taxpayer is absolutely key. As has been pointed out, the technology in itself is not new and would not attract a patent that could then be sold around the world. It may lead to some experts who could go and deliver that expertise elsewhere, but in terms of the unique deliverability of the technology, the project is using already established technology. There are no doubt potential benefits in relation to coastal protection.

Carolyn Harris: To go back to the hon. Lady’s comments on Wylfa and nuclear, does she not agree that the decommissioning costs of any nuclear project far outweigh any benefit that there would be in the on-costs to begin with?

Antoinette Sandbach: The hon. Lady will know that the strike price that has been agreed includes the decommissioning costs, and that Wylfa is a project that is very much welcomed in north Wales. Voters on the Isle of Anglesey are extremely supportive of the Horizon project going forward.

Citizens Advice said there was a danger that the project would repeat the mistakes that were made at Hinkley. It highlights an “opaque negotiating process, lack of scrutiny of cost effectiveness and excessive politicisation of the decision”.

I am aware, as is every Member in the Chamber, that Assembly elections will take place in May. No doubt the project is being used to sell the dream. On behalf of my constituents, and particularly those who have difficulty in paying their bills, I welcome the review and urge an element of caution before we commit ourselves to a hugely expensive project. If it can deliver, and at the right price, it clearly needs to go ahead, because of the many advantages that have been and no doubt will be outlined in the debate. However, I want to say to the Minister that it should not be at any cost—only at a cost that is reasonable for the taxpayer. The clear, substantive advantages can be argued for, but I have concerns about the project.

Jonathan Edwards: The hon. Lady is making her point clear. Is she ideologically opposed to direct public investment, if she is opposed to the contracts for difference model?

Antoinette Sandbach: My understanding is that the rate of return to the investors in the project is 12% to 15%, which is very high. It is a very high cost to taxpayers and I query where else in the market anyone could get that kind of return. When we are talking about payments over 90 years, I urge caution. I do not say “Don’t go ahead”: I say that the review is appropriate. There could be clear advantages, and the boost that would be given to the steel industry and, no doubt, the domestic supply chain would be welcome. There are positives to be expressed, but there are also concerns, and it is right that if we are debating the project in the House we need to know some of the risks as well as potential rewards.
3.21 pm

Carolyn Harris (Swansea East) (Lab): It is a pleasure to serve under your chairmanship, Mr Brady. I congratulate the hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) on obtaining the debate. The issue is close to my heart, and the heart of my hon. Friend the Member for Aberavon (Stephen Kinnock).

We have heard that Tidal Lagoon Power is entirely privately owned, so when in February the Department of Energy and Climate Change announced an independent review of the tidal lagoon project I was shocked and disappointed, because the Government have been in talks with the company for more than a year. What stone has been left untarnished? Surely we must all acknowledge that the tidal lagoon is a new approach, which will bring considerable environmental and social advantages to every region in the United Kingdom. There are plans for future lagoons. Tidal Lagoon Power is developing five full-scale tidal lagoons to employ the blueprint that needs to be established in Swansea bay. Between them, those projects would represent more than 15 GW of installed capacity, 8% of the UK’s total electricity requirement, and more than £40 billion of capital expenditure. Each project would secure a home-grown power supply for 120 years. Those are phenomenal figures.

The economic case is astounding. Six tidal lagoons would contribute £27 billion to UK GDP during construction, creating nearly 36,000 jobs on average, and 71,000 at the peak. Once in operation, the fleet would contribute £3.1 billion per year to UK GDP and sustain or create as many as 6,500 jobs. What region can afford not to welcome that? What Government can afford not to risk that potential? As to the UK supply chain, Tidal Lagoon has set a target to achieve 65% of project spend in Swansea bay on UK content; with 50% of that manufacture in Rugby and Newport. The turbines and manufacture in Pembroke and generator dock—heavy fabrication in Pembroke and generator manufacture in Rugby and Newport. The turbines and generation package for Swansea bay are worth £300 million and up to 180 will be created and supported through the supply chain. Each project would secure a home-grown power supply for 120 years. Those are phenomenal figures.

We have heard all the evidence. The Swansea bay tidal lagoon project is critical for Swansea and the adjacent areas. It is critical for Wales and the UK, not just as a means of reducing our reliance on fossil fuels, but also to increase the important renewables sector and for the Welsh economy. The technology is not new. Some of us have been on the Welsh Affairs Committee for quite a long time. The right hon. Member for Clwyd West (Mr Jones) is nodding. I remember a trip in a rubber dinghy in the Bristol channel with the predecessor of the hon. Member for Swansea East (Carolyn Harris) to secure the debate. He alluded to the consensus, and I feel like a bit of an interloper in the debate, following the hon. Member for Swansea East (Carolyn Harris), who has done so much in her constituency to champion the cause. I speak as a Welsh Member, to reiterate the point made by the hon. Member for Carmarthen West and South Pembrokeshire about the consensus on the issue between all the political parties. The hon. Member for Aberavon (Stephen Kinnock) got a few of us to sign an important letter to the South Wales Argus last year, to reiterate the case, and on 2 December our colleagues in the National Assembly unanimously voted to urge the UK Government to take action.

I suppose if I were to characterise the debate as encompassing the caution of the hon. Member for Eddisbury (Antoinette Sandbach) and the enthusiasm of the hon. Member for Swansea East I would on this occasion side with Swansea East. Although the review has been acknowledged by Members all around the Chamber—with some more enthusiastic about it than others—the key point is that if it is happening, to quote the chief executive of the lagoon project, it is not “a substitute for action”. The debate is about timing.

Glyn Davies (Montgomeryshire) (Con): Will the hon. Gentleman give way?

Mr Williams: If the hon. Gentleman will forgive me I will not take an intervention, because we want to hear the winding-up speeches.

There is a question of timing. We have a consensus, and the hon. Member for Carmarthen West and South Pembrokeshire talked about the need not to prevaricate. If concern is felt in some quarters that the project is being put into some kind of grass—long or otherwise—I hope that the Minister will dispel that.

We have heard all the evidence. The Swansea bay tidal lagoon project is critical for Swansea and the adjacent areas. It is critical for Wales and the UK, not just as a means of reducing our reliance on fossil fuels, but also to increase the important renewables sector and for the Welsh economy. The technology is not new. Some of us have been on the Welsh Affairs Committee for quite a long time. The right hon. Member for Clwyd West (Mr Jones) is nodding. I remember a trip in a rubber dinghy in the Bristol channel with my colleagues; but we were there because, even 10 years ago, we were looking at the potential for such approaches. I cannot go back quite as far as the hon. Member for Newport West (Paul Flynn) did in his speech, but we were talking about it 10 years ago.

Although it is not new technology, we need to look at other precedents around the world in France, Canada, Korea and elsewhere. We have the opportunity to be at the forefront of the technology. The lagoon could be the first of many such projects around the UK and elsewhere, if it is shown to be a success, bringing down the price of technology substantially and allowing us in Wales to export that technology around the world. I will repeat the figures: the Centre for Economics and Business Research has estimated that a UK tidal lagoon industry...
could increase our exports by £3.7 billion a year—for Swansea and the south-west of Wales. There would probably not be many jobs in Ceredigion; maybe a few. Setting the industry up would provide about 2,000 jobs, and much-needed high-skilled work in areas where that has sometimes been lacking. There would be several hundred ongoing jobs when the project was completed. We have heard about the tourist potential. In the years since I used to go there on holiday as a child, a huge amount of regeneration has happened in Swansea. We could build on that massively if this project moved ahead speedily.

If we are to meet our climate targets, it is vital that we invest up front for these kinds of projects and do not allow short-term thinking to scupper the long-term ambitions for our environment and economy. We need to ensure that we are at the forefront of encouraging the development of green technologies at a time when, if I am allowed briefly to be slightly party political in the last 30 seconds, there have been concerns about the direction of travel of the Department of Energy and Climate Change since the general election—but I say that only in passing.

The message of this debate is that politicians from all political parties—from direct engagement in Aberavon, the Gower and the city of Swansea, and from those of us from further afield—are urging the Government to get on with it. Have the review, but at the end of it, have some outcomes from which this project can grow and the communities we have heard about can prosper.

The economic benefits that the project would bring to south Wales were particularly well covered by the hon. Members for Ceredigion (Mr Williams), for Newport West (Paul Flynn), for Aberavon (Stephen Kinnock) and for Swansea East (Carolyn Harris). The point was well made that the Swansea tidal lagoon will bring fantastic economic benefits to the local area, creating thousands of jobs and permanent roles in tourism industries. The Centre for Economics and Business Research, which was well quoted by Members, has estimated that the tidal lagoon could result in an annual boost to Welsh gross value added of 0.14% and would create direct and indirect jobs for the Welsh economy.

It is vital not only that Wales benefits as much as possible from this huge and exciting project, but that local communities benefit from energy developments. The community share offer made by STL will give the local community a direct stake in the project’s success, which will of course increase public support. It is also important that Tidal Lagoon Power works with Wales’s universities and colleges to ensure that young people are encouraged into the green energy sector and that apprenticeship schemes are made available at the site. North Wales is also home to world-class marine science and energy research departments, which should work in tandem with the project. This should not just be Wales-wide; we should expect it to go beyond that and be UK-wide.

A positive point about UK fabrication, particularly in relation to steel tonnages, was made by the hon. Members for Penistone and Stocksbridge (Angela Smith) and for Aberavon. We must not forget the cautionary note that the hon. Member for Eddisbury (Antoinette Sandbach) sounded about the strike price or the points made about the politicisation of this project in the upcoming elections.

Contributions were made by many about the role of Wales and how it is well placed to take advantage of the increased demand for renewable energy, with its vast coastlines making it a fantastic place to harness tidal energy. Wales is home to the second highest tidal range in the world, in the Severn estuary, and has 1,200 kilometres of coastline—however, as yet none of it is being utilised.

Plaid Cymru is committed to making Wales self-sufficient in renewable electricity by 2035, and tidal power is a crucial part of that plan. Wales is already an energy-rich nation. It produces almost twice as much electricity as it uses, but at the moment only 10% of that is generated from renewables, compared with 32% in Scotland and 14% across the UK. This project will help Wales on its way to achieving the 2035 renewable electricity goal and will hopefully create a template for the proposed Cardiff tidal lagoon, which would generate enough electricity to power the whole of Wales. This is a long-term investment in the future of Wales. It is hoped that the success of the project would make the cost of any future projects based on it cheaper, through lessons learned, the evolution of design and technology, and so on.

A point was made about the potential flood defence benefits, which is another dimension of the project that will doubtless be investigated. STL is just the start. The hon. Member for Newport West spoke about the future of the project technology as a veritable eternal dream come true. The hon. Member for Aberavon spoke of the fourth technology revolution.

The UK Government have demonstrated that they are not fully committed to investing in renewable energy and meeting targets. Points on that were well made by the hon. Member for Newport West, who predicted potential miraculous funding, and we hope that comes to fruition. In February this year, the Government were
criticised by the European Commission for failing to make sufficient progress towards Europe-wide renewable energy targets.

3.35 pm  

Sitting suspended for Divisions in the House.

4.3 pm  

On resuming—

[Mr Philip Hollobone in the Chair]

Mr Philip Hollobone (in the Chair): Sorry for the delay. The debate will finish at 4.28 pm. Mr Boswell is halfway through his remarks, so he has another five minutes. There will be 10 minutes for the Opposition and Government Front Benchers, and then we have the delight of Mr Hart having two minutes to sum up the entire debate.

Philip Boswell: In February 2016, the UK Government were criticised by the European Commission for failing to make sufficient progress towards Europe-wide renewable energy targets. The Government’s recent record of industry disappointment in constant policy changes is well discussed and recorded, particularly in respect of the early closure of the renewables obligation onshore wind, solar energy subsidy cuts, privatisation of the green investment bank, carbon capture and storage and the legislative changes on oil and gas. Do not let the Swansea tidal lagoon project be the next renewable energy disappointment in that growing and far from comprehensive list of UK Government fails. Is it any wonder that the energy industry has somewhat lost faith in the Government? The continual moving of the legislative goalposts has seriously damaged market confidence.

There is an opportunity in Swansea for the UK Government to get back on track not only in respect of Britain’s commitment to green energy targets, but in reinstating investor confidence to some degree by delivering a best-value strike price for the people of south Wales and Britain as a whole. The anticipated and very real delay failures of Hinkley Point C have been well covered by hon. Members. Those extensive, real concerns should delay failures of Hinkley Point C have been well covered by hon. Members. Those extensive, real concerns should.

This debate has been a fantastic opportunity to highlight the potentially huge economic benefits of encouraging tidal lagoon power. Of course, we have also heard the hopes of hon. Members on both sides of the House that the Government will come to an agreement on the level of state support required to get this project off the ground. Indeed, the Conservative party’s manifesto contained a commitment to the Swansea tidal lagoon as a source of “secure, affordable and low-carbon energy”. However, there is a fear in many quarters that, since then, the Government appear to have kicked the project into the long grass. I hope that this debate will help to remind the Government of their commitment and that we will see some movement towards meeting it.

As we have heard, the proposed Swansea bay tidal lagoon has clear environmental benefits, as it harnesses a sustainable source of energy to generate a significant amount of carbon-free electricity over a long lifespan. Tidal Lagoon Power, the company that will construct, own and operate the plant, has suggested that it will generate enough electricity to power 90% of homes in Swansea bay over a 120-year lifespan. Indeed, as the generation of power relies only on the tide, it is an entirely predictable source of renewable energy.

Given the Government’s cuts to other renewables, we hope that tidal lagoon technology will not be the next to suffer, particularly because the economic case, as we have heard today, is as strong as the environmental case. For instance, a key benefit of developing the Swansea bay tidal lagoon is the number of jobs that it will create and support during its construction and lifetime. Tidal Lagoon Power estimates that the project will support 1,900 jobs during construction and 181 jobs during each year of operation. That is supported by research by the Welsh economy research unit at Cardiff University, which estimates that 1,850 full-time equivalent jobs will be supported across the region for the three-year construction period.

Such employment opportunities will be incredibly beneficial to the Swansea bay area of Wales, which has a somewhat high rate of economic inactivity and has recently been dealt a blow with the loss of jobs in the steel industry. Furthermore, the Government should be doing much more to support. In fact, today we heard that an estimated 370,000 tonnes of steel are required for this project alone.
The Swansea bay tidal lagoon presents a real opportunity to rejuvenate the area, offering employment in a new, growing industry. As the Cardiff University research unit explains, “integrating construction demand with local manufacturing inputs and new industry will be an important means of strengthening prospects in these important parts of the regional economy.”

Similarly, trade unions have added their voice to business leaders and academic experts. Unite Wales, for example, hailed the project as “both superb and significant in terms of the vision, energy and employment potential it could bring to Wales.”

Furthermore, the local community will benefit greatly from the plans for the lagoon area itself. We have heard today that Tidal Lagoon Power has outlined its ambition “for the lagoon to become a major attraction and recreational amenity…showcasing tidal range technology and providing a unique venue for opportunities in the arts, culture”.

Jonathan Edwards: I am grateful to the hon. Lady for giving way and for confirming from the Front Bench that the Labour party is fully behind the project. The key question for her as someone who aspirers to be in the Minister’s seat is this: how would a future Labour Government pay for the project if they were in charge of it? Would they use a strike price model via a contract for difference, or does she agree that we should consider direct public investment as a far cheaper way for the public to finance the scheme?

Rebecca Long Bailey: The hon. Gentleman raises some interesting and pertinent points. I hope that the Minister has considered them, and that the Government will address many of those issues in the review currently being undertaken. We as a party will comment on them when the facts and information become available in due course.

Glyn Davies: It is clear from the debate that everybody, across parties, thinks that this is a wonderful scheme and would like it to go ahead, but we know from experience that such schemes go ahead only if a satisfactory economic case is made. Does the hon. Lady welcome the review and the work going forward? The Government will be in a position to recognise the benefits, and it will confirm that the scheme is based on value for money as well as ticking every other box.

Rebecca Long Bailey: Yes. I welcome the hon. Gentleman’s comments and those made earlier by the hon. Member for Eddisbury (Antoinette Sandbach). The scheme needs to represent value for money, but that must be assessed in the context of the whole economy, not just the specific project. As we heard earlier, it is not just a stand-alone project and should not be treated as such. If we consider it in a national context along with the other projects in the offing, I think that we will see throughout the review—I hope that the facts are presented as I have been told they will—that it will represent more value for money than a single project in Swansea alone.

The Cardiff University research unit also considered community benefits. Tidal Lagoon Power has suggested that the lagoon could become a foundation venue for local and national sports use, as the lagoon wall would provide a track for cycling, walking, angling and running and the lagoon itself could be perfect for swimming, rowing and sailing.

Not only will the project be a fantastic source of job creation and regeneration for the Swansea bay area, but it is expected to have a huge impact on the Welsh economy in general. A 2014 report by the Centre for Economics and Business Research estimated that the impact on Welsh gross value added added could amount to approximately £76 million a year, in 2014 prices, over its 120-year lifespan. The development of such a new and exciting industry could also provide a much-needed boost to UK exports. Tidal Lagoon Power estimates that the potential to export UK content to a new global tidal lagoon market has been valued at £70 billion. The review should refer to the wider global impact.

Tidal power is an easily replicable new industry. The UK could be a world leader in exporting the technology and manufacturing across the globe. I am sure that the Minister will agree that at a time when the balance of payments leaves much to be desired, the development of a new exportable industry would be highly beneficial to the country. In short, investment in renewable energy technologies is a long-term win for everyone, saving jobs, money and the environment.

The Opposition understand that the Government are not set against this or other tidal lagoon energy projects in principle but have announced a six-month independent review, delaying any decision until autumn. However, Tidal Lagoon Power has said that it will need a decision on a much faster timetable. I welcome any reassurance that the Minister can give us that the project will not be allowed to fail simply due to the timescale of decision making. In conclusion, it is clear that the potential economic and environmental benefits of developing the Swansea bay tidal lagoon are huge. I hope that the Minister can assure me that the Government are doing all that they can to agree a level of state support to make the project viable.

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): Mr Hollobone, it is a great pleasure to serve under your chairmanship. I congratulate all hon. Members on this interesting debate—I mean that sincerely—in which some good points have been made. I welcome the hon. Member for Salford and Eccles (Rebecca Long Bailey) to her place on the Front Bench. It is a pleasure to speak with her for the first time in this debate. Interestingly, we both have landlocked constituencies, yet we share a keen interest in this project.

I congratulate my hon. Friend the Member for Carmarthen West and South Pembrokeshire (Simon Hart) on securing this debate. His chosen topic is of great interest to the Government, and I sincerely welcome this opportunity for an exchange of views. He, like others from the south Wales region and beyond, is keen to understand better how the proposed Swansea bay tidal lagoon project, if it goes ahead, would benefit the local economy.

I want to clarify one important thing: my hon. Friend is absolutely right to mention that the Swansea bay project was in our manifesto. The Government absolutely recognise its potential to deliver low-carbon, secure energy for the future. However, as I am sure he will
Treasury officials stand ready to continue discussions. That Department of Energy and Climate Change and money and be affordable. We have told the developer cost to the consumer. It must represent good value for Government cannot support the technology at whatever time to consider the proposals. As I have said, the wider lagoon programme is too uncertain at this point. For that reason, it is only right that we take more time to consider the proposals. As I have said, the Government cannot support the technology at whatever cost to the consumer. It must represent good value for money and be affordable. We have told the developer that Department of Energy and Climate Change and Treasury officials stand ready to continue discussions.

Andrea Leadsom: My hon. Friend makes a good point. I agree completely. As I said, we are keen on the project, but not at any price.

Since the Government entered bilateral negotiation with Tidal Lagoon Power Ltd on a possible contract for difference for the project, my officials have been undertaking due diligence to establish a better understanding of the project, including detailed scrutiny of its costs, timescales and potential benefits. I assure my hon. Friend the Member for Eddisbury (Antoinette Sandbach) that the bilateral negotiation process is set out in a stakeholder engagement document that my Department published in January 2015, so it is not an opaque process. I urge hon. Members to read it.

Let me be clear that this Government continue to recognise the potential for the deployment of tidal lagoons in the UK. The scalability of the technology is of genuine interest to us. We are attracted to the proposed Swansea bay tidal lagoon because of its potential to unlock larger, more cost-effective developments elsewhere in the UK.

Jonathan Edwards: Will the Minister give way?

Andrea Leadsom: I will answer the hon. Gentleman’s point, which I know he has made twice already. I will come to it in a moment.

There is speculation, following recent announcements, that this Government have kicked the project into the long grass. The simple truth is that the developer’s current proposal for a 35-year contract is too expensive for consumers to support, and the deliverability of the wider lagoon programme is too uncertain at this point. The developer is seeking a very significant amount of financial support for the project from consumers, and its most recent proposals for a longer contract would be a significant deviation from where Government policy is just now.

For that reason, it is only right that we take more time to consider the proposals. As I have said, the Government cannot support the technology at whatever cost to the consumer. It must represent good value for money and be affordable. We have told the developer that Department of Energy and Climate Change and Treasury officials stand ready to continue discussions.

In parallel, there will be an independent review to assess the strategic case for tidal lagoons and whether they could represent good value for consumers.

The independent strategic review was mentioned by my hon. Friend the Member for Gower (Byron Davies), for Eddisbury and for Montgomeryshire (Glyn Davies), as well as the hon. Member for Ceredigion (Mr Williams). It will consider a number of issues, including the potential scale of the opportunity in the UK and internationally, including, importantly, supply chain opportunities.

Shortly, we will set out more details about the review, including the name of the person who will lead it. I hope that it will be possible to complete the review by the autumn. It will help us to consider further what role tidal lagoons could have as part of our plans to secure clean and affordable energy for families and businesses across the country.

Carolyn Harris: Can the Minister confirm that there will be somebody from Wales on that committee?

Andrea Leadsom: As I say, the make-up of the committee is being discussed right now, and I will certainly take that point away. I am quite sure that there will be someone from Wales on it, but I cannot say for certain because we have not got the names of individual members yet. I am grateful to the hon. Lady for making that point. As I was saying, we will not be able to make a decision about whether to award a CfD to Swansea bay until the review has been completed.

My hon. Friend the Member for Carmarthen West and South Pembrokeshire suggested an intergenerational CfD for up to 90 years, as did the hon. Member for Aberavon (Stephen Kinnock). We will consider this and other means of financing this type of project as part of the review. However, hon. Members will appreciate that a 90-year CfD, or a CfD for even longer, is a very, very long-term intergenerational funding commitment that is not something that the Government have looked at so far. It requires further review; it is not something that we can simply pick up.

One of the very important reasons for the widespread interest in the proposed Swansea bay tidal lagoon and of course the wider lagoon programme is the potential for significant economic growth and job creation. We are taking this opportunity very seriously. If a decision is taken to award a CfD to this project, the Government will look to maximise the potential economic benefits as far as humanly possible. I can tell hon. Members that consideration of the supply chain is always a key part of a CfD negotiation, and the Government have already requested a supply chain plan and map from the developer. We are very pleased that the UK content of the project is likely to be up to 65% and that the Welsh content is likely to be about 50%.

That is good news, but hon. Members—in particular, my hon. Friend the Member for Carmarthen West and South Pembrokeshire, and the hon. Members for Aberavon, for Salford and Eccles and for Swansea East (Carolyn Harris), and my hon. Friend the Member for Gower—asked, “What do we get from this, especially for the steel industry and so on?” I can tell all hon. Members that in the context of offshore wind, where there is a very clear commitment to further growth, I am pushing extremely hard to maximise the opportunity for the UK supply
chain, and if this tidal project goes ahead I will be like a Rottweiler and absolutely fighting for as much UK content as possible. That is a very important point to make to all hon. Members.

Mr David Jones: My hon. Friend has mentioned offshore wind. Is it not the case that the strike price proposed for the Swansea lagoon is comparable to that for offshore wind? Does not the lagoon have the substantive advantage of not being intermittent, unlike offshore wind?

Andrea Leadsom: My right hon. Friend is exactly right that the advantage of this project is that it is despatchable and not intermittent, which is the problem with offshore wind. However, I am afraid that he is not right that the cost of this project is comparable to the cost of offshore wind, because the timescale for this project is vastly different. If we compare like with like, we find that this project is much more expensive.

Once again, I congratulate hon. Members; this has been a very constructive debate and I have taken away a number of points from it. I also pay tribute to the hon. Member for Newport West (Paul Flynn), who has expressed his very long-term vision, which is far beyond the pedigree of most of us here, if not all of us here. He has been promoting the possibilities for tidal and he is absolutely right to do so. However, I can assure him that Hinkley Point is not comparable. We are very confident that the Hinkley Point project will get built and I will make the specific point that, as he will know, the decommissioning costs are taken into the CfD price, and so there is not a further cost of decommissioning, as some Members suggested.

Paul Flynn: I am grateful to the hon. Lady for her remarks. If the Hinkley Point European pressurised reactor suffers the same fate as all other reactors—delays of six or seven years—what is the Government’s plan B to fill the energy gap?

Andrea Leadsom: As the hon. Gentleman will know, the Government are not dependent on any one technology. The important thing is a mixture of technologies and we are confident in our strategy for ensuring reliable and affordable supplies of energy.

It is entirely understandable that people are getting behind this proposed tidal project. It has the potential to be a very exciting development for Swansea, south Wales and the UK. If the project goes ahead, it should have a positive impact on the local economy, and if a positive decision is taken, we will look to maximise the opportunity and the effect as far as possible. However, we have a duty to ensure that the decisions we take are in the best interest of consumers across the UK, both today and in the future. So while we will continue to discuss the project with the developer and carefully scrutinise its most recent proposals, we will await the outcome of the independent review before taking any decisions on the Swansea bay proposal.

Mr Philip Hollobone (in the Chair): I call Simon Hart for his second innings.

4.25 pm

Simon Hart: Thank you very much, Mr Hollobone, for calling me again.

I thank the Minister, the shadow Minister, the Scottish National party representative, the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell), and many colleagues for their contributions today.

This has been an interesting debate, summed up by three words beginning with u: unity, which is good and somewhat unusual—to give a fourth word beginning with u: uncertainty, which is bad, and I hope that has been taken on board; and unique, because this proposal has a unique nature. There have been some erroneous comparisons with other projects. This project is not the same as other projects and therein lies its strength. I hope that the Minister will agree.

I hope that the Minister will not mind my saying this, but as far as manifesto commitments are concerned, nothing annoys me—and I suspect voters—more than something that gives a very clear impression in the written word in a manifesto that is followed up a few weeks or months later with, “Oh, we didn’t mean it quite like that.” The manifesto was really pretty clear about this project; there was no indication anywhere that this project might run into the long grass at a later stage.

Also, when the Minister talks about “not at any price”—I accept that, because nobody is going to do anything at unlimited price—I hope that she will stipulate at some stage in the future what the acceptable price is. It is all very easy going round and saying, “Not at any price”, but we need a slightly clearer indication of what we are talking about.

On behalf of many colleagues, I will say that this has been a healthy kick-around of this subject, and I hope that the decision makers in this process realise that there is some momentum behind this proposal and that, as far as we are concerned, it would have nothing but positive benefits for the Welsh economy and the wider UK economy.

Question put and agreed to.

Resolved,

That this House has considered the potential economic benefits of the Swansea Tidal Lagoon.
Bowel Cancer Screening Age

4.27 pm

Caroline Ansell (Eastbourne) (Con): I beg to move, That this House has considered bowel cancer screening age.

Bowel cancer is second only to lung cancer for the number of lives it takes. Across the country, 165,457 people have signed a petition to bring down the bowel cancer screening age in the UK in a bid to hit this devastating disease.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): It is extremely unfortunate that bowel cancer—screening is available only in England, Wales and Northern Ireland from the age of 60. Would the hon. Lady’s welcome the Scottish Government’s approach of screening people from the age of 50 being taken up across the rest of the UK? That would surely give many individuals an early diagnosis and a higher chance of survival.

Caroline Ansell: I thank the hon. Lady for her intervention. I recognise that earlier screening in Scotland and would certainly welcome it.

The petition that I mentioned has been well supported; in fact, it has had 500 new signatories this very day. The originator of the petition, Lauren Backler, has travelled from Eastbourne to be with us today in Westminster. May I at this point pay tribute to her courage and endeavour? For anyone hearing the news that they or a loved one have been diagnosed with bowel cancer, it will be simply earth-shattering, as Lauren knows. She writes: “On 2nd December 2014, my Mum Fiona Backler was diagnosed with bowel cancer, at Eastbourne DGH’s—Eastbourne District General Hospital’s—Accident and Emergency and was told a few days later that the cancer was terminal. She started palliative chemotherapy within a week, but despite us being told that potentially she could have up to 2 years to live, she passed away on 28th March 2015, just under 4 months after diagnosis and a week after her 56th birthday. Before she was diagnosed, she had been back and forth to her GP with vague symptoms, and had even had an endoscopy about a year and a half beforehand, which she had been told was all clear. When she was diagnosed, her consultant told us that the cancer had possibly been missed at that stage.

Bowel cancer screening can often pick up abnormalities in people who have no symptoms at all, and so I believe that if the screening age was lowered to 50 it would give thousands of people who think they are invulnerable and do not know that they have bowel cancer the chance to get an early diagnosis and increase their chances of survival.

Caroline Ansell: I thank the hon. Lady for her intervention. I recognise that earlier screening in Scotland and would certainly welcome it.

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Bowel cancer screening can often pick up abnormalities in people who have no symptoms at all, and so I believe that if the screening age was lowered to 50 it would give thousands of people a fighting chance of beating the disease.”

Rebecca Pow (Taunton Deane) (Con): My hon. Friend knows that I have come to the debate for personal reasons. My husband was diagnosed with bowel cancer in December 2014, when we were right in the middle of fighting the campaign, and it was I who spotted the unusual signs and dragged him to the GP, where, like many men, he would never have gone, or at least not for a very long time. Ironically, he received a letter some months later saying, “Come for the screening,” when he would have been 55. Had he had that letter at 50, the polyps would have been recognised and removed and they would, potentially, not have turned into cancer. As it was, he did have cancer, and we had to go through that earth-shattering experience that the poor lady whom my hon. Friend talks about has also been through. I sympathise with her, and I urge support for my hon. Friend’s motion. We need to continue to explain why the matter is so important.

Caroline Ansell: I thank my hon. Friend for her moving contribution. Personal testimony highlights just why earlier intervention is vital—it can be life-saving.

Glyn Davies (Montgomeryshire) (Con): My hon. Friend makes reference to personal experience. I would not be here today without an early diagnosis of the bowel cancer I suffered. I had an operation that left me with a stoma, and I am living proof that someone can make a 100% recovery and even become a Member of Parliament, if they work hard.

I hope my hon. Friend agrees that one of the big benefits of screening is not only the identification of blood as a possible sign of bowel cancer, but the raising of awareness. The truth is that it came as a huge shock to me, and I imagine that it comes as a huge shock to people who think they are invulnerable and do not believe that they could possibly be suffering from bowel cancer.

Caroline Ansell: My hon. Friend makes an apposite point, and I hope that, in a small way, this debate, underpinned as it is by personal testimony, plays a part in raising awareness. As I said at the beginning of my speech, the disease takes the second highest number of lives of all cancers.

Julian Knight (Solihull) (Con): I congratulate my hon. Friend on securing this important debate. As someone who lost both of his grandparents to bowel cancer, I think that early diagnosis is absolutely key. However, it is not just a case of screening at a specific age; it is about spotting the signs. I have friends who have developed this dreadful disease in their 30s. It is all about spotting the key signs. One of those friends went on, after recovery, to carry the Olympic torch and is now a champion for young people with bowel cancer. Will my hon. Friend go on to talk about spotting the signs and not just about screening?

Caroline Ansell: My hon. Friend makes a very worthy point. He brings glad tidings, too, that bowel cancer can be beaten and that those who have suffered from this terrible condition can go on to lead rich and fulfilling lives—which, in some cases, bring them to Parliament.

Mr Andrew Smith (Oxford East) (Lab): The hon. Lady is being very generous in giving way. I commend her excellent speech, the petitioners and her remarks about the disease. As I said at the beginning of my speech, the disease takes the second highest number of lives of all cancers.

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this time last year through it and my father is in a hospice at the moment for that exact reason. I am someone who is going through the investigative treatment, just as the husband of my hon. Friend the Member for Taunton Deane (Rebecca Pow) did, and everything is fine so far. As uncomfortable as it is, it is particularly difficult for men to be brave enough to go out and have the investigative actions take place. I am 48, so reducing the age would not necessarily have covered me. My sister, sadly, was 50 when she passed away. But bringing the age down will certainly give other people a chance, and that is the most important thing. I congratulate my hon. Friend on bringing the debate forward.

Caroline Ansell: Thank you, hon. Friend. For his contribution.

Kevin Foster (Torbay) (Con): I welcome the fact that my hon. Friend has secured this debate. My mother was diagnosed with bowel cancer at 56 and, ironically, my father, who was 60 at the time, had received the screening kit five months previously. Does my hon. Friend agree that that shows the need to review the age at which people are screened?

Caroline Ansell: I agree, and I hope we can put that need forward today. I know that the Minister and her Department are working hard in this area and that they are all the time seeking to secure better outcomes. I hope that they might just revisit the screening age as part of that.

It has been really moving to hear from right hon. and hon. Members about their own experiences and about the losses they have suffered. Lauren is here today, having lost her mum. What a terrible tragedy that is. It feels especially poignant that we are here so soon after celebrating mother’s day.

With today’s advances in life expectancy, 56—the age at which Lauren’s mother died—is incredibly young, yet if Lauren’s mother had lived in Scotland, she would have been screened three times before the age at which she was diagnosed, increasing the chances of early detection and therefore survival. Learning that must have been a bitter blow. England has, however, led in this area. In 2006, we became the first home nation and one of the first countries in the world to offer routine screening for bowel cancer, with the faecal occult blood test, or FOBT, being sent every two years to those aged 60 to 69—later extended to 74. However, a year later Scotland implemented the same screening, with the crucial difference that it would begin from the age of 50.

The national screening committee, which ran FOBT pilots in the early 2000s, felt that 50 was the right age at which to begin to screen. It noted a lower take-up of the test in 50 to 60-year-olds compared with those over the age of 60, screening would begin with that age group. It is conceded that more than 80% of those diagnosed with bowel cancer are over the age of 60.

A University of Sheffield study recommended that offering both bowel scope screening and the FOBT from the age of 60 would maximise survival rates and have the important trade-off of being cost-effective.

Yet the same study also found that the FOBT would substantially lower the number of deaths by as much as 23% if it was run for 50 to 69-year-olds, whereas running it from the age of 60 only would reduce the number of deaths by only 14%. It is hard to talk about percentages but, just to bring the debate back to the personal level, that significant 9% would have included Lauren’s mum, and perhaps other people we know.

We know that there is a clear upward incidence of bowel cancer over the age of 50. The rate of bowel cancer roughly triples between one’s 40s and one’s 50s, before doubling again in one’s 60s. We all should be aware of the signs and take precautions in our diet and lifestyle to prevent and detect bowel cancer—and, yes, perhaps we ought to shed the very British attitude that we must keep calm and carry on, and seek out our GP. More must be done to improve screening uptake rates. Bowel cancer screening rates remain disappointingly low nationwide, having barely moved above those achieved in the pilot 16 years ago.

Rebecca Pow: Spotting the signs is absolutely crucial, and we have had some great receptions in Parliament about just that point with the bowel cancer organisations, but I want to put a positive spin on things. Let us not be negative. If we spot bowel cancer early, which is exactly what my hon. Friend is talking about, it is fully possible to recover. It is one of the ones that has a positive outcome. We have got some great medical teams in this country, and I think we should praise them. In particular, I praise the team at Musgrove Park hospital. It has one of the best support teams in this area. I know Lauren has had a terrible time, but for other people there is an awful lot of positivity, which is why my hon. Friend secured the debate.

Caroline Ansell: Indeed, there is a lot of positivity. Lauren brings that positivity: she wants not only to reduce the screening ages, but to advance awareness of bowel cancer across the piece. I know that she is particularly concerned about those who are at risk and are already carrying the condition in their 20s and their 30s. So much more needs to be done, and that includes us talking about our symptoms and taking that forward. As we have heard, there is a good prognosis if we can strike out for that early intervention.

Sir David Amess (Southend West) (Con): On that positive note, my mother had a scare at 90. She ended up with a colostomy and she is shortly to be 104. There are good outcomes. Does my hon. Friend share my disappointment that the national average for take-up is 58%? In Southend, it is 52%. Our excellent Minister will be keen to ensure that there is a much higher take-up rate.

Caroline Ansell: Indeed. I am looking forward to hearing more from the Minister about the excellent work the Government are doing. I know that they have plans and prospects for hitting that low take-up. I fear that that low take-up might be a very British sort of thing, and we need to break through that if we are to strive to see the same survival rates as some of our European counterparts.

On early diagnosis, those diagnosed with stage 1 bowel cancer have a 97% chance of survival, which is hugely positive. That compares with a chance of survival of just 7% when the cancer is more advanced.
Early diagnosis not only provides patients with a much better chance of survival, but would cost the NHS far less, saving an estimated £34 million according to the charity Beating Bowel Cancer. That is because treatment for the earlier stages of cancer is often less intensive and invasive than treatment for more advanced diseases.

Sadly we also know that we are lagging behind other countries on survival rates. A 2013 study for the London School of Hygiene and Tropical Medicine, which was part-funded by the European Commission, found that in Britain we diagnose bowel cancer later than other countries, while our survival rate overall for bowel cancer was only 51.8%. That is lower than the European average of 57% and lower than Germany’s survival rate of 62%. That is not where we want to be. I am looking forward to hearing from the Minister about her Department’s sterling work, but my question today is: could the age of screening be revisited? Is there scope to further personalise and target testing in those younger years?

Mr Philip Hollobone (in the Chair): For the Minister’s benefit, the debate will conclude at 4.57 pm.

4.43 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): It is a pleasure to serve under your chairmanship, Mr Hollobone. The quite extraordinary level of participation in this half-hour debate speaks volumes about the level of interest in and engagement with this issue from parliamentarians. I congratulate my hon. Friend for Eastbourne (Caroline Ansell) on securing the debate. I am grateful that I had the opportunity to speak to Lauren at the Beating Bowel Cancer reception here in the House in January and to have heard her story in person. My officials and I enjoyed that conversation. As my hon. Friend said, she is a remarkable young woman.

Bowel cancer is one of the most common types of cancer. The statistics around the number of people who die from it each year have been eloquently explained. We accept that we as a country want to do better. That is why, looking at cancer in the round, NHS England set up the independent cancer taskforce, which produced the new strategy “Achieving world-class cancer outcomes”. That was widely welcomed when it was published last year.

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The programme initially offered screening to men and women aged 60 to 69 because the risk of bowel cancer increases with age. More than 80% of bowel cancers are diagnosed in people aged 60 or over. In the pilot, which was conducted in Coventry and Warwickshire and in Scotland in the late 1990s and early 2000s, more than three times as many cancers were detected in people aged over 60 than in those aged under 60, and people in their 60s were most likely to use a testing kit. Only 47% of men aged 50 to 54 completed a kit, compared with 57% of men aged 60 to 64.

There are also issues of capacity, particularly for endoscopy services, as has been mentioned. The roll-out of screening required that the NHS bowel cancer screening programme take into account and help balance the increasing workloads and pressures placed upon services providing diagnosis and treatment to all people with bowel cancer, not just those found through the screening programme. I emphasise that point to the House, because it is important. The latest routes to diagnosis figures from Public Health England show that in 2013, only 9% of bowel cancers were diagnosed through screening. That 9% is important, but it compares with the more than 50% of bowel cancers that were diagnosed following a GP referral. Sadly, 25% were diagnosed via emergency routes, and those have very poor survival rates because the cancers tend to be at a later stage. The programme has to be able to respond.

The programme was also required to consider possible changes to it. One such change—this is an important point that has not quite come out in the debate so far—is bowel scope screening, also known as flexible sigmoidoscopy, for people in their 50s. It is a one-off examination that is an alternative and complementary bowel screening methodology to the self-testing kit. It aims to find polyps before they turn into cancer, so it actually prevents cancer ever developing. Evidence has shown that men and women aged 55 to 64 attending a one-off bowel scope screening test could reduce their individual mortality from the disease by 43% and their individual incidence of bowel cancer by 33%.

On the advice of the UK National Screening Committee, the expert body that advises Ministers and the NHS in the four UK countries about all aspects of screening policy, bowel cancer screening using the flexible sigmoidoscopy and in blood self-sampling test is offered in England. The bowel cancer screening programme offers screening using the kits every two years to men and women aged 60 to 74 who are registered with a GP. Men and women aged over 74 can self-refer for screening every two years if they wish. People eligible for screening receive an invitation letter explaining the programme, along with an information leaflet explaining the benefits and risks of bowel cancer screening. By the end of January 2016, nearly 29 million men and women in England had been sent a home testing kit and more than 17.5 million had returned a kit and been screened. More than 24,000 cancers have been detected, and nearly 70,000 patients have been managed for high or intermediate-risk adenomas, or polyps, including polyp removal.

The age issue has been the focus of much of the comment today. The NHS bowel cancer screening programme began in 2006, with full roll-out completed in 2010. The programme initially offered screening to men and women aged 60 to 69 because the risk of bowel cancer increases with age. More than 80% of bowel cancers are diagnosed in people aged 60 or over. In the pilot, which was conducted in Coventry and Warwickshire and in Scotland in the late 1990s and early 2000s, more than three times as many cancers were detected in people aged over 60 than in those aged under 60, and people in their 60s were most likely to use a testing kit. Only 47% of men aged 50 to 54 completed a kit, compared with 57% of men aged 60 to 64.

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The programme was also required to consider possible changes to it. One such change—this is an important point that has not quite come out in the debate so far—is bowel scope screening, also known as flexible sigmoidoscopy, for people in their 50s. It is a one-off examination that is an alternative and complementary bowel screening methodology to the self-testing kit. It aims to find polyps before they turn into cancer, so it actually prevents cancer ever developing. Evidence has shown that men and women aged 55 to 64 attending a one-off bowel scope screening test could reduce their individual mortality from the disease by 43% and their individual incidence of bowel cancer by 33%.
In 2011, the UK National Screening Committee recommended offering bowel scope screening for bowel cancer. The NHS bowel cancer screening programme is currently rolling it out to men and women around their 55th birthday. They will be invited to take part in the self-testing part of the programme from age 60. Although Scotland is piloting bowel scope screening for some people in its programme, England is the only UK country committed to a full roll-out. Some 77% of bowel scope screening centres in England are currently operational. The Secretary of State is committed to rolling out bowel scope screening to all screening centres in England by the end of 2016, and we are on track to deliver that commitment.

As of the end of January, more than 230,000 invitations had been issued and more than 85,000 bowel scope screening procedures performed. Although that is very good, Members who can do the maths quickly will realise that uptake is currently running at 44%, compared with nearly 60% for the self-sampling part of the programme. If, on the back of this debate, Members can do anything to raise awareness in their constituencies and to empower men and women to make informed decisions about taking up these free tests, I encourage them to do so.

Margaret Ferrier: Will the Minister give way?

Jane Ellison: I am afraid that I cannot take any interventions because there were so many in the opening speech. I do apologise, but I really want to get through my response.

So far, nearly 3,500 people have attended colonoscopy following bowel scope screening, with 125 cancers detected, and 1,688 people with high or intermediate-risk polyps and 1,270 people with low-risk polyps have had them detected and managed or removed.

Delivering the bowel scope screening programme will obviously place huge demands on endoscopy services, but it can be safely delivered by members of the hospital team other than trained doctors, such as nurses. That is why we announced in September last year that Health Education England is developing a new national training programme for an additional 200 non-medical staff to get the skills and expertise to carry out endoscopies by 2018. The first cohort began training at the end of January. In addition, NHS England’s sustainable improvement team is working intensively with trusts that have significant endoscopy waiting lists, in order to improve performance. That learning will then be shared widely. NHS England is also exploring ways to improve endoscopy performance through pricing changes.

I have already mentioned low uptake rates. We know uptake is lower in more disadvantaged groups, in men—as has been referred to—and in some black and minority ethnic groups. Public Health England is providing support and technical advice to its partners in the NHS on reducing the variation in coverage and uptake. Local screening providers are working with commissioners to address that, which is really important, because some of the variation in these important programmes is astonishing. Again, if any Member can do anything to reduce the variation, it would be greatly appreciated.

The Independent Cancer Taskforce has also recommended an ambition for 75% of people to participate in bowel screening by 2020. To facilitate that change, it recommended a change to a new test, the faecal immunochemical test—FIT—which is more accurate and easier to use than the current FOB test and also improves uptake. I encourage Members with an interest to compare the two tests and try to understand how different they are and why they are likely to have such different effects.

My hon. Friend the Member for Eastbourne will be aware that in November last year the UK National Screening Committee recommended that the FIT test should be used as the primary test for bowel cancer screening instead of FOB. We are currently considering that important recommendation. If it is accepted, it is worth remembering that it will be a major change to a programme that saves hundreds of lives, so we will have to ensure that it is rolled out in a safe and sustainable way, which will include the procurement of cost-effective kits and IT systems.

In any debate about cancer screening it is important to underline the difference between population screening programmes and people going to see their GP with the symptoms of cancer. Information for the public on the signs and symptoms of bowel cancer is available on the NHS Choices website. The Department advises people who are concerned about their risks to speak to their GP. Many of the cancers we have heard about in the debate were found at a very late stage. It is probable that there were some symptoms that could have led to a GP referral.

Since 2010-11, the Department and Public Health England have run 10 national “Be Clear on Cancer” public awareness campaigns, including two national campaigns to promote the early diagnosis of bowel cancer. The first campaign ran from January to March 2012, raising awareness of blood in poo as a sign of bowel cancer. It was the first ever national TV campaign to raise awareness of the symptoms of this cancer and to encourage people with relevant symptoms to go to their doctor without delay. A second campaign ran later that year.

The National Institute for Health and Care Excellence has guidelines on the recognition and referral of suspected cancer, which were updated in June 2015. That is important because in updating them NICE urged GPs to lower the referral threshold when they are assessing whether referral is appropriate and to think of cancer sooner when examining patients. Switching the way we think and lowering the referral threshold is a critical change that NICE estimates will save many thousands of lives. Of course, professional advice is also available through the various expert bodies.

I emphasise that all screening programmes are kept under review, and the UK National Screening Committee will always look at new evidence. I will of course make sure that our expert advisers are aware of the significant parliamentary interest that has been demonstrated today. In responding to this short debate, I have been trying to illustrate the interaction between the two different parts of the programme—bowel scope screening and the original screening. I have also been trying to underline the point about take-up. Of course it is about individuals making an informed decision, but beyond rolling screening out to different ages, we must ensure that people in the highest risk groups, particularly the over-60s, are aware that they can choose to be screened. Many lives could be saved, so it is really important that we get that message across. We can do more.
In conclusion, I thank my hon. Friend the Member for Eastbourne again for securing this debate and drawing the important issue of bowel cancer screening to the attention of the House. I assure her and the families of all those affected—including, of course, Lauren, who started the petition—that preventing premature death from cancer is of the utmost priority for the Government. I hope I have set out how we are responding to that vital challenge.

Question put and agreed to.
Priestley caught the industry at its peak. The decline of the British ceramics industry arguably began with the Clean Air Act 1956 and the dismantling of some 2,000 coal-fired bottle kilns. For all the benefits of open skies and modernised plant, the law imposed sudden and significant costs on the manufacturing process. In an attempt to offset those costs, the industry embarked on a round of mergers and acquisitions, resulting in an over-concentrated ceramics sector. The high interest rates and exchange rates of the 1980s hammered exports. The rise of takeaways and the end of wedding lists undermined demand. Most damaging of all was the growing threat of the far east. Labour and energy costs in China put British production at a marked disadvantage.

Wedgwood went bust and Spode went into receivership, and between the early 1980s and 2010, some 40,000 jobs were lost in the ceramics industry. With them went Stoke’s cityscape and parts of its culture. The Minton factory, where Pugin’s tiles were fired for the Houses of Parliament, was turned into a Sainsbury’s. Then the final insult: in 2010, the entire collection of the Wedgwood Museum was threatened with disposal.

Six years on, the Wedgwood Museum has been saved and the industry is making profits, creating jobs, finding export markets and coming up with new designs. There is excitement and enthusiasm about British ceramic design. There is a new competitiveness in great companies such as Steelite, Churchill and Portmeirion. There is a new culture of partnership.

Jeremy Lefroy (Stafford) (Con): I am most grateful to the hon. Gentleman for securing this debate. Does he agree that Dudson, Steelite and many other companies have a strong record of exporting around the world? The last time I looked, ceramics make a net contribution to our balance of trade. It is one of the few industries that does.

Tristram Hunt: The hon. Gentleman is exactly right: it is a great export industry. It is interesting that the companies that stayed in the UK, did not offshore all their production, invested in research and development and design, and supported innovation, are growing. As I am sure my hon. Friend the Member for Stoke-on-Trent North will explain, her constituency is pretty much an age of brand value, the back stamp remains all-important for competitiveness. The question for the sector is: which processes will be awarded carbon leakage status for phase 4, which will begin in 2021?

There are particular worries about the tiering on just a handful of sectors, and concerns, which my hon. Friend the Member for Newcastle-under-Lyme (Paul Farrelly) might pursue, about the roof tile and brick businesses. The Government’s much-vaunted house building programme should not be carried out on the back of Polish, Belgian or Dutch bricks. We should produce them in the UK.

Paul Farrelly (Newcastle-under-Lyme) (Lab): Does my hon. Friend agree that, although of course we are all concerned about the future of the steel industry, it is very important in our discussions with Brussels that the ceramics industry is not disregarded or harmed as a by-product of our attempts to help the steel industry?

Tristram Hunt: My hon. Friend, who has been a brilliant campaigner for the brick business over many years in our part of the world, is exactly right: we would be shooting ourselves in the foot, in terms of industrial policy, if the advances that we want to make in the steel industry undermine the ceramics industry. They are both energy-intensive sectors, so they share similar challenges relating to energy costs.

We would like to hear that the Minister is fighting to ensure that heavy clay producers are also awarded carbon leakage status. We welcome the ceramic valley enterprise zone, but without support on the EU emissions trading scheme, even state-of-the-art facilities will be punished for their carbon costs. We serve neither British industry nor the global environment if we rack up industrial energy prices, export jobs from Britain and import carbon emissions.

It is very important that consumers know where products are made. The outsourcing of production is nothing new in the ceramics business—indeed, during busy periods, Josiah Wedgwood himself sometimes asked other manufacturers to make up blanks for him—but in an age of brand value, the back stamp remains all-important. In Stoke-on-Trent, we are proud to house the turnover club, whose members flip the crockery in dinner parties? Good heavens!

Jeremy Lefroy: Good heavens!

Anna Soubry: Dinner parties? Good heavens!

Tristram Hunt: Not while the food is on it, Minister. [Interruption.] Well, sometimes.

For a long time, manufacturers have made products abroad and backstamped, “Made in England”. The rules are clear: the country of origin is where the blank is fired. In an age of global trade, it is perfectly right that products are made in China, Thailand or Indonesia, but consumers also have a right to know whether their purchases are subsidising poor environmental standards and weak labour laws. For an embarrassingly long time, the free market fundamentalists at the Department for Business, Innovation and Skills have opposed the European Union’s compulsory country of origin proposals. Will the Minister tell us whether that is still the case today?

As I am talking about Europe—I subject I know you care passionately about, Mr Hollobone—this is a good moment to reflect on the merits of being inside the
European single market for the ceramics industry. It is not only that Stoke-on-Trent and Staffordshire have been helped by £130 million of EU funds and that Europe is a crucial export market; it is thanks to being part of the European Union that our ceramics industry has benefited from the anti-dumping tariffs of between 13% and 36% that are placed on Chinese kitchenware and tableware. Those tariffs have played an important role in the pottery industry’s regeneration. Will the Minister confirm that we will support their extension in 2018, that being part of Europe has helped us—although, I hate to say it, the Government have always opposed those measures—and that if we were outside Europe, tariffs would be placed on British ceramics manufacturers exporting to the single market?

I might be guilty of over-concentrating on the history of the ceramics industry—[Interruption.] Never! Our heritage is part of our brand and our pride. We have to build the careers, apprenticeships and markets of the future. I support the Government’s apprenticeship levy, and I hope that Staffordshire University will forge new partnerships with other higher education institutions to increase the number of designers and manufacturers. I hope to see new factories in the enterprise zone, and I fully back the Materials Processing Institute’s plans for a materials catapult centre to benefit research and development in the ceramics industry. Will the Minister ensure that the materials catapult is given a supportive hearing by her Department?

This week we heard that the Government will centralise all school expenditure as part of the funding review. As a Stoke-on-Trent MP, it drives me mad to see schoolchildren eating off trays, rather than plates, as if they are being set up for life either in prison or as airline passengers. Education Ministers love to micro-manage, so will we see them urging schools to buy and use ceramic plates for their pupils?

New jobs, new orders, new businesses being started, and even another series of “The Great Pottery Throw Down” being commissioned—these are exciting times. Thanks to automation and globalisation, we will not return to the tens of thousands employed in the ceramics and pottery industries in previous decades, but we can build a new high-wage, high-skills ceramics industry of the future, trading on Stoke-on-Trent’s heroic past while taking products and processes into the future. I very much hope that we may take from the debate the Government’s support for the ceramics industry, and the starting point of any industry is the raw material—I am speaking about china clay. If we are to support the ceramics industry in the UK, we need to support the china clay industry as well.

I am incredibly proud to speak not only as a Cornishman who grew up surrounded by the china clay industry in and around St Austell, but as the Member of Parliament for the area, which has been at the forefront of china clay production for hundreds of years. The sky tips dominate the landscape of mid-Cornwall, reminding us every day of our great heritage and our history of clay production. Generations of Cornish families, including my own, have worked in the industry. Barely any part of my constituency has not been touched directly by china clay production.

China clay has long been big business in Cornwall. St Austell’s relationship with it, as the hon. Gentleman rightly pointed out, goes back more than 200 years, to when William Cookworthy first made the discovery in Cornwall. At the height of the trade, literally millions of tons of china clay were being exported to all corners of the world. Cornwall soon got a reputation for the highest-quality clay in the world, so it is no surprise that that was quickly recognised by the ceramics industry, establishing the connection with places such as Stoke-on-Trent.

A large proportion of Cornwall’s china clay production has moved overseas in recent years, but the industry remains extremely important to Cornwall. In fact, it is difficult to overstate its importance to Cornwall and, in particular, my constituency. Although employment in the industry has declined over the past 20 or 30 years, it is still the largest private sector employer in the area. The majority of the clay produced in Cornwall is exported. In fact, china clay contributes about £150 million a year to the UK’s balance of payments, and that should be preserved. The industry has also shaped our heritage in mid-Cornwall, and that is of great importance to us. As I said, every day we see the marks left on our landscape—for example, the Eden Project is built in a former china clay pit.

With the clay and ceramic industries so important, we should look at ways in which the Government can support the industries and the thousands of workers throughout the country employed in them. As producers in Brazil and China emerge, undercutting exports, there are fears that problems could be exacerbated if action is not taken and if the existing proposals for carbon leakage protection are pursued.

In my constituency, Imerys is the only remaining company that produces kaolin and ball clay. Such operations, by their very nature, are highly energy-intensive processes, and energy represents about 27% of production costs. Consequently, energy consumption has always been a major focus for the industry and is minimised by it wherever possible. Imerys has been at the forefront of energy efficiency and the use of alternative and renewable energy sources for many years. However, the fact remains that, given the international market for its products, further increases in production costs could result in it losing business to European Union and non-EU competitors.

That brings me to my key point: what will the Government do to support the ceramics industry and, specifically, the china clay industry? Kaolin and ball clay operations are deemed to be at risk of carbon leakage. They therefore received a free allocation of
allowances. However, there are concerns that, under the UK’s preferred approach to carbon leakage protection post-2020, Imerys is likely to receive what it feels is an inadequate level of free allowances to remain internationally competitive.

The reduction in the free allowances will have a significant impact on the industry and force the company to purchase a significantly greater proportion—possibly all—of its allowances to cover future carbon emissions. That will obviously severely damage its global competitiveness and disadvantage the kaolin and ball clay sector against competing suppliers that may receive higher levels of carbon leakage protection.

Angela Smith (Penistone and Stocksbridge) (Lab): Does the hon. Gentleman agree that when we talk about rebalancing the economy, we are talking not only about the midlands and the north of England, but about areas such as Cornwall, which desperately need to maintain this kind of economic activity? Surely it is incumbent on the Minister to remember that when thinking about the relevant policies.

Steve Double: I wholeheartedly agree. It is well known that the Cornish economy, and that of the south-west in general, fall way behind the UK national average. It is crucial to do all we can to bridge the gap, but I would say that the Government are doing a great deal, investing record amounts of money in the south-west and already supporting the Cornish economy in many ways.

I am, however, addressing the specific sector of the china clay industry in Cornwall. I do not want to see it put at greater disadvantage on the world market, so no decisions that make it less competitive on the world stage should be made. Based on existing emission levels and forecast prices of carbon, the proposed carbon leakage changes could add £1 million a year to Imerys’s production costs. We should, however, not only be proud that the UK produces the best-quality china clay in the world, but be doing all we can to protect and support the industry as a world leader.

Recently, we have seen the impact of uncompetitive production costs, driven in particular by energy costs, on a major industry: our steel industry. We cannot allow the same fate to fall on the china clay industry. We cannot sacrifice the china clay and ceramics industries in order to save other sectors. I simply urge the Government to look carefully at their approach to the carbon leakage allowance and not to make any decisions that will reduce the competitiveness of an industry that is vital to Cornwall.

Ruth Smeeth (Stoke-on-Trent North) (Lab): Today, it is the home of such fantastic British companies as Steelite, Royal Stafford and Moorcroft. Those businesses are complemented by competition from Dudson and Churchill, based in Tunstall, and are supported with raw materials from my hon. Friend’s constituency by our very own Furlong Mills.

Those companies live up to our heritage and represent the very best of modern British manufacturing. In Middleport, home of our historic Burleigh Ware, we see the firing up of a new generation of master potters on “The Great Pottery Throw Down”, which I am delighted to announce has been recommissioned for a second series by BBC Two—I urge all hon. Members to apply for next year.

Today, more than 2,500 people are directly employed by the ceramics industry in my constituency, fuelling world demand for high-quality ceramics from tiles to tableware. The industry remains the single largest employer in Stoke-on-Trent North and Kidsgrove. It continues to innovate, invest in new technology and fulfil its commitments to green and sustainable manufacturing. While I am touching on the industry, it would be remiss of me to suggest that ceramics is only tableware and tiles. Many other products are reflected in the industry.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): Raeburn Brick in my constituency is Scotland’s only remaining clay brick company, making 15% of the bricks used in Scotland—the other 85% are imported—and it operates as a highly energy-efficient company. Does the hon. Lady agree that we must all do all we can to support this local employer and that, with tens of thousands of new houses to be built throughout Scotland in the coming years, it is in our economic interests to do so?

Ruth Smeeth: I wholeheartedly agree that investment in ceramics is as much in our national interest as it is part of our wider economic interests. Like our city, the industry has a proud past, but it could have an even brighter future if the Government are prepared to support it. My local businesses are keen to invest in research and development, to expand production and to create jobs, but a toxic cocktail of policies is creating great uncertainty. If future profits are seen to be at risk, investment will stall and our economy will suffer.

I am proud to support the British Ceramic Confederation’s EARTH campaign, which is doing vital work to bring policies to light. One such policy is the decision to confer market economy status on China, which would prevent meaningful anti-dumping measures against unfair Chinese export practices. The Government have tried to claim that granting China market economy status would not affect the ability to protect British industry and that anti-dumping measures could still be put in place, but that fails to take into account the fact that anti-dumping measures are calculated at a far lower rate for free market economies.

If China were to be granted market economy status, any anti-dumping measures placed on it would be calculated on the basis of the domestic cost of production in China, which is greatly subsidised by state support and kept lower by the cheap cost of labour employed in appalling conditions. The result would be so-called protections that in practice would be virtually worthless
China has resembled less of a negotiation than a fire sale. They have been equivocating on this issue. Their approach to granting MES to China, the Government appear to be doing everything right. They just have the misfortune of living, as the Chinese might say, in interesting times. China currently meets just one of the five criteria required for market economy status, a fact that has been confirmed by the Minister. However, simply to say that China does not meet the criteria is to grossly underestimate the extent to which the Chinese economy is rigged in its own favour to the detriment of British and European industry.

A recent report by the European Parliament—those may be words to avoid—concluded that state-led distortions in the financial sector are rife, that bankruptcy systems are malfunctioning and that political influence can be seen in close to 100% of China’s biggest firms. Far from being anything resembling a free market, 38% of China’s industrial assets are state owned.

Yet while the EU recognises the threat posed by granting MES to China, the Government appear to be supportive of the bid. The effect of that would be catastrophic for British ceramics and devastating to the British economy as a whole, affecting about 3.5 million jobs and up to 2% of GDP in the first two years. Import-sensitive sectors such as tiles and tableware would be especially hard hit, as they have no defence against Chinese dumping. Companies such as Johnson Tiles, based in my constituency, are at the forefront of modern production, but if we are not careful, their reward for innovation will be to be undercut in a market that they have pioneered.

It should come as no surprise that the Government have been equivocating on this issue. Their approach to China has resembled less of a negotiation than a fire sale. From steel to real estate and our nuclear reactors, the message coming out loud and clear is “Everything must go.” When it comes to supporting ceramics specifically, the Government talk a good game, but a significant proportion of the tableware used in the Department for Business, Innovation and Skills is made in China. Far from celebrating “Britain is GREAT,” the Minister eats from tableware at the Department—

Anna Soubry: I certainly do not.

Ruth Smeeth: Sixty percent of its tableware is made in China.

Anna Soubry: I do not normally intervene, but it is really important that we do not mislead. I certainly have never had any tableware of any origin in the Department. If I do eat there, it is a takeaway sandwich in plastic wrapping or a plastic box.

Tristram Hunt: That is the problem.

Anna Soubry: I accept that is wrong, but I will not have misleading information.

Ruth Smeeth: As a former trade union officer, I urge the Minister to try to get better terms and conditions and to eat a meal. I suggest that, for her colleagues who sit down to eat, 60% of the crockery used in the Department is made in China. That statistic was secured through a parliamentary question. When will “Buy British” be a policy and not just a slogan?

We have already seen from the devastating impact on the British steel industry of what happens when the Government sit back and do nothing to defend British jobs and trade, and we cannot afford for the ceramics industry to suffer the same fate. Our ceramics businesses are doing everything right. They just have the misfortune of living, as the Chinese might say, in interesting times. However, I am in no doubt that the industry can continue to thrive if the Government are prepared to stand up for British business.

All we ask for is a level playing field. Our ceramics industry is the best in the world, but we cannot compete fairly if state-funded Chinese companies are allowed to flood our domestic market with cheap products. For generations, the lives and livelihoods of my constituents have been shaped by the ceramics industry, as the clay beneath our towns was shaped by the potters’ hands. A world-beating industry was born in the kilns of Stoke-on-Trent and wherever we travel today we will find products proudly bearing our back stamp. We cannot let that great industry go up in smoke.

Mr Philip Hollobone (in the Chair): We now come to the Front-Bench speeches. The SNP gets five minutes, the Opposition get five minutes and the Minister gets 10 minutes—not my rules; they are the guidelines for the House.

Dr Paul Monaghan (Caithness, Sutherland and Easter Ross) (SNP): I congratulate the hon. Member for Stoke-on-Trent Central (Tristram Hunt) on winning the debate and his entertaining account of the industry. As my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) noted, ceramics are enormously important to Scotland’s economy and to my constituency.
Anta pottery in Fearn, Highland Stoneware in Lochinver and Northshore Pottery in Caithness are examples of companies that produce ceramic products in Scotland.

Anta is one of the largest employers in Easter Ross outside of the manufacturing and oil industries. Highland Stoneware is based in Sutherland and has a smaller factory in Ullapool in Ross-shire. It is a major employer in the local economy, with a reputation for producing some of the finest hand-crafted ceramics in the world, completing more than 700,000 orders each year—a remarkable achievement. Northshore Pottery operates in a far north-western corner of Scotland, close to Wick. The company is owned by a lady called Jenny Mackenzie Ross, who reflects Norse culture in her work and specialises in architectural ceramics. These are very different companies. Each operates in remote and rural areas, supports a range of local tradesmen in completing their work and, of course, returns approximately 65% of turnover to staff wages.

As the hon. Member for Stoke-on-Trent Central noted, the ceramics industry is very energy-intensive. In 2014, some ceramics manufacturers reported that their energy bills made up 35% of their total overhead costs. In addition, its energy demands are inflexible and cannot be easily tapered depending on the time of day. Energy costs appear critical to the success of the industry. Ceramics producers, including brick makers, have been critical of the fact that the steel industry has received exemptions from UK renewables taxes, while ceramic producers have not, rendering the industry unviable. Closing down energy-intensive industries will not make a difference to global carbon output, but will export jobs from an industry that makes a net contribution to the economy, as the hon. Members for Stafford (Jeremy Lefroy) and for St Austell and Newquay (Steve Double) noted.

The British Ceramic Confederation criticised the UK Government’s autumn statement for failing to provide certainty on, among things, energy costs for this industry. The hon. Member for Penistone and Stocksbridge (Angela Smith) mentioned the confederation’s submission made in January in respect of the Budget. As part of its EARTH campaign, the confederation listed five actions that the UK Government should take in order to create a level playing field internationally. It called for an EU emissions trading scheme to ensure that all ceramic subsectors receive full mitigation measures to guard against leakage of carbon, investment and jobs to competitors outside the EU, as well as action to reduce the cumulative costs of energy, climate and environmental policies that are harming the sector’s ability to remain internationally competitive.

David Mowat (Warrington South) (Con): I am glad to hear the hon. Gentleman talking about energy in that way, because it seems fundamental. It is important we understand that, in Germany today, ceramics manufacturers are paying approximately half what manufacturers are paying in the UK. All of us have a role to play in getting the balance right between green taxes and lower energy costs, because it is vital for these industries.

Dr Monaghan: I absolutely agree: it is vital. These industries are struggling in the UK and need support from the Government to create the level playing field that the hon. Gentleman speaks of. The confederation calls for long-term partnership working with the UK Government and funded assistance for the sector to accelerate investment in existing technologies and the development of breakthrough decarbonisation technologies. The confederation has also called for the rejection of unilateral recognition of China as a market economy, which would leave manufacturers inadequately defended against a rising tide of cheap imports, about which we have heard today. Finally, it called for the UK Government to achieve higher levels of economic growth through a revised housing policy, to enable investment in the supply chain in the UK rather than overseas.

The Scottish Government recognise the importance of Scotland’s manufacturing sector and are committed, through their new manufacturing strategy, to continue doing whatever is necessary to support the sector. Through their enterprise agencies, that demonstrable commitment is focused on strengthening and supporting Scotland’s economic links with overseas markets. The Scottish Government will continue to invest in and promote exports to help to build sustainable economic growth for Scotland. Similar affirmative action by the UK Government would be of enormous benefit.

5.34 pm

Yvonne Fovargue (Makerfield) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate my hon. Friend the Member for Stoke-on-Trent Central (Tristram Hunt) on obtaining this debate and speaking so passionately about the importance of the ceramics industry to his constituency. The UK ceramics industry has a proud heritage in the area, as eloquently described by my hon. Friend, but it is also in the vanguard of novel material development and advanced manufacturing. Some of Britain’s most iconic brands have been, and still are, found in the ceramics industry—I hope that my hon. Friend will not fight about which ones came first. However, as we have heard, the full growth potential of the industry is not being achieved, as a combination of policies is undermining investment, trade, growth and jobs.

The British Ceramic Confederation launched the EARTH campaign in January this year, with five asks of the Minister, to ensure the level playing field that we have heard so much about and secure thousands of jobs in the UK ceramics industry. I thank my hon. Friend the Member for Stoke-on-Trent North (Ruth Smeeth) for taking up the baton and forming an all-party group for this industry.

The confederation’s first ask is on the EU emissions trading scheme. A tiered approach to the next phase of the EU ETS will not help this industry, as only a few energy-intensive industries will benefit at the expense of others. Indeed, the Department of Energy and Climate Change paper co-authored with other member states underestates the effect of the tiered approach on the ceramics industry by using the floor and wall tiles sector as a proxy for the whole industry, which understates the effect of the tiered approach on the ceramics industry.

Dr Monaghan: I absolutely agree: it is vital. These industries are struggling in the UK and need support from the Government to create the level playing field that the hon. Gentleman speaks of. The confederation calls for long-term partnership working with the UK Government and funded assistance for the sector to accelerate investment in existing technologies and the development of breakthrough decarbonisation technologies. The confederation has also called for the rejection of unilateral recognition of China as a market economy, which would leave manufacturers inadequately defended against a rising tide of cheap imports, about which we have heard today. Finally, it called for the UK Government to achieve higher levels of economic growth through a revised housing policy, to enable investment in the supply chain in the UK rather than overseas.

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but—due to the design of the scheme—only a handful of confederation members will receive any compensation. In fact, as we have heard, only seven members are likely to be compensated in the United Kingdom—none of which are in Stoke-on-Trent North—compared with more than 100 in Germany and 140 in Italy. Will the Minister look again at the design of the scheme?

The third ask is to reduce carbon emissions through a long-term industrial policy. The British Ceramic Confederation is working with partners, including academics and the Knowledge Transfer Network, to share good practice and inform Government policy. I also hope that the catapult centre will take root in Stoke-on-Trent, as we need more of those centres outside the M25 corridor.

As we heard from the hon. Member for St Austell and Newquay (Steve Double), China’s dumping is already causing a problem with trade, but it is now applying for market economy status. My hon. Friend the Member for Stoke-on-Trent North spoke knowledgeably and passionately about the problems that that would cause. Although trade is an EU matter, the Government are influential. Surely the matter would be better decided through the World Trade Organisation. What is the Minister’s view on that? How will she ensure that any granting of MES with exemptions will not lead to problems similar to those already being faced by other industries—for example, the steel industry, for which my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) is a doughty campaigner?

I turn finally to housing. Joined-up working is needed to ensure that quality British products are used in the housing sector and that the opportunity is spread to all sections of it. How will the Minister engage with the industry to ensure that that is the case? Indeed, I hope that the people inside the houses will be turning over their pots to make sure that they are British-made; I hope that the Department for Business, Innovation and Skills will do so as well.

More than 20,000 people are employed in the ceramics industry, which pays £500 million a year in wages and national insurance. More than that, it is in the DNA of Stoke and the surrounding area. The Government must act now to protect this historic yet forward-thinking industry.

5.38 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is a pleasure to serve under your chairmanship, Mr Hollobone. May I begin by congratulating the hon. Member for Stoke-on-Trent Central (Tristram Hunt) on securing this debate? I congratulate everyone who has taken part in it. A number of issues have been raised, and I will try in the time available to address all of them.

First, I would like to pay tribute to all those working in our ceramics industry. It is a very important part of the manufacturing base of our country and, as we have heard, a significant part of various products. More than just cups, plates and bowls are made in the ceramics industry and exported, and that is very important to us. The industry is not just about beautiful cups and saucers made over decades by outstanding British companies such as Royal Doulton and Spode; it is also about the funky ware—if I can put it in that way—being made by people such as Emma Bridgewater, who has been doing a sterling job in Stoke-on-Trent, and about tiles and bricks. There are also technical ceramics. The electronics, aerospace, automotive and healthcare industries all benefit from this wide and very important sector. Several high-profile firms have unfortunately closed, as the hon. Member for Stoke-on-Trent Central described, in giving us—as I would expect from him—a very eloquent history lesson. I need not repeat the fact that unfortunately, in north Staffordshire, the number of jobs fell from 52,790 in 1979 to 7,200 in 2008. That really does speak volumes about the decline of an industry, certainly in terms of the huge numbers of people affected.

As we have heard, there is a lot of good news. We have heard about investment in technology and factories and about distinguished names such as Waterford, Wedgwood, Royal Doulton, Wedge and Steelite—that company is new to me. I have to confess; I hope that nobody holds that against me. I am very happy to go and see it, if it is in the constituency of my hon. Friend the Member for Stafford—

Jeremy Lefroy indicated dissent.

Anna Soubry: Wherever the company is, I am more than happy to go and see it, if I can. I would love to—[Interruption.] Stoke-on-Trent North is where it is; it sounds very interesting.

Jeremy Lefroy: Just very quickly, I point out to the Minister that she can see these products all over the world, because these companies have made huge inroads into the hospitality sectors around the world. If she cares to look in pretty much any tourist hotel anywhere in the world, she may find these products there.

Anna Soubry: As you might imagine, Mr Hollobone, I do not have time to go swanning off around the world; I am far too busy. I can barely get out of my office where, I can assure you, I do not have food on plates.

We will move on, because there are some seriously important issues to be discussed and debated—I am going to cut the next part of my speech, because I want to get to the real heart of this debate. As we have heard from a number of hon. Members, including my hon. Friend the Member for St Austell and Newquay (Steve Double), there is very serious and real concern about the high cost of energy. Like many industries that rely heavily on using a lot of energy, the cost of energy is of serious concern, as is carbon leakage, tiering and a number of other issues that look as though they are coming down the track, if I may put it that way.

On the positive side, it has to be said—if I may say this to Opposition Members—that the Chancellor of the Exchequer should be congratulated on announcing, in the November 2015 spending review, the exemption of energy-intensive industries from indirect costs of the renewables obligation and small-scale feed-in tariffs. We have made all those advances over in the EU, with compensation coming forward. In fact, we have now said that from 2017, EIIs will have an exemption from those particular obligations—those particular taxes.

Hon. Members then say, “Well, that’s all great, wonderful and brilliant, but unfortunately, it doesn’t affect the ceramics industry enough.” I absolutely hear that message and understand that that is deeply concerning for all
those who work in the industry. However, we have something called the industrial 2050 road map—that is a very good example of Government using dreadful language. “What on earth is a road map in the ceramics industry?” I asked, and my brilliant officials, as ever, helped to tell me. I went to a conference yesterday in the Department for Business, Innovation and Skills, which was attended by the equally brilliant British Ceramics—I cannot remember the next part of its name. Somebody will tell me in a minute, but anyway, it is brilliant. It is basically the industry’s group, which gets together all the businesses involved in the ceramics industry and represents them extremely well. Its representatives have been to see me, and I am more than happy to see them on a regular basis.

Yesterday, by way of example, we had a conference in which we looked at what we are doing as a Government and how to improve, such as by achieving more compensation, perhaps, and by looking at how we get cheaper energy, because that is the real solution—ensuring that we have an abundance of cheap energy. However, it is also about ensuring that we do everything that we can to reduce the amount of energy that these industries use. The road map is basically a plan—it is a strategy—that looks at how we can reduce the burden of high energy prices through the reduction of usage and through better usage, and so on and so forth, for ceramics and others.

I attended that excellent event only for a short time, unfortunately, but that is the sort of work we are doing, because we certainly get that there is a problem, and I am absolutely determined to do all I can to be a champion for this excellent part of our manufacturing sector, to achieve a better deal and to ensure that we indeed achieve that level playing field. In that respect, I think the hon. Member for Stoke-on-Trent North and I absolutely agree, as I think the hon. Member for Makerfield (Yvonne Fovargue) does, that all this industry asks for is a level playing field—not subsidies or special treatment—and I agree with it.

Opposition Members and I are now going to have a falling out, because they make much of the market economy status and China. I do not intend to use a pun, but that is a complete and total red herring, because Russia has market economy status but it is not precluded from tariffs being imposed on it—and rightly so—by the European Union. Therefore, the idea that tariffs cannot be imposed on China if it were to receive MES is not true—it really is not the case.

**Angela Smith:** Surely the issue is that the tariffs will not be of a sufficiently high rate because of the market economy status that is enjoyed by those countries.

**Anna Soubry:** No, I do not know of any reason why not. Russia does not at all have a lower tariff because it has MES, so this is a red herring.

I think, however, that we can find some common ground on dumping. The critical point with dumping—there are many examples from the steel industry and two recent examples in ceramics, although when I say “recent”, I mean from the last five years or so—is getting the balance right. If the tariff is too high, it is not a question of the British Government being difficult; it is actually people in the industry who often do not support the tariffs being put on, and there will be other sectors of the British economy that are against tariffs—

**David Mowat:** Will the Minister give way?

**Anna Soubry:** I will in a moment—sorry, I am just on a bit of a roll and I want to make this point, because it is really important. What we do—certainly what I do—is look at each case on a case-by-case basis. For example, a particular type of steel was used by a particular part of our economy. The buyers—the users—of it said, “Please do not vote in favour of tariffs, because it will have a direct impact on British jobs”, so in that instance, we abstained. However, on two other issues of tariffs on steel, I did not hesitate to give the direction—telling the officials—to vote in favour of tariffs, but we look at it on an individual basis. I will quickly give way to my hon. Friend.

**David Mowat:** I am interested in the point about MES, because industry—whether it is aluminium, steel or ceramics—is telling us quite the opposite. I am interested to understand which of our sectors, in the Government’s view, benefit from giving China MES, because it is not these ones. Is industry really so wrong in what it is telling us, and BIS is right?

**Anna Soubry:** Let us get this point about market economy status absolutely clear. First, that will be decided by the European Union, and that will be with all the benefit of everybody being involved. When I went over to Brussels about two or three weeks ago, I was told that this is absolutely the hot topic for the EU. It looks as though—as we might imagine with the EU—there will be some sort of fudge or middle way, but it will be for the EU to decide and it will be the hot topic. My point, however, is that if China were to get market economy status, that does not preclude it from being subject to tariffs, because Russia has market economy status and it can have tariffs put on it. There is no debate about that: Russia can have tariffs put on it. I have had this argument with the steel industry, but that is a fact. Tariffs can be put on a country even if it has market economy status. Whether China should have market economy status and the arguments for and against whether it should are a different matter, but do not conflate tariffs and MES.

What time do I have to finish, Mr Hollobone?

**Mr Philip Hollobone (in the Chair):** I am going to be very generous to the Minister, because I feel that she has engaged the House and Members are intervening. My blind eye is turned towards the clock, so the Minister has a few more minutes left.

**Anna Soubry:** Right, so I am basically running out of time. That is very sweet of you, Mr Hollobone; I am very grateful.

**Paul Farrelly:** Will the Minister give way?

**Anna Soubry:** The hon. Gentleman will have to be quick, or I will be in trouble. Go on.

**Paul Farrelly:** May I briefly suggest—and thank you, Mr Hollobone—one more subject for the Minister’s road map? For many years, we have pursued the issue of mandatory origin marking, in part to combat counterfeiting from China, as well as on product safety grounds, but the Department has always resisted it, because it feels
that it is protectionist. Will the Minister look afresh at that and tell us, perhaps in writing, where this issue stands in the Department and, at the moment, in discussions in Brussels?

Anna Soubry: I was about to come on to that issue, so that is good timing. We did a study on mandatory country-of-origin marking, which was published on 2 March 2015. I have to tell the hon. Gentleman that the majority of companies that took part did not believe that compulsory origin marking would enhance product safety or tackle counterfeiting. However, I do not doubt that more work can be done, because there is marking that is misleading. There are all sorts of things that I will not go into now, Mr Hollobone, because that really would have me here all night, but I am not happy about the markings on lots of products that make out that they are British when actually they are largely made somewhere else. More work can be done on that, and I am very happy to do it.

We are looking at catapult status for the Materials Processing Institute. I am in all sorts of discussions with other hon. Members, notably from Redcar and the north-east, and that will continue. It is something that we are revisiting and looking at, and we will judge it on its merits.

Hon. Members asked about the European Union. It is undoubtedly the case that we are stronger, safer and considerably better off by remaining within the EU. We are making huge strides by ensuring that on dumping, for example, the EU is acting much more quickly and also reducing regulation, and ensuring that it, too, is getting the message on energy. I will finish on this very strong line, if I may. When I went over specifically for the energy intensive industries competitiveness meeting two or three weeks ago, the various sectors did not hold back in making it absolutely clear that we have to have sensible energy prices. We must not overly burden people with taxes. We must create a level—

Angela Smith: Will the Minister give way?

Anna Soubry: What do you think, Mr Hollobone? He says yes.

Angela Smith: Mr Hollobone is being very generous, and so is the Minister. On energy prices, I completely agree with her that we are better off in the EU and we need to keep working with the EU on those prices, but surely the unilateral imposition of the carbon floor price is doing as much damage as anything that the EU has introduced in terms of energy taxation, and surely the Minister ought to be lobbying the Exchequer to do something about that.

Anna Soubry: As you might imagine, Mr Hollobone, I do not just lobby the Exchequer. I also—and actually it is a genuine pleasure—work with my right hon. Friend the Secretary of State for Energy and Climate Change and other Government colleagues, because we absolutely get that there is a problem. As I keep saying and as is absolutely the case, all the industry asks for is a level playing field, and that is what I will seek to achieve, as their ministerial representative, to ensure that we do the right thing. On that hopefully more positive and happy note, thank you for your generosity, Mr Hollobone, and if I have not answered all hon. Members’ questions, I will write to them.

5.52 pm

Tristram Hunt: This has been an excellent debate. I thank my hon. Friends the Members for Stoke-on-Trent North, for Newcastle-under-Lyme and for Penistone and Stocksbridge (Angela Smith), all the Front Benchers and the hon. Members for Stafford and for St Austell and Newquay (Steve Double).

I thank the Minister for her summing-up. She should be in no doubt that we will return time and again, with the British Ceramic Confederation, to energy pricing. As she says, we want a level playing field and we want effective compensation for these highly energy-intensive sectors, particularly the heavy clay producers. The Minister would also do well, when she talks to her colleagues in the Department of Energy and Climate Change, to think about gas storage. We face a great deal of tightness on gas usage; we are very vulnerable in terms of gas storage capacity in the UK. That is a real worry for energy intensive sectors.

I hope that the Minister will continue to support the tariffs on dumping for the ceramics sector. Yes, she should always listen to the CBI and the British Retail Consortium, but if we want to keep our manufacturing industry going, we should also listen to its voices, because these are good, well paid, long-term jobs that have a trickle-down in terms of the broader ecology of the British economy and need support.

I urge the Minister to stay on top of the country-of-origin issue, which is very important for the ceramics sector. Locally, we certainly make our displeasure known when businesses are making a product abroad, decorating it in north Staffordshire and suggesting that it was made in England. It has to be fired properly in England. I also hope that we will have a good result on the materials Catapult centre.

I thank the Minister for listening. Clearly, the major issue to come out of this is the great 12th century/16th century debate on the precise level of ceramic production in north Staffordshire. Of course, though, on the Isle of Thanet, ceramics dating back 2,000 years have been found, so we might be blown out of the water in north Staffordshire by Medway.

Question put and agreed to.

Resolved.

That this House has considered Government support for the ceramics industry.

5.55 pm

Sitting adjourned.
Westminster Hall

Wednesday 9 March 2016

[Mr David Nuttall in the Chair]

BT Service Standards

9.30 am

Caroline Nokes (Romsey and Southampton North) (Con): I beg to move,

That this House has considered BT service standards.

It is, as ever, a pleasure to serve under your chairmanship, Mr Nuttall, and I express my gratitude to Mr Speaker for having granted this debate. I am conscious that there are many colleagues here today and presumably, because of their attendance, they have experienced similar problems to those that I have in my constituency. Those issues centre on BT’s inability to deliver its service obligations to its customers—our constituents. I reassure hon. Members that I intend to be generous with my time and in taking interventions, because I know that this subject fills many of our postbags. Lucky constituents have the ability to send us emails, although some of my constituents in Romsey and Southampton North have resorted to quill pen and ink, such is their frustration with their poor service.

I make it clear from the outset that this is not about broadband, although I will mention it, and I am sure that will give colleagues an opportunity to vent. Instead, I plan to focus on the myriad problems my constituents have faced over the course of the last 12 months and, in some cases, BT’s inability even to seek to rectify faults. Its contractors have repeated errors that have caused mayhem in some villages in my constituency.

Julian Knight (Solihull) (Con): I congratulate my hon. Friend on securing this important debate. I was prompted to rise when she mentioned the limits of the service, in terms of faults not being rectified. In my constituency, a 99-year-old lady’s phone line was down, but BT refused to send an engineer. Thankfully, my office forced it to send one in. After the work was done, she is making a very good point, but in my constituency I had a case that was not about the system that was in being repaired, but about no system being put in at all. For six months, residents in a new housing development had no telephone and, to cap it all, they also had no mobile signal, so they were effectively cut off. Until I got involved, absolutely nothing happened.

Anne Marie Morris (Newton Abbot) (Con): I congratulate my hon. Friend on securing the debate. She is making a very good point, but in my constituency I had a case that was not about the system that was in being repaired, but about no system being put in at all. For six months, residents in a new housing development had no telephone and, to cap it all, they also had no mobile signal, so they were effectively cut off. Until I got involved, absolutely nothing happened.

Caroline Nokes: My hon. Friend is absolutely right to point that out. Like me, she represents an area with enormous rural parts where the mobile signal is often patchy, shall we say, at best. It is absolutely true that in cities it can perhaps be less serious if there is no working telephone connection, because mobile coverage is better—not perfect, but better—but in villages there is often no mobile signal at all. I am sure that we all share the frustration that our constituents do not get the satisfaction that they are looking for from BT until they turn to us.

As I was saying, I welcome the intent expressed by Ofcom, but I ask the Minister to ensure that it is delivered promptly and with absolute rigour, and that Ofcom publicises widely the manner in which customers might communicate with it about faults, the length of time that it takes for repairs to be done and, importantly, transparency of information.

It would not be a debate in Westminster Hall if I did not have a quick trip around the geography of my constituency and the myriad faults and problems that have occurred.

Mike Kane (Wythenshawe and Sale East) (Lab): I congratulate the hon. Lady on securing the debate. Does she agree that the trouble is that in 2015 BT reached all its targets as prescribed by Ofcom? Is there perhaps something wrong with the targets prescribed by Ofcom and not just with BT?

Caroline Nokes: The hon. Gentleman’s point is very important, and actually we want the targets to be much higher. We live in a world where consumer demands are getting greater by the day. We expect incredibly high levels of customer service, and companies such as BT should be able to respond to that and have stretch targets to make sure that they are delivering the sort of communication services that we can reasonably expect in the 21st century.

Jack Lopresti (Filton and Bradley Stoke) (Con): I congratulate my hon. Friend on securing this very important debate. This is not just about targets, but about attitude and the way that people are dealt with. A constituent of mine paid a deposit for a phone line but the line never arrived, and she was sent several bills. In the end, BT refused to respond to any complaint from her and called in debt collectors. It was sorted out only when I intervened. This is a shocking state of affairs, as I am sure my hon. Friend would agree.
I turn first to the village of Sherfield English, which is a settlement of about 400 houses, in a linear development, where there has been very little house building over the past 10 years. However, with the increase in people working from home, or perhaps running small businesses, which we would all seek to encourage, there has been growth in the demand for telephone lines. It appears that BT has struggled to keep up with that demand, but rather than telling potential customers that they cannot have a new line and acting transparently, it has accepted the orders. There have then been repeated incidents of contractors working on behalf of BT simply extracting an existing line’s connection to the cabinet and putting in a new one in its place.

I refer in particular to my constituent, Mr Ian Forfar, to whom that has happened four times. I assume that his connection must be at the top of a row of connections within the cabinet. He is now on first-name terms with many members of staff at BT and is in the habit of stopping at the local cabinet when passing if he sees someone working on it, just to check that his line is not about to be disconnected again. Mr Forfar is an extremely articulate, determined man—a man who is not to be messed with. He has provided me with a very clear timeline of all the events that have impacted on his telephone service over the last year or so. Each time he has gone home and found his line dead, it has been because a third-party contractor has taken out his connection in order to provide a new line for a new customer. Mr Forfar was promised a full investigation last year of what was going wrong in Sherfield English, but then the regional manager went on holiday and Mr Forfar heard no more. It comes to something when, earlier this year, Mr Forfar’s line went dead for a fifth time, and he was celebrating because it had been caused by a branch that had fallen across the line.

Lack of capacity seems to be a real problem, and it is not just limited to the rural parts of my constituency. Cabinet No. 7 in Bassett, which is right on the edge of Southampton, has suffered from a lack of availability of new lines, as well as many other faults. Again, one of my constituents—this time a local councillor, Alison Finlay—has provided a very detailed timeline of events, which dates back as far as 2011. In common with the constituents in the middle of Romsey, the cabinet seems to provide a variable service, especially when the weather is not good. I do not know why rain should be such a problem, but as Councillor Finlay puts it:

“I mentioned that care would need to be taken when dealing with Cabinet 7 as my constituents experienced variable levels of telephony...from it, especially during winter months.”

As we heard earlier, many elderly residents are dependent on the telephone line being in good working order for their personal safety alarms. Without a connection, if they push the button on their alarm in the case of a fall or other incident, help might not be just minutes away; in the worst cases, as my hon. Friend the Member for Solihull (Julian Knight) said, it could be many hours or even days away. None of us wants that for our more elderly residents. Independence and the ability to stay in their own home is wonderful and technology today can provide great peace of mind for elderly people and their relatives, but that is dependent on having the network to back up the technology.

Cabinet 7 in Bassett was long scheduled for an upgrade. Indeed, in 2011 Councillor Finlay first flagged up the problems, and the fact that care would be needed with any changes and that they would have to be done with extreme caution because they were known to be very delicate. In December 2015, the cabinet was finally upgraded, after many delays and false deadlines. Sadly, that is not the end of the story because, in January about 30 households were cut off for four weeks, lines were crossed and, according to Councillor Finlay, only a semblance of service was restored.

That is similar to the almost entertaining, interesting experience of the residents of Up Somborne. A few weeks ago, most of the village’s lines were crossed and neighbouring households were providing a message service to one another as lines were swapped and numbers were redistributed, apparently randomly. The spectacle of neighbours running up and down the road passing messages to one another may sound amusing, but in the 21st century it is not acceptable.

BT’s obligations are very clear. For telephony, it has a universal service obligation, meaning that basic telephone services should be available on request for a reasonable fee. For broadband, a universal service obligation is not yet in place but is on its way for 2020, and I warmly welcome that. However, I question how well BT is meeting its obligation to provide a basic telephony service when residents are cut off for four weeks, poor Mr Forfar is a repeat victim of being cut off and residents of Up Somborne are running round the village passing notes to one another.

I am sure that every hon. Member present this morning is here because they have experienced exactly the same sort of problem and their constituents have turned to them because they cannot get satisfaction on their own. That is why the Ofcom review, published two weeks ago, is so important. Ofcom intends to introduce tougher rules on faults, repairs and installations, and I welcome that, but an intention is all very well. I urge the Minister to ensure that there is a stringent timescale for when that will be achieved.

Customers—constituents—want and deserve transparency. They want to know when they can expect a repair to be effected. They also want an automatic right to compensation at a level that is published, clear and available for anyone to check. I am always at pains to point out to constituents that, when service has been interrupted or orders placed and not fulfilled, they are entitled to compensation, but people have to know that to ask for it. How much better an automatic refund will be.

It is interesting to note from Ofcom’s “Strategic Review of Digital Communications” that dissatisfaction with BT is at its highest in rural areas and that slow repairs and installations were the single biggest issue that consumers raised in the review. We all know about the automatic right to compensation for other services, such as electricity, gas and water. Customers left without a phone line often
describe it as being akin to a power cut, so reliant are we now on telephone services. So it is good news that Ofcom “intend to introduce automatic compensation”, but my question to the Minister is: when?

The review rightly comments that the landscape of digital communications has changed beyond recognition in the 10 years since the last comprehensive review, and I suggest that the gap between large-scale reviews is too long. Perhaps the Minister will urge Ofcom to carry out such reviews more regularly. Given that the new universal service obligation for broadband was announced last November for implementation by 2020, five years would seem to be a reasonable interval. Technology, price and availability change so fast that a decade can seem a lifetime.

Expectations of quality and customer service are rising exponentially and rightly so. We have a technologically literate and demanding customer base whose requirements grow every time a new platform is released. I welcome the news that BT is seeking to bring the vast majority of call centres back to the UK by the end of the year and I congratulate it on that effort to address some customers’ genuine complaints in that respect.

Inevitably—this will not surprise the Minister—I cannot resist making a small reference to broadband because it would be remiss of me not to. There have been many debates in this place and in the House on broadband, its roll-out in rural areas and the great digital divide between the haves and the have-nots: those who are on more than 2 megabits and those who do not receive even that.

The week before last, I received a set of statistics that seemed to suggest that only 1.8% of households in my constituency were receiving less than 2 megabits and I worked that out to be in the region of 700 households. Given the number of complaints I have received, I think I must have been in correspondence with every last one of them. In fact, BT’s own figures show that the number is many times that. Around 20% of my constituents do not receive 2 megabits, and this is in Hampshire, not the Outer Hebrides—[Laughter.] I suspect we are about to hear from the Outer Hebrides. Barton Stacey in my constituency is less than 70 miles from Westminster, but my constituent, Mr De Cani, has been told that he can no longer expect to receive broadband at all. That is despite BT’s accepting his order, delivering a painfully slow and intermittent speed for a while, and now throwing in the towel and saying he is just too far from the cabinet on the other side of the road. They desperately want to be connected, but for business customers the regime is wholly different. I have specifically restricted my comments to residential customers, but my hon. Friend makes a valid point. A number of people running very small micro-businesses from home are hugely affected.

There are too many people like Mr De Cani, there are too many properties without access to the services we take for granted, and there are too few solutions coming forward. Mr Blake of East Wellow makes one plea to BT and it is a good one: the technology exists. He works for IBM and went on a tour of a BT facility in Ipswich where he saw the G.fast mini cabinet, which can be placed on a telegraph pole and has the potential dramatically to increase speeds.

Another constituent was here yesterday as part of the SET for BRITAIN student competition and was showcasing her work, which puts amplifiers on fibre optics to increase capacity dramatically. These changes are all coming but we need to make sure they can be trialled. Mr Blake would like to put in a plea to BT today for a G.fast cabinet in Gardeners Lane, East Wellow. It is a fantastic idea and he is very happy to be part of any trial. In places like West Tytherley, communities are coming together and seriously looking at how to arrange wayleaves, dig ditches, lay cable and bypass BT altogether. When that happens, we know that things have got pretty desperate.

My final comments relate to the Hampshire and Isle of Wight air ambulance service, which operates from Thruxton, just north of my constituency, and RAF Benson, but provides services across the whole county of Hampshire and the Isle of Wight. To put in place the required high speed broadband and the necessary telephony at its new, upgraded base at Thruxton, the air ambulance service must liaise with BT to get Openreach to do the installation. No direct contact with Openreach is possible and the air ambulance service tells me that its attempts to make sure South Central ambulance service, the Hampshire and Isle of Wight air ambulance service and the operators, Bond Air Services, all have their connection done at the same time to minimise costs have so far been fruitless. It just requires a bit of joined-up thinking and co-ordination to make sure that the trench digging and installation are all done together. I am sure BT will be listening today and will ensure that it happens. When considering the essential and life-saving services provided by the air ambulance service and the lack of coverage by mobile phones in that sort of rural area, a BT solution needs to be provided.

I want to ask the Minister three specific questions. We all welcome the Ofcom review into digital communications, but some timescales should be set for the introduction of automatic compensation for our constituents. I would like consideration to be given to more frequent reviews. As I said, the last Ofcom review was 10 years ago. The landscape changes so fast that every 10 years is not often enough. And I ask that BT be encouraged to continue making the changes that customers want. As I mentioned, 80% of its call centre handling is now on telephone services. So it is good news that Ofcom “intend to introduce automatic compensation”, but my question to the Minister is: when?

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small towns, the biggest of which is Ayr, where my constituency office is located. Ayr is home to some 47,000 people—the eighth highest population of any town in Scotland—and is less than 40 miles from Scotland’s largest city, Glasgow. We have a lot to offer visitors and businesses alike, but Unfortunately an adequate phone and broadband service is not one of them.

It is astonishing that a town such as Ayr should be unable to provide small businesses and households with a reliable telephone and internet service, but that is the case, and Ayr is not alone in this in my constituency. I receive many complaints from residents and businesses, from places ranging from Barr to Ballantrae, Croyton to New Cumnock and Dalrymple to Dalless. There are villages in my constituency without mobile phone signal from any provider and no broadband capacity, either. Ofcom states that more than eight in 10 UK premises can now receive superfast broadband. That may be true in the rest of the UK, but it is certainly not the case in Ayr, Carrick and Cumnock.

My constituency office, for example, has not had a reliable working telephone line or a reliable internet connection for the past seven months. After working out of temporary premises since May, I wanted to retain the phone number and set up internet access—a simple request, one would think, but apparently not. I was advised by BT that the number would be transferred over without any disruption to the service. That smooth transfer did not happen. Both offices, old and new, were without a phone line and internet connection for well over a week. It turned out that there was no live line into the building, and thus there was a further delay while one was installed. During that entire period, almost every phone call to BT resulted in a new account being set up and a new hub being posted out. The number of accounts has reached double figures, and I am not sure what I am expected to do with the mountain of hubs in the office.

Next, the parliamentary IT team came in to set up the computers—and on that day, BT chose to disconnect me again. It seems that in an attempt to rectify the growing number of accounts, it tried shuttering some down and left my team uncontactable for another few days.

All the while, I was receiving bills, both paper and online. Some days I would receive three or four bills, for different accounts and different amounts. It seemed that the bills were multiplying faster than the accounts being opened. Although helpful and polite, the customer service staff were at a loss as to which bills were valid, which accounts were active and which hubs should be connected. Customer service even called us on a number that it claimed did not exist. We had the irony of BT leaving cloud voice messages, which I received via email, stating its frustration that it could not get through to my office.

We took BT at its word and bought into a package. The cloud phones are now plugged in—although not actually connected—to a further new line that BT had to install. All our IT equipment regularly drops out of service. In some cases, staff have even had to use their own broadband connections at home. Just yesterday, staff yet again arrived at work to find the whole system down and BT support again at a loss to explain what had gone wrong and how to fix it. This morning I have staff connected to two different hubs to access the internet. One of them is not even plugged into anything, so I do not know how that works. I have no idea how many accounts I currently have with BT, and neither does BT. Although customer service staff continue to be helpful, no one seems able to see the big picture, and we get moved from the broadband department to the cloud department to the telephone department to the maintenance department—and then we start all over again. My staff have wasted hundreds of man-hours on this issue, and that is not to mention the number of dissatisfied constituents who are unable to get through to my office for help.

If that is the level of service received by the MP for the area, it is little wonder that my constituents are at the end of their tether, too. My case load continues to grow with similar problems, and we have no sight of resolutions. As an MP, I have a job to do, but my ability to do it well is being hampered by BT’s inability to solve these issues. I feel powerless to help constituents with their BT issues when I cannot even resolve my own. It seems to me that BT has a long way to go to reach an acceptable level of service for the people and businesses in my constituency and, as this debate demonstrates, I am clearly not alone in that belief.

Mr David Nuttall (in the Chair): I intend to start calling the Front Benchers to sum up the debate at about 10.30 am. I do not want to impose a time limit, but I will have to if hon. Members speak at great length. If contributions are about five minutes long, we should be able to fit everyone in.

Huw Merriman (Bexhill and Battle) (Con): It is a pleasure to speak under your chairmanship, Mr Nuttall. I congratulate my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes) on initiating this important debate on BT service standards.

I represent the rural constituency of Bexhill and Battle, which is 200 square miles of east Sussex. We badly need more business in order to get the business rates that will ultimately be required for the constituency to stand on its own two feet. Unlike parts of Kent and parts of west Sussex that neighbour us, we do not have large towns that boost our constituency with business rates, so we badly need to attract more business to the constituency, but not just because we have to stand on our own two feet. As 28% of the population of the constituency is over the age of 65—the national average is 17%—we also need more business rates to fund our ageing population, who are vulnerable and rightly need more care and more resources. As well as needing a dualled A21 and high-speed rail, we need to ensure that our phones, our internet and, indeed, all our infrastructure, for both home and business, are properly funded and properly working in order to attract business into the area.

In the constituency, we also do our best to attract key workers, and those with money to spend, through the work-from-home concept. The commute is long, as I know on a daily basis, but we can attract people on the basis that members of our community can work from home. However, for them to come down to the area and build up their business, it is essential to have these basic provisions in place.
I welcome the moves that East Sussex County Council has made with its eSussex programme, through which it provides funding for the harder to reach parts of my constituency. Its aim is to deliver 660 square miles of broadband provision for 66,500 premises. I also welcome the Broadband Delivery UK programme that the Government have rolled out. Ultimately, however, we need BT to perform, and to perform better.

I shall give a few examples of where things have failed for us and how that will have an impact on our business infrastructure. I was contacted yesterday by NFF, a fencing company on the border of my constituency that is doing incredibly well and is looking to expand into my constituency. It takes on apprentices through an apprenticeships programme and helps to support those who are just leaving school. However, it cannot expand if it does not have the ability to connect its sales hub to the main hub in the constituency, and as a result it is stymied in making progress. It was told two years ago that it would be connected, but still nothing has happened, and—this is also difficult when businesses are trying to plan—it does not have a timeline for when something will happen. I want BT to do something for such businesses. Surely BT should work on the basis of prioritising the businesses that are boosting our local economy, rather than just missing them out. There should be a way of prioritising those companies.

Difficulties are also experienced by constituents who are not using BT, but are using companies that use BT’s infrastructure. They are moved from pillar to post on whether the issue is the fault of BT or the service provider. Again, my constituents are experiencing a lack of clear communication that is driving them to despair.

There are rural areas within my big rural patch, Brightling, Dallington and Mountfield, which have little coverage. I met with my parish councillors to work out how we can do better, and they have some fantastic ideas of where innovation could deliver to the parts that BT cannot reach. To that extent, I note that many contracts are being supplied purely to BT, rather than to some of the more innovative solution providers. I would welcome the Government looking into how more competition could be created in the sector so that BT does not end up with every single rural fill-in contract.

My constituency includes the Rother levels, where the problem is not only broadband. Constituents have huge difficulties using any phone. As my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes) clearly set the scene in her opening speech, it is a real problem. No one can deal with BT’s service team, which is quite a challenge. When it comes to faults and repairs, we phone them and then we phone again. They tell us that they have been out so we phone the constituent, and he tells us, “No, they haven’t been out.” Then we have to phone BT again to ask, “When were they out and what did they do?” That goes on ad infinitum. It is a real problem.

BT is one of the nation’s most popular service providers. It has a competitive advantage as it was born out of the longest established communications provider in the country, yet in many ways it is just as bad as the rest of the pack when it comes to service standards.

Mr Gregory Campbell (East Londonderry) (DUP): BT uses its competitive edge to try to take Sky’s customers, particularly regarding televised football. Does my hon. Friend agree it would be better if instead of—or maybe as well as—doing that, some of those millions of pounds of expenditure were diverted into improving the infrastructure, about which we have heard so many complaints this morning?

Jim Shannon: As always, my hon. Friend’s pertinent point gets straight to the kernel of the issue. I agree with him wholeheartedly.

In the free market of communications, of course, consumers can vote with their feet, but that is not to say the Government have no role in ensuring proper service standards that customers of any business would expect. I always try to mention statistics because they reinforce the issues that I want to underline. Statistics published on 15 December 2015 show that in the third quarter of the year Ofcom received 22 complaints about BT per 100,000 customers for landline telephone services, compared with an average for 17 per 100,000 across all other operators. It also received 35 complaints about BT broadband services per 100,000 customers, compared with an average of 22 per 100,000 customers across all operators. As the hon. Member for Romsey and Southampton North said, that clearly indicates the level of complaints and the discredit to BT.

Clearly BT is not up to standard on its service standards and Ofcom, as the regulator, has to do something about that, as I will mention later. To help bring about the change that is needed and deliver real competition, BT Openreach will be required to open up telegraph poles and ducts that it uses for its fibre and telecom lines. Rival providers will now be able to use the ducts and poles for their own fibre networks to connect them to homes and offices. If and when that is in place, it will be positive and will be great for competition—and it might finally push BT to get its act together. The figures on BT’s poor customer service show that it has abused its dominance for too long and, despite being aware of its poor service, it has not done enough. Indeed, many of us would say that it has done almost nothing.
The hon. Member for Romney and Southampton North referred to the call centres. I get many complaints about call centres—about their distance, communication and the time that people spend on the phone. The hon. Lady said that she spoke to three people and then went back around again. That is so often the case, and it is so frustrating.

In reply to a supplementary question on superfast broadband last Thursday, the Minister mentioned that my constituency has an 85% connection to superfast broadband. Many of the employees of small and medium-sized businesses in my constituency who work from home would like better than that, and I would like the Minister to respond to that.

Openreach is part of BT Group, but it has obligations to treat all its customers equally. Ofcom introduced that structure in 2005, and it has delivered benefits such as stronger competition. However, the evidence from Ofcom’s review shows that Openreach still has an incentive to make decisions in the interests of BT, rather than BT’s competitors, which can lead to competition problems.

Perhaps the Minister could respond to that point because it is important. Ofcom’s duty is to look after the customer, but we are not sure whether Openreach is doing that in a very balanced way.

To achieve better customer service, Ofcom has outlined the ways in which it will regulate Openreach and BT to ensure better service standards. It says:

“First, Openreach will be subject to tougher, minimum requirements to repair faults and install new lines more quickly.”

Well, we need that today; if Openreach did nothing else but that, it would be a step forward. Ofcom continues:

“These will build on measures introduced by Ofcom in 2014, but will set...minimum standards and extend to other aspects of performance, such as how often faults occur. Second, Ofcom will introduce performance tables on quality of service, identifying the best and worst operators on a range of performance measures so that customers can shop around with confidence.”

In the background information we received, Ofcom said that it wants customers to be automatically compensated for service failures, that it is setting tough minimum standards for network performance, and that it will report on which are the best and worse phone and internet providers. It is good to do all those things, but I would like a response to all those points.

Ofcom intends to introduce “automatic compensation” when things go wrong. It says:

“Broadband, landline and mobile customers will no longer have to seek redress themselves, but will instead receive refunds automatically for any loss or reduction of service.”

That is good news.

Ofcom is to come back later this year with the finalised plans of how to implement the proposals and, although it is long overdue, constituents across the whole of Strangford, the whole of Northern Ireland, the whole United Kingdom of Great Britain and Northern Ireland and, indeed, my own office—we regularly phone BT about problems—will take comfort in this after having issues with BT for some years now.

I await this issue coming back before us with Ofcom’s proposals on how to implement its recommendations. It is good to have such recommendations but we need an implementation procedure. I remain encouraged to see greater consideration given to the largest communications provider in the country, and I look forward to building on today’s positives.

10.7 am

Kelly Tolhurst (Rochester and Strood) (Con): It is a pleasure to serve under your chairmanship, Mr Nuttall. I thank my hon. Friend the Member for Romney and Southampton North (Caroline Nokes) for securing the debate. My constituents will be extremely interested to hear about some of the challenges that she faces in her constituency, which she summarised well.

Rochester and Strood is very close to London—only 26 miles away. My constituency has very highly urbanised areas and quite a lot of rural areas. In some parts, such as Allhallows, it is very touch and go as to whether people can get any kind of mobile signal so, although the area is geographically quite close to urban areas, it is remote within my constituency.

I am pleased to hear that I am not the only MP struggling with the live issue of getting telephone communications sorted in their constituency office. I am expecting—hopefully tomorrow—to have a telephone line installed in my constituency office. However, on previous visits the engineers have been unable to find the connection in the building, which apparently had a line connected previously. I very much hope that tomorrow I will be up and live with a telephone line in my constituency office. At the moment I have a number but not the mechanics.

Not so long ago, just prior to becoming an MP, my business was planning to move offices within the same site—perhaps only a couple hundred metres—in my constituency. We thought, “Well, we won’t do it ourselves. We’ll get BT in to do the move for us.” We thought that would be quite easy and that BT would just move the line from one building to another a few hundred metres away. Sadly, BT decided to cut off the existing line, resulting in our having a very poor service and no internet connection for up to six weeks, which was a difficult situation to resolve. So I have experienced some challenges in the delivery of telephone services.

Broadband has become a significant issue in my constituency. Some 74% of businesses in my constituency employ fewer than four people, so we are very much a small business economy. Like my hon. Friend the Member for Bexhill and Battle (Huw Merriman), we have to consider how our businesses are growing in the services that are provided. We are told that we are getting high speeds, but in reality, when I talk to businesses and residents, I find that at some of those properties we are not getting the speeds that BT says we should be getting.

A bigger issue is that large swathes of my town centres cannot get access to fibre broadband because BT tells us that it is commercially unviable to upgrade the cabinets. My constituents and I cannot understand why we can be in places such as Rochester town centre or the historical dockyard, where we have had new development—we have many microbusinesses and other growing businesses—and struggle to access the cabinets. I could understand the situation more if the rural parts of my constituency were struggling, because we all appreciate that such areas can have problems, but I would like to understand why some of the cabinets are not being upgraded and why BT has a clear view that the cabinets are commercially unviable. I would appreciate more information on that.
Medway City industrial estate employs more than 6,000 people and makes a real economic contribution to my constituency. The industrial estate is growing and successful, but I am getting complaints from businesses about the large fees required to get any kind of connection at Medway City. We have a growing proportion of digital economy businesses in my constituency, and such businesses need good service and good access. I want to keep those businesses, because I want to grow such commerce in my constituency. Bearing in mind that we are 26 miles from London and that we are an urbanised area—we are not a rural constituency—we should be getting a better deal from BT.

My office has taken on some issues for my residents and businesses over the past 10 months, and my phone calls have always been answered by courteous and pleasant members of BT staff. They always seem to try their absolute best to resolve the issues that we have raised but, obviously, someone nice on the end of the phone does not always satisfy a constituent or business with an issue. How does the Minister intend to hold BT further to account on some of the questions raised today? I welcome this opportunity to touch on a few things that have happened in my constituency in recent months.

10.14 am

Martyn Day (Linlithgow and East Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mr Nuttall. I thank the hon. Member for Romsey and Southampton North (Caroline Nokes) for securing this timely debate. The issue of BT service standards is wide-ranging, but my interest is specific to one local area in my constituency, namely the village of Westfield in west Lothian.

The village is at the centre of the constituency and lies almost midway between Edinburgh and Glasgow in Scotland’s central belt, yet electronically it is almost cut off from society. There is huge investment in the roll-out of superfast broadband throughout Scotland, and through work with BT, Scotland is well on the way to becoming a world-class digital nation by 2020. Despite that ambitious programme, however, there remain a number of communities that the digital revolution is passing by. That was an issue some 16 years ago, when I first represented the village as a local councillor. Sadly, it is still an issue today, despite the efforts of local councillors, parliamentarians and the local community.

The heart of the problem appears to be the distance from the exchange and the supporting BT cabinet equipment. Cabinet 31, relatively nearby, will be upgraded to fibre within the next six weeks. Welcome though that is, its distance from the village, being more than 1 km away, is expected to negate any benefit for most residents. For that village in the heart of Scotland, the issue is one of access to basic broadband, never mind superfast broadband.

I note with interest one of the conclusions in Ofcom’s recent strategic review of digital communications, published last month:

“Better broadband and mobile coverage. Ofcom will work with the Government to deliver a new universal right to fast, affordable broadband for every household and business in the UK.”

I welcome that recommendation, as will my constituents. However, the question remains, when will it become a reality for residents in villages such as Westfield? Ofcom has basically said that communications must work in the interests of UK citizens. As the regulatory powers to address market failure are reserved to Westminster, the UK Government need to do more to ensure that Scotland’s rural communities are not left behind.

Last month, the report of the Select Committee on Environment, Food and Rural Affairs on rural broadband urged the Government to set clear target dates for when the last 5% of properties will obtain access to superfast broadband. That is a sensible recommendation, and I urge the Government to take it on board. The experience in my constituency is a mixed bag. On the one hand we are in the top 20 constituencies for the highest fixed broadband speeds, but we are also in the bottom 20% of constituencies for access to superfast broadband. As I have said, some communities do not even get basic broadband. More must be done to ensure good basic services for all households in relation to broadband and phone coverage.

10.17 am

Brendan O’Hara (Argyll and Bute) (SNP): I congratulate the hon. Member for Romsey and Southampton North (Caroline Nokes) on securing this important debate. As the Member of Parliament for Argyll and Bute, an area covering 7,000 sq km of west Scotland, including 26 islands, I know only too well how much rural Scotland depends on BT for both landline infrastructure and the delivery and roll-out of broadband. Sadly—indeed, it is a sad thing to report—BT is all too often letting down its customers in my constituency.

We all have horror stories of constituents who have been promised everything but received very little or nothing. On the wild west coast of Scotland, where storms are commonplace and power shortages are a regular occurrence, other utilities act as an emergency service, but BT all too often acts as it always does: rather slowly and too inefficiently. Sometimes it takes weeks, or even months, to get a landline reconnected in my constituency—in an area where connectivity ranges between patchy and non-existent—leaving people entirely cut off. I know I am not alone in saying that my inbox is bulging with complaints from constituents about BT. My fear is that, particularly among the elderly, once my constituents do not have a landline, they cannot get to me quickly enough to seek my help. What is happening elsewhere in the United Kingdom is magnified many times over in rural Scotland, particularly in Argyll and Bute. My biggest concern is on the roll-out of broadband. Although I fully support the fantastic Scottish Government initiative to roll out broadband across rural Scotland, BT is all too often a stumbling block to that progress.

As the Member for Argyll and Bute, people would expect me to talk up my constituency, but anyone who has ever visited Argyll and Bute will know that that is a very easy thing to do. The scenery is stunning; we have wild open spaces, there are the lochs and the islands, and our locally produced food and whisky are the envy of the world. However, the reality is that we face a crisis in Argyll and Bute, and it is a crisis of depopulation. Our population is ageing and in decline, and we have to do something before it is too late. I am firmly of the opinion that the lack of connectivity is the single biggest barrier to our reversing that decline and beginning a recovery. At the moment, we cannot keep our young people and we cannot attract other people to move from other parts of these islands to Argyll and Bute.
Carol Monaghan (Glasgow North West) (SNP): My hon. Friend will know, of course, that more and more of the school curriculum depends on reliable internet access. People do not even need broadband for that, but need at least slow speeds. Does he agree that without a reliable connection, schoolchildren across rural areas in Scotland could be put at an educational disadvantage?

Brendan O’Hara: I absolutely agree, and I will come on to that in a moment. My hon. Friend is absolutely correct, and my postbag is full of letters from parents of school pupils who are deeply concerned that their children cannot access the internet in the way that 90% of the country’s children can. I also constantly receive letters from businesspeople saying, “We were promised the roll-out would be here six or eight months ago, and it’s still not here. It is continually being put back.”

Jim Shannon: If broadband were rolled out in our constituencies in the way that we would like to see it, we would soon see small businesses that operate from people’s homes creating more jobs. Back in my constituency, people tell me, “We could get more jobs if we had superfast broadband across 100% of the area.” Does the hon. Gentleman have the same concern about his area?

Brendan O’Hara: The hon. Gentleman is absolutely correct, and we share many of the same problems and frustrations in attracting businesses to our communities. There are people who want to come and live and work in our constituencies but simply cannot, because we do not have the connectivity and the infrastructure to allow them to do it.

I do not want to appear melodramatic, but there is a crisis looming in Argyll and Bute, and we have to act now to avert it. All too often, when our young people leave for college or university—be it in Glasgow, Edinburgh or London—we simply cannot attract them back. Once they leave and go to an area where broadband and mobile connectivity are quite rightly treated as a utility, asking them to come home is like asking them to return to a place without running water or electricity. We would not ask someone to return to a place without running water or electricity, so why should we ask them to return to a place without basic levels of connectivity?

Similarly to the situation that the hon. Member for Glasgow North West (Carol Monaghan) pointed out, parents who want the very best education for their children know that whereas 90% or 95% of children in the UK can access the internet freely through their smartphones, children in my constituency are once again disadvantaged because of the lack of connectivity.

Last month, the Argyll and Bute economic forum, chaired by Nicholas Ferguson, who is the chairman of BskyB, produced an excellent, detailed and wide-ranging report. It concluded that the single biggest barrier to the development of Argyll and Bute is connectivity and pointed out that Argyll and Bute does not even have 4G coverage at a time that the Government are discussing how to roll out 5G. That emphasises how deprived we are.

My postbag is bulging with complaints about BT, and I am sure the same is true for many other hon. Members. This issue is far more than inconvenient for my constituents; I believe that it is a matter of our survival. BT has a responsibility to my constituents and to people in other rural constituencies to make sure it gets this right. This is a once-in-a-lifetime opportunity, and it cannot be allowed to pass. As I say, our survival depends on it.

Thank you, Mr Nuttall, for calling me to speak, and I once again congratulate the hon. Member for Romsey and Southampton North on securing this very important debate.

10.25 am

Alex Chalk (Cheltenham) (Con): It is a pleasure to serve under your chairmanship, Mr Nuttall.

The importance of the internet is hard to overstate. Its availability has an impact on small businesses, children who want to do their homework and people who want to engage in social media. If someone does not have superfast broadband, they do not just feel disconnected; it is almost as if they feel disfranchised.

The position in Cheltenham, which of course is not a rural constituency—it is the home of GCHQ, for goodness’ sake—is that in this day and age we still have pockets of real broadband blight. In Old Bath Road, Grace Gardens, Tommy Taylors Lane, Tivoli and Pittville, people are living in what I have described as e-poverty.

I am the first to accept that BT has connected up a huge number of people, but the real concern is that the e-rich are getting richer but the e-poor are being left behind. There are people on 24 megabits per second, for example, who are now being offered ultra-fast broadband. They have extraordinarily good internet connectivity, but there are significant pockets of people who are being left without any decent broadband at all. That, fundamentally, is the problem.

When we liaise with BT about the issue, it effectively says, “Well, look, it’s very difficult for us to go and deal with these ‘not spots’.” However, through Broadband Delivery UK and our local equivalent in Cheltenham, which is Fastershire, taxpayers have the money to step in and say to BT, “Right, go and fill in these ‘not spots’”, but that is not taking place. So this is not an issue of funding—the money is there, as is the will and the political backing—yet the logjam is not being broken. Consequently, we have this strange stand-off, with politicians saying to BT, “Look, there’s the public funding, these are the areas; we can explain to you which parts have not been connected, so please go ahead and do it”, yet it simply does not happen.

Meanwhile, MPs who have bulging postbags on the issue are given mixed messages. I was told in an email from BT this morning. “Don’t you worry. There are zero areas in Cheltenham that have less than 2 megabits per second.” That is simply not correct. I recognise that
a huge amount of work has been done, but that kind of messaging from BT causes a great deal of irritation. As I have said, this is not simply about people being inconvenienced. It is about people in my constituency saying that they will have to move, or that they will not be able to employ people, or that their children cannot do their homework. That kind of breezy disdain from BT is inflammatory and causes real difficulties.

I end with a plea. Given that the funding from the taxpayer is there and given that BT has the wherewithal to step in, I really hope that heads can be knocked together so that the remaining areas in my constituency can be covered. As I have said, Cheltenham is the home of GCHQ, and consequently somewhere that people might expect a decent broadband service. The time for action is now.

Mr David Nuttall (in the Chair): Before I call Calum Kerr to begin the Front-Bench speeches, I remind Members that I would like the mover of the motion to have a couple of minutes to sum up at the end. I ask the Front-Bench spokesmen to bear that in mind when making their remarks.

10.29 am

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): I am happy to get the opportunity to respond to the debate for the Scottish National party. I do so in a couple of capacities. First, I am the SNP’s Environment, Food and Rural Affairs spokesperson, and nowhere is the digital divide felt more acutely than in rural areas. Secondly—I have to declare an interest—before I came to this place with my slender 328 majority, I worked in the telecoms sector for 20 years, starting off with a Dutch company but working mostly with Canadian and American companies. The subject is therefore close to my heart for many reasons.

I am pleasantly surprised by and happy with the way the debate has gone. If Members read the Library briefing and the SNP briefing—most Members will not have seen that—those documents had nothing to do with BT service levels. The debate has stuck to the subject, so I congratulate the hon. Member for Romsey and Southampton North (Caroline Nokes) on setting the right tone and everyone else on following it.

There are real challenges out there, and sometimes in Parliament we are guilty of just making a lot of noise and not putting forward proactive suggestions on how to make things better. Complaining about that to my party leadership got me the traditional response of, “Well, Calum, if you are not happy about it and you worked in telecoms for 20 years, why don’t you set up a group to go and look at it?” So we have an SNP MP group involving a number of people with a range of experience in the industry, and we are proactively trying to understand the issues at a deeper level so that we can come forward with constructive suggestions.

I congratulate the hon. Lady on securing the debate. I thought she set us off well with her tone and by talking about the importance with which this issue should be treated. A number of Members have spoken about the Ofcom report, which is important. It sets an intent and expresses the importance of that intent, but as she rightly identified, tougher rules, transparency and compensation need to be delivered. Her constituent Mr Forfar and his connection saga are, I am afraid, not unusual. I think we all have experiences of things like that. I sometimes wonder whether the ever-so-helpful BT engineers getting one job done means someone else unfortunately being dropped off the other end. As someone who worked for six years as a channel manager with BT—not for BT, but with BT—I understand only too well the nature of its people. It has some fantastic people, but some challenging systems and approaches.

The hon. Lady said, “This is Hampshire, not the Outer Hebrides”. My hon. Friend the Member for Na h-Eileanan an Iar (Mr MacNeil) would say “Amen to that!” I will have to pass on to him what she said, and I am sure he will have some choice words for her. I would turn what she said on its head: if broadband truly is a utility, it should not matter where someone is in these isles; they should be able to expect a proper level of service.

My hon. Friend the Member for Ayr, Carrick and Cumnock (Corri Wilson) wins the prize for the biggest tale of woe from a constituency office. I point out that it is not only BT that faces this challenge, because the circuit to my office in Galashiels, which was supplied by Virgin through parliamentary authorities, did not appear, so we got in touch and said, “Where’s our circuit?” Virgin said, “It has been installed.” “No it hasn’t.” “Yes it has.” “No, it hasn’t.” It was installed to the empty property next door. My hon. Friend deserves a prize, though, and I will work up a certificate later.

I commend the proactive approach of the hon. Member for Bexhill and Battle (Huw Merriman)—talking in Westminster Hall is very useful for learning the names of everyone’s constituencies; I hope I remember at least half of them—in seeking solutions. A lot of us have done that at local level. We know there are challenges and that the system that has been put in place can be moved forward. The Minister will make a justifiable case for the system being successful, but where it fails is now being flushed out, and that is where we must go next. I thank him and his team for their positive engagement as we seek solutions. I can say with some confidence that they at least understand the problem, which is the first step towards finding a solution. I look forward to supporting them further on that.

Members may have noticed that the hon. Member for Strangford (Jim Shannon) is thankfully better at articulating his case than he is at providing me with a glass of water. A member of my staff sent me a text message saying, “I hope that wasn’t coffee.” If they are watching, no, it was not. The hon. Gentleman made some fantastic points. The sector has a challenge with customer service, and part of my background is in contact centres and customer service. Bigger organisations have that challenge, but I have severe and real concerns that our looking for more structural separation may just lead to more finger-pointing between BT and BT Openreach about who is to blame for something not being done. A joined-up approach to customer service and the ability to hold BT to account are important. He also highlighted the lack of competition, which is a real issue in rural areas. I will come back to that point.

The hon. Member for Rochester and Strood (Kelly Tolhurst) used a word that we have probably all used today: “hopefully”. In my old job, if an area or regional leader said the word “hope” to me, I would say, “Hope is not a strategy”, but when it comes to BT, sometimes it feels like that is all we have. If we are reliant on hope,
that is not enough. We should be able to rely on levels of service on which we can hold organisations to account, whether they are BT or others.

My hon. Friend the Member for Linlithgow and East Falkirk (Martyn Day) highlighted the challenge of simply getting broadband—he went very local, and I congratulate him on that. He brought up the universal service obligation. We are all interested in that, but we must ensure that it does not paralyse us, as the BT broadband roll-out has, with communities waiting and waiting because they think they might get BT broadband and so not pursuing other schemes. It is also critical that the USO covers not only download speeds but upload speeds, levels of service and cost. I encourage the Minister and Ofcom to consider such things as voucher schemes. It does not necessarily need to be a case of, “Here’s the satellite solution”, or whatever it may be. If there were a voucher scheme, communities might choose to use it in a different way to provide local solutions.

My hon. Friend the Member for Argyll and Bute (Brendan O’Hara) has a stunning constituency, and I look forward to talking with him later in the debate on whisky. That will be a more uplifting experience, I feel. Depopulation is a massive issue, and we must match the policy reality to the rhetoric about communications being a utility.

I suggest to the hon. Member for Cheltenham (Alex Chalk) that perhaps GCHQ has made a conscious decision that it does not want any connectivity around it. I suggest that GCHQ be moved to Argyll and Bute, where that can be done more successfully.

Jim Shannon: Within the Union.

Calum Kerr: The hon. Member for Strangford has to whisper “Union” repeatedly in my ear every time I speak. It is a skill he has.

BT’s position is key. I am a big supporter of it, and it gets kicked about too much on its broadband roll-out scheme. It is a commercial entity that acts in a commercial way, but we also need to remember that it was a public carrier, and it has market dominance. The role of MPs, the Government and regulators is critical. We must and should hold BT to account, and we should hold it to high standards. Ofcom’s report states that it wants: “A step change in quality of service”.

We must define that, measure it and hold BT to account as soon as possible, and I think BT would welcome that. Clarity and transparency of message are key. Two of Ofcom’s aims are:

“Empowering consumers to make informed choices”,

and to:

“Deregulate and simplify whilst protecting consumers”.

We must accept that the market does not function in rural areas. We need different solutions. We need Government interventions and more flexibility of mind about what the solutions look like. In a lot of scenarios that probably does not mean BT, because BT has established ways of working.

I thank the Minister for the way in which he has engaged with me and my colleagues on this topic so far. I urge him to act on the Ofcom report in relation to services and to work with us to ensure that the rhetoric of digital comms as a utility is backed up by substance and policy.
All the measures set out in the Ofcom report are subject to further consultation and debate, and no doubt many lawyers will be present. Ofcom will need the right kind of political support to ensure that those measures are put in place. Our digital infrastructure is critical and strategic, and we have wasted five years in the policy wilderness not improving our digital infrastructure. The Minister will need to focus minds on that rather than on the exit from Europe that his Secretary of State is focused upon.

10.49 am

The Minister for Culture and the Digital Economy

(Mr Edward Vaizey): It is a pleasure to serve under your chairmanship, Mr Nuttall. I congratulate my hon. Friend the Member for Romsey and Southampton North (Caroline Nokes) on securing this excellent debate. She has unleashed tales of woe from colleagues in England, Scotland and Northern Ireland, and no doubt there are similar tales of woe in Wales, so the question is: what are we going to do about this? Before I move on, I should thank the hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr) for his judicious response to the debate on behalf of the Scottish National party—he took a better approach than his party's approach to Sunday trading, I must say. He has vast experience in the sector and made a very balanced case about the issues.

Of course, that contrasted with the traditional speech given by Labour's shadow Minister, the hon. Member for Newcastle upon Tyne Central (Chi Onwurah), who is clearly launching Labour's long march to power by promising 2 megabits to the country. Labour remains entirely silent on which policies will deliver the superfast speeds that people now want.

Chi Onwurah: Will the Minister give way?

Mr Vaizey: No. The hon. Lady has just had 10 minutes to set out her position and there was absolutely nothing in it. What is Labour's position on the digital communications review? How would Labour get superfast broadband to the entire country?

Chi Onwurah: Fibre!

Mr Vaizey: How are they going to pay for the fibre that she is shouting about from a sedentary position? Of course, there is nothing. There has been only one failure in the superfast broadband roll-out programme that I have supervised and that was in south Yorkshire, where we inherited a useless Labour contract and had to write off £50 million of taxpayers' money. Everything else has been an unadulterated success. We now have 93% of the country able to receive fibre, 90% of the country able to get superfast speeds of 24 megabits and above, and 50% of the country able to get ultrafast broadband speeds of 100 megabits and above.

I should say, though, that I have no truck with Openreach and its customer service levels. This morning I read an article in The Times by Danny Finkelstein, who is a remain campaigner. He is so depressed about the woeful leave campaign that he set out some measures that he thought the leave campaign should concentrate on. So, I shall give a speech on behalf of Her Majesty's loyal Opposition.

Let me begin, as a member of the Opposition, by regretting the low levels of satisfaction with BT Openreach under the last Labour Government. There were low
levels of satisfaction for pretty much everything under the last Labour Government, but they were woefully low for BT Openreach. They have improved under this Government, but they remain very much behind other providers. TalkTalk runs Openreach close in levels of customer satisfaction, but Virgin and Sky are way ahead. Perhaps BT should spend less money on sports rights and hire Sky’s customer services director instead.

As the Minister responsible for telecoms, I find myself a bit like a person who has been forced to adopt an unruly teenager. I go around telling my colleagues that he means well and is doing his best, but they simply tell me about the latest outrage they have suffered at his hands. That is the unfortunate position in which I find myself when it comes to Openreach customer service. I hold regional surgeries for MPs so that colleagues can tell me about the mess that Openreach has made of one or another connection, and I try to sort things out as best as possible. I also write to MPs every quarter to update them on the roll-out.

In defence of Openreach I should say briefly that, rather like the BBC compared with ITV, it suffers because it is the national provider and we all feel that we have a stake in it. There will inevitably be more complaints about BT. For example, I noticed that my hon. Friend the Member for Cheltenham (Alex Chalk) decried the fact that BT has not rolled out to the whole of Cheltenham in a way that he perhaps would not decry Virgin, because he does not expect Virgin to deliver a 100% roll-out in Cheltenham. Yet, when he thinks about it, BT and Virgin are in exactly the same position: they are both private telecoms providers rolling out a network.

Nevertheless, BT has a universal service obligation and is seen as the national provider. I acknowledge the fact that it has put in £10 billion of investment, that it has hired 3,000 engineers, that it is bringing its call centres back to the UK and that it continues to innovate with new technologies such as G.fast. Indeed, when I dealt with BT over Christmas and new year in relation to the floods in the north, it pulled its finger out and did a good job for many people who had suffered outages because of the flooding. There was a particularly important issue with emergency resilience. Still, there is absolutely no question but that BT must do better. I have spent five years in this job being inundated with tales of woe.

One other point in BT’s defence is that, because of functional separation and the fact that Openreach’s network is used by other providers, it can often be the case that the customer is contracting with, say, TalkTalk, or another provider, and the network is being provided by Openreach, and something falls between the two stools. Sometimes the provider with which the customer has contracted has simply put its order in wrong to Openreach, but it is very convenient for that provider to blame Openreach for its own failure.

As I say, Openreach must do better. As the Minister responsible, I find it particularly frustrating that I have to step in to sort out these problems. Why has Openreach not put in place a hit squad to deal with some of the more prominent complaints that come from MPs? We represent our constituents, and most of us are fairly judicious people; we do not raise complaints to Openreach unless we think they are serious. My hon. Friend the Member for Solihull (Julian Knight) mentioned a 99-year-old lady who suffered a stroke. On behalf of a Labour colleague, I dealt with a factory that had been built to be ready to open specifically on the basis of when Openreach was going to connect it, but Openreach was already a year behind schedule. That cost that factory many tens of thousands of pounds. It continues to baffle me why it cannot get its act together and sort out these prominent problems.

I had to intervene on new builds. When a housing development is being put together, one would have thought it was the most obvious thing in the world that the people buying the houses are likely to be relatively young and likely to have children, and therefore likely to want, in this day and age, fast broadband connections. However, it took me a year to 18 months to bang together the heads of BT and the house builders to get an agreement. Thankfully it was put in place at the beginning of the year and now new housing developments will have superfast broadband. One would have thought it was the most obvious thing in the world that there would be lots of customers on a new housing estate of, say, a thousand homes, selling for possibly £250,000 each.

I am really pleased with the Ofcom digital communications review. On the timing, I have said on the record that by the end of the year I want to see not necessarily a full and final agreement but clarity on where we are in relation to what Ofcom is calling for in its review. There are three parts to it. First is opening up BT’s network, which really needs to be done. BT has to look at what Ofcom is proposing and come to the table with credible answers. Secondly, BT has to make concessions to what Ofcom is saying about the governance of Openreach. Thirdly, there are consumer issues, one of which is automatic compensation. We might need to consider legislation, but my current understanding is that we will not need it. We need automatic compensation for consumers and small businesses that have suffered problems with service quality. That is another thing on which I want us to be close to agreement by the end of the year.

Ofcom will start publishing its quality of service reports in early 2017, and I want to ensure that that happens. We need much clearer information from providers. I, for one, would love them to get rid of this landline rental charge that they put on our bills. They put on their adverts a nice, big, juicy low price for broadband, and then an asterisk and a line saying, “By the way, you’ll have to pay £25 a month for landline rental.” All providers, whether it is Virgin, BT, Sky or whatever, should get rid of landline rental and just charge people for what they are buying: broadband, TV and a telephone service.

I hope that the Advertising Standards Authority will crack down on how providers advertise their speeds. At the moment, if only 10% of customers are receiving the advertised speed, in the eyes of the ASA that is supposed to be okay, I totally accept that the ASA does a good job—it is a great example of self-regulation—but it really needs to go further on that. In my humble opinion, at least 75% of people should be getting the speeds that the broadband providers are advertising.

As I think you have probably worked out, Mr Nuttall, I am completely at the end of my tether. I agree with all the complaints made by all my colleagues in this debate
and am going to ensure that action is taken. I hope that if we debate this subject again in a year’s time we will have seen some action. Members may see a different Minister if I do not succeed, but we will do our best to make some progress.

Question put and agreed to.

Resolved.

That this House has considered BT service standards.

Clinical Negligence Claims

11 am

Sir Edward Garnier (Harborough) (Con): I beg to move,

That this House has considered the Government’s proposals on fixed recoverable costs in clinical negligence claims.

Thank you, Mr Nuttall, for presiding over this very short debate. I thank Mr Speaker for granting it and my hon. Friend the Minister for being here to respond on behalf of the Government.

I should make it clear at the outset that, although I am a barrister in private practice, my work does not include clinical negligence cases, so I have no personal interest in this subject. I have, however, been approached by a number of solicitors from Leicestershire, the Leicestershire Law Society and the Law Society of England and Wales. They are concerned that the Government’s consultation on the fixed fee regime, which is being conducted by the Department of Health, has been delayed, although I understand that the Government intend to introduce a fixed recoverable cost regime in October. Those concerns are shared by a number of other solicitors’ firms, including Irwin Mitchell and Slater and Gordon, and organisations such as the Association of Personal Injury Lawyers, the Society of Clinical Injury Lawyers and the Bar Council. I am grateful to all of them for the assistance they have given me in preparing for this short debate.

Let me begin by placing my concerns in context. On the face of it, the Secretary of State’s statement, which has been trailed in the press—apparently, he is going to make a statement in the House of Commons this afternoon—confuses punishment, which is dealt with under criminal law, and civil law remedies, but no doubt he will make himself clearer this afternoon. Perhaps my hon. Friend the Minister can clarify that issue briefly this morning.

I accept that the Government do not have a bottomless purse. Taxpayers’ money is needed to pay for a huge range of public services, all of which compete for scarce resources at a time when the Chancellor is trying to balance the books and decrease public expenditure.

Nick Thomas-Symonds (Torfaen) (Lab): Will the right hon. and learned Gentleman give way?

Sir Edward Garnier: I will not give way.

That this debate takes place only a week before the Budget underlies that point. I further accept that the vast majority of patients who visit a GP, an NHS surgery or a hospital leave satisfied with their treatment and the outcome, but very occasionally something goes wrong.

In just over 3% of those cases an error caused by a negligent decision or act of omission by a clinician leads to a claim being made by the injured person against the NHS. Such cases can include, for example, birth injuries or misdiagnosed or mistreated illnesses. Of course, those are not deliberate actions by ill-motivated doctors or nurses, but negligent ones that lead to adverse consequences for the patient.

What does 3% mean numerically? In 2011-12, the NHS reported just under 420,000 so-called “adverse incidents causing harm”, of which 13,500, or just over 3.2%, resulted in a clinical negligence claim. In the following year, there were just over 458,000 such incidents and 16,000
[Sir Edward Garnier]

claims, or about 3.5%. In 2013-14, there were just over 470,000 incidents and just under 18,500 claims, or 3.9%. In the great scheme of things, those numbers are small, but they represent permanently damaged or shortened lives, pain, suffering, heartache and anguish.

Of course, they also represent monetary expense to the claimant and the NHS. We should therefore aim to ensure justice and proper compensation for the claimant who has been injured, and protect the taxpayer from excessive and unnecessary expense in legal and medical experts’ fees.

Mr Pat McFadden (Wolverhampton South East) (Lab): Will the right hon. and learned Gentleman give way?

Sir Edward Garnier: I regret that I cannot; this is a half-hour debate, and I am afraid we are rather pushed for time.

It is uncontroversial to state—and the common law expects this—that damages should, as far as they can, put the injured party back where they were before the incident. We need a system that does not prevent the bringing of justified claims and encourages excellence and proportionality in the conduct of each claim, as well as in the conduct of the defence. An efficiently and expertly brought claim saves money, as it leads to the real issues being considered within a suitable timeframe. It allows the defendant to focus more quickly on what they need to do to satisfy the claim and not waste time and money on irrelevant or hopeless points.

Any changes that the Government intend to impose should not be retrospective—that is a basic rule of fairness—and must be even-handed. The Treasury must be an umpire and not a partisan ally of the Department of Health, because in the long run a poor set of reforms will lead to greater expense, not less, and a lessening of public trust in the NHS and the Department. Given that the Department of Health is managing the consultation and is the most common defendant in clinical negligence claims, it is difficult—despite, I hope, the construction of very high Chinese walls—to think of this as a wholly disinterested exercise.

It is easy to say—although it is not so easy to accomplish this—that the best way to reduce the number of clinical negligence claims against the NHS is to reduce the incidence of medical negligence. That is no doubt a statement of the blindingly obvious, but it may occasionally get forgotten as the Government look for ways to cut expenditure. Let us start by improving the training and decision making of those in the NHS who are statistically most likely to do things that lead to clinical negligence claims.

Let us also remember that the Legal Aid, Sentencing and Punishment of Offenders Act 2012 automatically cut the costs and expenses paid out by the NHS Litigation Authority by about a third, and that for claims worth less than £25,000 those savings come to 39% of the costs budget, or £71 million a year. In the NHSLA’s annual report of 2014-15, the chairman asserts that more than a third of the NHSLA’s spending was received by the legal profession, and most was paid to claimant lawyers. In fact, the report shows that the NHSLA’s operating costs amounted to £2.64 billion, of which £291.9 million, or 11%, was paid to claimant lawyers and £103.2 million, or 4%, to defence lawyers.

The report’s figures suggest that 15% of the LA’s spending is paid to lawyers, but there is no breakdown of what that number includes. The report indicates the LA’s net operating costs reduced from £3.373 billion to £2.641 billion between 2013-14 and 2014-15—a reduction of £732 million. It also says that claims reported to the LA reduced from 11,945 in 2013-14 to 11,497 in 2014-15—a reduction of 3.7%. The amounts paid out in damages reduced from £840.7 million in 2013-14 to £774.4 million in 2014-15—a reduction of 7.9%. The NHS has therefore achieved significant reductions in expenditure. The NHSLA also reports an increase in sums paid to claimant lawyers for costs and disbursements from £259 million to £292 million between 2013-14 and 2014-15. The average cost per case increased from £16,852 to £17,735—an increase of 5.2%.

There is inadequate analysis of those figures, and the report is, to that extent, misleading. The NHSLA claims to have “saved over £1.2 billion...in rejecting claims which had no merit.” However, as claims without merit always fail, those savings are illusory. It cannot claim to have saved money it would never have spent. The authority also claims that £38.6 million was saved by taking a significant number of cases to trial, but it does not say how much was spent unproductively contesting cases at trial or settling cases soon before trial.

The NHSLA refers to the levels of costs recovered by claimant lawyers without distinguishing between costs and expenses. It compares the level of costs incurred by different sides without noting that the burden of proof requires claimants to undertake much more work than defendants. APIL says that nearly half of what the NHSLA says it pays out in legal costs to claimants’ lawyers are accounted for by success fees on conditional fee agreements, after the event insurance premiums, court fees and expert witnesses’ fees. Much of that could be saved if the NHSLA were better at its job of settling the claims it ought to realise it will lose on liability from or close to the outset.

That said, not all medical negligence claims are straightforward, but proving what went wrong is not made easier for a claimant’s lawyer when the NHS holds all the information and is reluctant to disclose it. On far too many occasions, cases that could have been settled more quickly, cheaply and satisfactorily are not, because the NHSLA withholds information, does not respond in good time to requests for information, or simply fails to apply its collective mind to the best way of dealing with the complaint. I have lost count of the number of times that I, as a constituency Member of Parliament, have corresponded with a hospital, insurance company or some large institution, private or public, that, when faced with a complaint, has buried its head in the sand and hoped that it will go away.

Most complainants just want someone to take responsibility and say sorry, and are not after money or revenge. That applies to the bereaved parents of stillborn babies as much as it does to the adult children of an elderly patient who died after a fall from a hospital bed, or who lay for days in agony because of untreated bed sores. The defensive failure to apologise often causes more heartache than the negligence itself and causes claimants to believe that they have to sue to get justice.

In addition, the NHSLA too often engages in unproductive trench warfare: it must not be seen to be giving ground, so the order goes out: “Deny, defend, delay!”
Cases that could have been resolved months and sometimes years earlier end up being settled at the door of the court, or lost after a trial, by which time advocates’ brief fees have been added to all the other costs that have piled up unnecessarily since the complaint was first raised. If ever there was a need for a patient to heal himself, it is the NHS’s refusal to free itself from the indefensible, or to see the wood for the trees. Rather than too often denying, defending and delaying in the wrong cases, it should assess, admit and apologise in the right cases.

An example of that is in the failure to look for and to release medical records. Requests for records should be met under the Data Protection Act 1998 within 40 days, and under Government guidelines for healthcare organisations within 21 days. Far too often both deadlines are missed, and not by a whisker, but by a country mile. It can often take more than six months for claimant lawyers to get patients’ records from GPs and hospitals and, with a limitation period of three years to bring a claim, pressure mounts to issue proceedings to protect the claim. It is not unheard of for long-delayed medical records to show that the claim is unwinnable, so it is dropped—but why not send out the records within a month and save the time, the expense and the anguish?

The NHS is a hydra-headed organisation and, when dealing with medical negligence claims, that can lead not to the proper use of decision-making powers at the most local level, but to procrastination, duplication and more expense. Some NHS trusts have in-house legal departments and when they receive a claim that has piled up directly to the NHS; some hold on to them and pass them on much later. My informants from the legal profession tell me that trusts’ legal teams are far less settlement-minded and tend to use every point, good, bad and indifferent, to string the claimant along. If a case gets towards trial, the NHSLA instructs outside lawyers. Why not make it straightforward for the NHSLA itself to assess, admit and apologise in the right cases and, with a limitation period of three years to bring a claim, pressure mounts to issue proceedings to protect the claim. It is not unheard of for long-delayed medical records to show that the claim is unwinnable, so it is dropped—but why not send out the records within a month and save the time, the expense and the anguish?

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Finally, I want to urge the Government to reconsider their proposal that all clinical negligence cases up to a value of £250,000 should be low-value claims. First, in any view, £0.25 million is not a low-value claim either to the claimant or to the taxpayer, not least when one considers how many there are every year.

Secondly, to take just one example, hundreds of babies are left brain-damaged every year because the NHS has treated them negligently either before or after birth and, sadly, some of them die soon after birth. A claim brought by the parents of a child who has died aged a few hours, days or weeks will not of itself lead to a large award of damages, but the evidential route to determining where liability lies for the acts or omissions that led to that premature death can be highly complex in investigation and assessment. The same legal costs may be incurred in proving a claim, whether it is of low or of high value.

For instance, in a case of delayed cancer diagnosis, the same expert evidence may be required where a patient’s life expectancy has been reduced by two years and the award is £30,000, or where life expectancy is reduced by 50 years and the case is worth £500,000. Those worst affected will be the most vulnerable—the elderly, those on low income and people with disabilities.

On 13 January, in answer to my written questions Nos 21040 and 21037, the Minister accepted, unsurprisingly, that there is no exact correlation between the value and complexity of clinical negligence claims, and it must therefore follow that to impose an artificial limit on the amount of costs recoverable by the claimant based only on the quantum of damages could lead to injustice, especially when the NHSLA will not be equally constrained.

Already claimant law firms reject 90% of inquiries in this field and the proposed fixed-fee regime for cases of up to £250,000 will simply dissuade firms from assisting even more claimants. As one experienced Queen’s bench master who specialises in such cases recently said, further research is “essential in order properly to understand the impact on access to justice of the existing system of funding before implementing any further changes.”

A fixed-costs system for claims under £250,000 would affect 95% of cases and make many meritorious claims unavailable for patients, undermining the legal and the medical systems. That would not be in the interests of justice, of medicine, of the economy or of the country, and we need to think again. The Minister is a thoughtful man, and I am sure he will want to give a thoughtful response, today and subsequently.

11.16 am

The Parliamentary Under-Secretary of State for Health (Ben Gummer): This is a fascinating matter, which deserves a great deal of debate. We could discuss this interesting subject for many hours. I am grateful to my right hon. and learned Friend the Member for Harborough (Sir Edward Garnier) for condensing a complicated issue into a 15-minute, eloquent explanation of the problems that face us.

In addition to the reading that my right hon. and learned Friend has already done, I point him in the direction of the MBRACE-UK—Mothers and Babies: Reducing Risk through Audits and Confidential Enquiries across the UK—report into the quality of investigations into stillbirths and neonatal injuries and deaths in the NHS, which was published at the end of last year. Although it charts a significant improvement in the reduction of stillbirths and neonatal deaths over the past 20 years due to the advancement of science, it draws one very depressing conclusion, which is that the quality of investigations has not improved since the 1990s.

I admit immediately that there is not yet any clear, scientifically proved correlation between that and the fact that litigation costs have increased, but I hope that my right hon. and learned Friend will accept my initial submission, which is that there is not the evidence for one of his claims, that somehow the increase in litigation automatically leads to an improvement in investigation and, therefore, to an improvement in patient safety. I therefore suggest that one of the statements that he made in his very careful speech is not a full reflection of the truth that we are seeking to uncover.

My right hon. and learned Friend said that we should aim to achieve proper justice and proper compensation for the claimant, and that that is the endpoint of litigation—but it is only a partial endpoint. The first thing that we are trying to achieve is an understanding of what went wrong to ensure that that is immediately transmitted back into the service, so that we prevent such a clinical catastrophe from happening to another individual or family. That is exactly where the existing system does not work, because it militates against learning early in the litigation process. In many instances, it provides a...
definitive account only at the point of judgment. That is what we are seeking to change through our proposed reform.

Nick Thomas-Symonds: I am grateful to the Minister for giving way, and I congratulate the right hon. and learned Member for Harborough (Sir Edward Garnier) on securing the debate. I also declare that I am a non-practising door tenant at Civitas Law in Cardiff.

I accept the Minister’s point about the quality of investigation. Will he also agree that access to justice is itself crucial, particularly given that the Lord Chief Justice, Lord Thomas of Cwmgiedd, recently said that access to justice is now “unaffordable to most” and available only to the very richest?

Ben Gummer: I will turn to access to justice. I do not entirely accept the hon. Gentleman’s interpretation of the judge’s words.

In our proposed reforms, I intend to change the balance for the NHS Litigation Authority and for claimant lawyers to ensure that we get to a single version of the truth as early in the process as possible. I accept in its entirety my right hon. and learned Friend’s interpretation of the NHSLA’s performance in past years. I do so on the basis that many claimants have been immensely frustrated—as have the clinicians involved—by the length of time that trusts and the LA have had to respond to claims, the length of time it often takes to reach a resolution and the fact that there is often too much defence, delay and prevarication. At the same time, I have full confidence in the NHSLA’s current management, because I have seen a real determination to get to grips with the problems it inherited and change the authority into something far more fit for purpose.

I accept my right hon. and learned Friend’s contention that we need to change what happens with the NHSLA, but I posit that the existing costs regime encourages some claimant lawyers to stack costs in the early stage of a claim process rather than get to what we need to do: to establish a version of the truth agreed between all parties. I am not arguing that that is a deliberate and malicious intention, but that is how the system is constructed at the moment. Therefore, in attempting to reform how costs are settled between the NHSLA and claimants, we want to incentivise learning right at the beginning of the process, to ensure that it is as rapid as possible and that, if claimants have a fair claim, they receive justice and compensation as quickly as possible. Our interests are therefore entirely aligned.

That is why I say to claimant lawyers—I have said this privately to them on several occasions—that this is a genuine consultation. We are seeking to find out how best to reform a system that we all accept is not right. I therefore warn them against peremptory lobbying of Members of Parliament about a scheme that has not yet been determined. This is a genuine consultation, in which we will accept all their views, but they cannot—I hope they will not—proceed on a basis that could lay them open to accusations of pleading for special interests rather than trying to contribute to the consultation.

Mr McFadden: The right hon. and learned Member for Harborough (Sir Edward Garnier) said that law firms currently reject 90% of cases brought to them because the burden of proof is high. I therefore do not think that we should portray this as a field of many frivolous claims. With that degree of rejection by law firms as background, will the Minister tell the House how the Government came to their figure for estimated savings for the new regime of £80 million? Where will those savings come from?

Ben Gummer: I hope that I in no way suggested that any of the claims brought forward were frivolous. I am saying that the way in which the current system is constructed loads costs at the beginning, and that does not help get us to a fair and equitable solution as quickly as possible. I am merely positing, but I believe there is fault on both sides. It is not necessarily the fault of either organisation; it is the fault of the system as a whole, which does not encourage good behaviours. The result is that we are not extracting learning as quickly as possible from litigation; we are not using claims, when unfortunately they are brought, to ensure that we improve medical practice; and, frankly, we are not using the early stage of complaints sufficiently well to ensure that claims are not brought.

I entirely agree with my right hon. and learned Friend that almost all complainants are not after a financial reward; they just want someone to say sorry and to accept responsibility for what happened. If we can achieve that far quicker in a learning culture, we will do something remarkable, not just for them, but for the many people who will follow. In answer to the right hon. Member for Wolverhampton South East (Mr McFadden), the estimate of savings proposed in the initial consultation document was part of the spending review round, and it was done through the usual modelling processes employed by the Treasury and the NHSLA, which understands the value of claims coming through.

My right hon. and learned Friend asked about the £250,000 limit. That limit was not arbitrary, but drawn from the original intentions of Lord Justice Jackson’s review on civil litigation costs in 2010, with which I know he is well acquainted. In that review, Lord Justice Jackson pressed for fixed recoverable costs in the lower reaches of the multi-track up to £250,000. That was in relation to personal injury claims, but, in trying to draw a line somewhere, we felt that that was an appropriate place, given his recommendation to do so. That is, however, subject to consultation. We want to hear the full range of views about where the limit should be placed. My right hon. and learned Friend’s contribution will be an important part of that consultation, and I and officials will take note of it.

My right hon. and learned Friend spoke of the Chinese walls and why the Department of Health is bringing forward this review. He is well aware of the usual practice that Departments bring forward proposals that relate to their areas of responsibility. The Ministry of Justice did so in previous reforms in which it had a financial interest, just as the Department of Health is doing here. I hope that, in our open approach, we will be able to explain that our primary concern is around changing the culture of the NHS and making sure that we are driving down claims for good reasons—that there are fewer of them because we are improving clinical practice—rather than just trying to deny people access to justice, which is the opposite of one of the intentions of the review.
The hon. Member for Torfaen (Nick Thomas-Symonds) is entirely right to say that we should ensure that we make justice as open as possible. The litmus test of the reform will be that, if people feel that, despite everything we are doing to make the NHS a better organisation—listening to complaints, learning from mistakes and providing restitution early—they still wish to bring forward a claim, it will be easy to do and no unreasonable barriers will be placed in their way.

Christina Rees (Neath) (Lab): If a person has a claim as a result of a serious injury, but they cannot get legal representation, that person is still severely injured and the costs will still fall back on the state.

Ben Gummer: I am well aware of that, and that is why we need to ensure that, at the end, the reform produces good effects rather than deleterious ones. I am aware of the concerns of the hon. Lady and many hon. Members, but I ask her to be open to what the Government are trying to do and to feed in her suggestions for how we can make the system better, because clearly at the moment, as I have tried to explain, it is not working in the interests of patients in the NHS. That is why we so badly need reform of the clinical negligence system.

Finally, my right hon. and learned Friend spoke about the speech that the Secretary of State is due to give—he will brief the House in due course—and wondered whether punishment was being confused with civil law remedies. We must all understand—many in the clinical negligence community have not quite grasped this—that a revolution is going on in medicine at the moment, learning from other sectors such as air accident investigation, that appreciates that one can have learning and lessons learnt in an organisation only if one provides safety for clinicians, for example, to speak openly when something has gone wrong. Sometimes we need to provide context around such discussions to make them feel safe. That has been achieved for air accident investigations and we want to do something similar for the NHS, so the Secretary of State will make more of that plain to the House in due course.

None of that is to change the basic freedom of people to find remedies in law. As we develop this exciting area, clinicians, for example, to speak openly when something has gone wrong. Sometimes we need to provide context around such discussions to make them feel safe. That has been achieved for air accident investigations and we want to do something similar for the NHS, so the Secretary of State will make more of that plain to the House in due course.

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Question put and agreed to.

11.30 am

Sitting suspended.
Although that cut was very welcome, many of us feel there is much more we can do, as taxation still accounts for 76% of the price of a bottle of whisky.

It is worth remembering that last year’s cut in spirit duty was, by the Treasury’s own Red Book calculation, believed to result in a shortfall of £185 million to the Treasury. The reality, however, was very different: the 2% cut in 2015 actually increased the tax take to the Treasury by more than £100 million. I am not saying that every 2% cut in spirit duty will recoup £100 million for the Treasury, but I think we can argue with a great deal of justification that a cut in spirit duty helped to increase sales in the domestic market for the first time in several years. It also sent out a very important signal to potential investors in the Scotch whisky industry.

Investor confidence is vital. The initial duty freeze, followed by a duty cut, gave confidence to investors, who saw that, for the first time in decades, there was a Government who did not view the Scotch whisky industry simply as a cash cow. As we know, spirit can only become whisky after it has been laid down for three years; only then can it be classified as Scotch whisky. For at least three years, investors can therefore have little or no return on their money. The fact that nine new distilleries have opened across Scotland in the past two years, with no fewer than 40 in various stages of planning and construction and hoping to come on stream over the next two decades, is in no small part due to the change in policy of not hiking spirit duty at every possible opportunity.

In fact, such is the confidence in the industry that there are advance plans to open a new distillery in the Scottish borders. To put that into context, the last distillery to close in Scotland was in 1983—the year Queen Victoria ascended to the throne, and shortly after the birth of the great Mark Twain, whose love of whisky was such that he was moved to say:

“Too much of anything is bad, but too much good whiskey is barely enough.”

I have heard several people question how we can call for a further cut in spirit duty while at the same time campaigning in Scotland for a minimum unit price on alcohol. Let me say immediately that those are not contradictory positions. The adoption of a minimum unit price was never intended to affect sensible, moderate drinkers, and it would have no impact whatever on the change in policy of not hiking spirit duty at every possible opportunity.

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In the past few years, we have seen a signal to investors that Scotch whisky is a solid and sound investment. It is an investment that creates jobs and prosperity. The industry already supports directly and indirectly more than 40,000 jobs, many of which are highly skilled, across the United Kingdom. Included in that figure are 7,500 jobs in rural communities, where it is often very difficult to find alternative employment. A classic example of that is the new Isle of Harris distillery, which opened last year with the aim of producing 300,000 bottles of single malt a year. That one distillery has created 25 new jobs in the town of Tarbert, which has a population of barely 1,000 souls. That is an oft-repeated story across the highlands and islands of Scotland, where whisky distillation and high-skilled local employment have gone hand in hand for centuries.

As I said at the outset, in my opinion—and as chair of the all-party group on Scotch whisky, I suggest that that opinion is not to be taken lightly—the finest whiskies in the world come from Argyll and Bute, although I fear that my right hon. Friend the Member for Moray (Angus Robertson) and my hon. Friends the Members for Ross, Skye and Lochaber (Ian Blackford) and for Inverness, Nairn, Badenoch and Strathspey (Drew Hendry) may be of a different opinion. On our whisky coast in Argyll, we have 14 distilleries producing some of the most famous brands in the world. We have Bowmore, Ardbeg, Bruichladdich, Bunnahabhain, Caol Ila, Lagavulin, Laphroaig, Kilchoman, Isle of Jura, Glengyle, Springbank, Glen Scotia, Tobermory and Oban—and if you can still reel those names off after a good night, perhaps the night was not as good as you thought it was. As well as producing great whisky and creating employment, those distilleries attract tourists to the area in their tens of thousands. Indeed, visits to distilleries have rocketed in recent years; I saw a figure suggesting that one in every five visitors to Scotland visits a distillery.

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): I thank my hon. Friend very much for securing this debate. Will he join me in welcoming the fact that Royal Lochnagar distillery in my constituency—the home of the first distillery tour, for Prince Albert and Queen Victoria—has almost doubled its visitor numbers since 2008, with 16,384 visitors visiting in 2015?

Brendan O’Hara: I absolutely join my hon. Friend in welcoming that, and that statistic is replicated across the country. Islay, for example, which has a population of just 3,000, has eight working distilleries with two more currently under construction. In 2014, Islay had 125,000 visitors to its distilleries—that is 41 visitors for every permanent resident on the island. The importance of tourism, and whisky tourism, cannot be overstated, and if hon. Members have not holidayed in Argyll and Bute, I suggest that they put it on their bucket list immediately.

I used to think the sky was the limit for our Scotch whisky industry, but it appears that I was wrong. It seems that there are absolutely no limits on what our industry can achieve, as I recently discovered, when I was told that a quantity of Ardbeg was sent into outer space to the international space station—for research purposes, I believe. Who would have believed that Argyll and Bute would be exporting liquid sunshine into outer space? Indeed, if that is not an argument for awarding the UK space station to Machrihanish, I do not know what is.

Wayne David (Caerphilly) (Lab): My intervention is not specifically on that point. Sadly, I say as a Welshman that there is no whisky industry in my constituency, but there is one not very far away, and it produces wonderful Welsh whisky—one day perhaps there will be competition. My point, however, is that not only is Scotch whisky tremendously important to Members’ constituencies and Scotland as a whole, but to the United Kingdom. Given that the Scotch whisky industry is worth some £3.5 billion directly and £1.7 billion indirectly to the UK economy, does the hon. Gentleman agree that it is important not only locally in Scotland, but to Wales and the United Kingdom?
Brendan O’Hara: I could not agree more with the hon. Gentleman—my honourable Welsh friend—about the importance of the Scotch whisky industry. For all these islands, it is absolutely vital and I am delighted that the Government have shown a commitment to creating a more level playing field than there has been in the past.

The Scotch whisky industry is not just one of Scotland’s oldest, most iconic and most culturally significant industries, but one of our largest and most successful. As I said, it contributes massively to the UK balance of payments, supports 40,000-plus jobs and pays out £1.5 billion in salaries. Exports are up, domestic sales are up and investor confidence is at an all-time high. There is a golden future for Scotch whisky, and I urge the Government to keep faith with that industry and allow it to build on recent successes by applying a further cut to spirit duty in next week’s Budget. Together, we can boost the industry and the wider economy for the benefit of us all.

Mrs Madeleine Moon (in the Chair): Before I call Andrew Percy, I will just say that there is a lot of interest in this debate. I have eight people down to speak and I cannot see a lot of people who will want to make interventions. I suggest that speakers take five minutes maximum each, if all are to get in, which will include the time that hon. Members give for interventions.

2.45 pm

Andrew Percy (Brigg and Goole) (Con): It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate the hon. Member for Argyll and Bute (Brendan O’Hara) on securing this important debate in support of the whisky industry, which is important not only to Scotland, but to the whole of the United Kingdom.

I declare an interest as an avid Scotch drinker. In fact, I drink all sorts of whisky, whether it is Arkansas rye whiskey or my particular tipple of Highland Park. Or there is even the whisky produced by the English Whisky Co., which is very good, or Penderyn, which is very lemony, very citrusy, very nice. I have named enough now in the hope that somebody sends me a free crate; I will not talk about my evening on Kintyre with a full bottle of Laphroaig—we will leave that one, but the photos are still out there.

This is an important debate for all the reasons that the hon. Gentleman gave. Scotch whisky is a huge part of the UK economy. I want to talk in particular about its impact on the whole of the United Kingdom and my constituency, the duty rate, and the potential for growth in the market through trade agreements such as the Canada-EU comprehensive economic and trade agreement.

I have just accepted a small role as the Prime Minister’s trade envoy to Canada, and one of my mandates from him is to market and push CETA and its benefits. I am not the first politician to hold two diametrically opposing views at the same time, but while promoting CETA, I am, of course, also campaigning for us to leave the European Union. Leaving that small inconsistency aside, CETA will obviously be of great importance to the Scotch whisky industry. I would argue, of course, that outside the European Union we would still have the same access, blah blah blah, but Canada is the 15th biggest market for Scotch whisky, with about £66 million-worth of exports—about 20% of all Scottish exports to Canada. Unfortunately, however, due to the liquor board system in Canada and some of the burdens placed on imports, Scotch whisky is unfairly discriminated against at the moment. We have to make sure, through the final stages of CETA, that those barriers are removed so that we have full access for Scotch whisky to the Canadian market.

That is a reminder of just how important trade treaties can be to jobs. There is a lot of opposition to the Transatlantic Trade and Investment Partnership, and some of that is unfortunately filtering through to CETA, but we have to make it very clear not only to people in this place but to the wider public that it is a good deal that will support jobs across the United Kingdom.

Scotch is doubtless a Scottish product, and Scottish people should be very proud of it, but it is also a great British product. IG Industries in my constituency provides a lot of the packaging, and Muntons, also in east Yorkshire, provides some of the cereal. I like to think that when people have their tipple of Scotch whisky, the taste comes not just from the fine Scottish water but from the even better east Yorkshire grain.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): The Scotch whisky industry creates prosperity and jobs right along the supply chain, be it in cereal, ceramics, glass or haulage. Does the hon. Gentleman agree that we should do all that we can to support the industry and to protect the many jobs that depend upon it, and that we should listen to its calls for a small drop in duty?

Andrew Percy: I do have sympathy with that. It was nice to hear the hon. Member for Argyll and Bute pay tribute to the Chancellor, which is not something I often do either. He was correct to do so on this issue, because the calls that were made last year were successful. We have all seen the incredibly positive impact that has had on the supply chain and jobs, and if there could be movement again, that would be appreciated. I need not reiterate the number of jobs that the hon. Gentleman quoted, but they are a huge part of this country’s economy and employment profile. As we heard, our trade deficit would be 11% higher without Scotch whisky. It is a great product, and a British product in so many ways, including the fine Yorkshire grain and the packaging from my constituency. It supports jobs at the Immingham port complex through exports, so it is important to the whole UK market.

I am conscious of your instruction on time, Mrs Moon, so I will end with a simple request to the Minister, which he will hear many times today. If there is an opportunity ahead of next week’s Budget for some movement on the 67% duty rate, I will entirely support it, not least because of the arguments we have heard so far today.

2.50 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon. I thank my hon. Friend the Member for Argyll and Bute (Brendan O’Hara) for initiating this important debate today.

Whisky is Scotland’s gift to the world, a gift that brings enormous benefit to the Exchequer. It has a substantial impact on our trade statistics and generates substantial employment in Scotland. The success of the
whisky industry is rooted in rural Scotland, where the addition of well-paid employment puts substantial income into many local economies.

There has been a renaissance in Scotch whisky with so many iconic brands being marketed and sold throughout the world. Its brand identity is unparalleled and has been hard won, although it needs to be protected and invested in. There is a competitive threat from other products, but none have the right to call their product Scotch whisky. The rich diversity of successful Scotch whisky global brands has helped to create the circumstances for an explosion of investment in new distilleries, often small community-based operations that add to the rich tapestry of unique product offerings and the breadth of those offerings to the discerning palate. Each whisky is unique and is shaped by the environment and character of each distillery with the barley, the local source of water and the peculiarities of the still among other things affecting the character of each whisky.

We have several distilleries in my constituency, including some in the planning and development phase. In Skye, we have the iconic Talisker whisky, which was the favourite of writer Robert Louis Stevenson. In his poem, “The Scotsman’s Return from Abroad”, he said: “The king o’ drinks, as I conceive it, Talisker, Islay, or Glenlivet.”

Roger Mullin (Kirkcaldy and Cowdenbeath) (SNP): Will my hon. Friend give way?

Ian Blackford: Because of lack of time I want to press on, but before my hon. Friend the Member for Argyll and Bute gets excited about Islay being mentioned in the same sentence as Talisker, I should point out to him that the king of whisky, Talisker, is the first and foremost whisky to be mentioned in the poem.

Moreover, in the film “Charlie Wilson’s War”, CIA agent Gust Avrakotos presents Congressman Wilson with a bottle of Talisker. The agent explains to Charlie that Scotch is mentioned in a Robert Louis Stevenson poem, but the bottle is bugged and allows him to listen to the congressman’s conversations. One would hope that in this House Talisker may be enjoyed by all and certainly never used for more subversive activity, although with this Government you never know.

One website on whisky stated the following of Talisker: “This alluring, sweet, full-bodied single malt is so easy to enjoy, and like Skye itself, so hard to leave.”

What must be kept in mind is that Talisker distillery and so many of our distilleries are located not just in the most beautiful parts of our country but in areas of varying degrees of fragility of economic activity. Talisker is located on the western side of Skye where the potential for full-time, year-round employment is limited. The distillery employs 45 staff members, a significant number for an island with a population of just over 10,000. It is of note that only nine of those jobs are in production, with the vast bulk of employment being around the visitor centre. Last year, it welcomed a grand total of 67,000 visitors. The distillery is the second highest visitor attraction in footfall on the island of Skye.

Clearly many people come to Skye to visit Talisker, among other places, helping to grow and develop our tourist offering and tourist spend, not just at Talisker but throughout the island. The motion today refers to the economic value of whisky to our country. That economic benefit is based on the direct value of the whisky industry to many rural communities in my constituency and elsewhere. Talisker is a well-established, successful brand, but the story does not end there.

Torabhaig distillery is under construction on the Sleat peninsula on Skye. This distillery is expected to employ a staff of eight when it enters production. There are also plans for a new distillery on the island of Raasay. There is a birth of a new spirit in the Hebrides, a spirit that will excite the whisky world with these new ventures adding to the appeal of Skye and Raasay as the premium whisky region of the entire industry.

I have many distilleries in my constituency. The Glen Ord distillery in Muir of Ord is a contrast with Talisker. It employs just shy of 60 workers and as well as production of the Singleton of Glen Ord brand and a successful visitor centre, there is also a maltings at Glen Ord as well as an engineering base for the parent company, Diageo.

I am glad to say that not far from Glen Ord, just outside Dingwall, is another new distillery, GlenWyvis, based on a long-held tradition of distilling in this area, under the name of the previous Ferintosh distillery. Our national bard, Rabbie Burns, famously lamented the previous loss of this distillery when he said in 1759: “Thee, Ferintosh! O sadly lost!”

Well, it is lost no more.

Because of lack of time, I will wrap up. We celebrate the success of the whisky industry, but let me quote Douglas Fraser of the BBC, who stated in 2013: “Scotch whisky is a national brand worth boasting. It is a drink that can only be distilled and matured in one country—Scotland—but which sells in to 200 markets around the world. How did Scotch go from cottage industry to global phenomenon and how does it benefit its country of origin?”

That question requires more time for debate than we have today, but let me reflect briefly on employment.

As has been mentioned, 40,000 jobs are connected with the industry, 7,000 of which are in rural Scotland. My challenge to the industry is that, as well as the very welcome investment in distilleries, more can be done to make sure a greater part of the supply chain is secured in the area of production. Let us increase the dividend available for those in whisky-producing areas and let us toast the success of the industry, but let us have the ambition to grow this fantastic industry on a sustainable basis. To encourage this to happen, the Chancellor must play his part next week by reducing duty and introducing greater equity for the Scotch whisky industry.

2.56 pm

Patricia Gibson (North Ayrshire and Arran) (SNP): Everyone here today understands that Scotch whisky is a huge player in the UK economy and overseas markets, and without the success of this industry Britain’s trade deficit of around £35 billion would be around 11% larger. This wonderfully popular product is the biggest net contributor to UK trade in goods. Exports are worth almost £4 billion and imports in the supply chain, such as packaging for products and casks for maturing the spirit, add value to our economy. The industry’s trade balance is £3.8 billion, supporting almost 40,000 jobs, 10,800 of which are worth £1.4 billion to UK workers.
As my hon. Friend, the Member for Argyll and Bute (Brendan O’Hara) pointed out, more than 7,900 workers in the Scotch whisky industry are employed in rural communities such as Arran in my constituency, leading to considerable added value in both direct and indirect incomes. Further, it accounts for 21% of the food and drink exports of the whole of the UK.

I am here today to applaud the success of this industry and its huge contribution to the UK economy. I am delighted that my constituency can boast some of the finest whisky distilleries in the UK with the Arran distillery being one of the few remaining independent distilleries in Scotland and the only malt whisky distillery on Arran, home to an award-winning dram. It opened in 1995 at Lochranza, which is the perfect location for producing the perfect malt. It is home to the purest water in all Scotland, water that has been cleansed by granite and softened by peat as it slowly meanders from the mountain tops into nearby Loch na Davie. Arran also enjoys a warm microclimate. The atmosphere of sea breezes and clear mountain air with the warm flow of the gulf stream is ideal for the speedy maturation of single malts.

I have painted a rather poetic picture. As for my hon. Friends the Members for Argyll and Bute and for Ross, Skye and Lochaber (Ian Blackford), I will put their gas at a peep because the Arran distillery, despite what they have said about their own neck of the woods, is a patron of the Robert Burns World Federation and, as such, has created a Robert Burns single malt and Robert Burns blended whisky in honour of Scotland’s national poet. It is the only whisky distillery able to use the image and signature of Robert Burns on its packaging—a true accolade indeed. [ Interruption. ] Not for nothing does the island of Arran have a reputation for producing the highest-quality whisky, although I am sure that the whisky from the constituency of my hon. Friend the Member for Ross, Skye and Lochaber is quite nice, too.

I join my hon. Friends in urging the Government to make a cut in excise duty on spirits at the Budget next week to boost the Scotch whisky industry. The Government must make it clear that the whisky industry will not be viewed as a cash cow, as the oil industry has been for too many years. Failing to cut the excise duty in the Budget will risk holding back this vital industry and the revenues, jobs and tax receipts from which the whole of the UK benefits. We need to help to create the conditions for the growth of this industry in our home market and stimulate long-term investment. If we cut excise duty, the revenues will go up, not down. The current staggering and eye-watering 76% tax on a bottle of Scotch whisky is far too high. Consumers hand over almost £10 on each bottle of whisky that they buy. That is 51% more duty than beer drinkers and 27% more duty than wine drinkers. That is clearly unfair and unsustainable. The 76% duty is the fourth highest rate in Europe. A cut would at a stroke support not only the whisky industry, but farmers, local pubs, rural and island economies, responsible consumers, manufacturers, exporters and supply chains across the UK.

There is no denying that distilleries are a source of jobs in areas that, as has been pointed out, might otherwise find it hard to sustain them and they are strongly aligned with wider tourism activities in rural economies. In my own constituency, a visit to Isle of Arran Distillers Ltd is all part of the experience of visiting the island of Arran.

The Scotch whisky industry is, rightly, a source of pride to all Scots, and no wonder; but it is also a huge success story that needs to be told more often. The question is not whether the UK Government can afford to cut excise duty on whisky. The question is whether the UK Government can afford not to make that cut? This is an iconic industry for both Scotland and the entire UK. It has a crucial role to play in the economic health of the UK, and that must be recognised. I urge the Minister today to support a cut in excise duty on whisky and recognise this jewel in the crown of Scotland’s—and the UK’s—industrial strength.

3.2 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate my hon. Friend the Member for Argyll and Bute (Brendan O’Hara) on securing the debate and providing us with an opportunity to discuss the significant contribution that the whisky industry makes to the national economy. I am well aware of the contribution that the industry makes to his constituency of Argyll and Bute, an area that I regularly visit for family trips, and my office manager, an Ileach, speaks often about the importance of the distilleries to the Islay economy. With eight distilleries on an island of 3,000 people, and another two being planned, soon there will be one distillery for every 300 residents. My office manager tells me that, from hazy memory, the Islay festival of malt and music is a very good time to be on the island.

Like Argyll and Bute, my constituency of Paisley and Renfrewshire North benefits greatly from having an active and successful whisky sector in the area. We have heard much, rightly, about areas of production, but there are equally important parts of the industry. Indeed, I recently visited the Chivas Regal bottling plant in my constituency and spoke with staff about the work that they do. The facility employs more than 500 staff, and it is where the company bottles most of its whisky portfolio, including brands such as Chivas Regal, the Glenlivet and Aberlour and the super-premium products such as Royal Salute. Chivas Regal is famous the world over—

Roger Mullin: Does my hon. Friend agree that in the aspect that he has mentioned—bottling—the whisky industry has led fantastic growth in productivity and innovation? The growth has been such that in Fife, the bottling plant in Leven now bottles not only malt whisky, but most of the company’s London gin.

Gavin Newlands: Indeed. I thank my hon. Friend for that intervention. The productivity leads to further investment, which I will come on to later.

The stall at the Paisley site are proud to distribute whisky to all corners of the world, including China, India and the United States. During my visit, I was grateful to be shown around the new north bottling hall, which was opened last year as part of a wider £40 million investment by Chivas Brothers and helps to highlight the positive future that the whisky industry has in Renfrewshire and across the UK.

However, it is not only Chivas that operates in my constituency. Diageo is also well represented, with facilities near Braehead and at Blythwood. Both are long-standing providers of many jobs in the constituency, and I look forward to visiting them in the near future—that was a
[Gavin Newlands]

plug. Chivas and Diageo are extremely important to the Renfrewshire economy and help to support more than 1,000 local jobs. The Scotch Whisky Association estimates that the Scotch whisky sector directly employs 10,800 people. I am very proud to say that about 10% of those jobs are based in my constituency. Back home in Renfrewshire, we probably do not realise or appreciate how important our constituency is to the wider success of whisky. The three plants based in my constituency are extremely important, both locally and nationally, and I would like to record my thanks to all those workers who contribute to the success of the “water of life”.

We cannot stress enough the importance of the whisky industry to Scotland. It is part of our DNA, and we are famous all over the world for being the home of whisky. According to the SWA, the whisky industry’s contribution to the UK’s GDP amounts to £5 billion and it helps to support 43,000 jobs across the UK. In 2013, more than 1.1 million visits were made to whisky distilleries, with many of the visitors coming from all over the world to sample some Scotch whisky and see how it is distilled. Scotch whisky can be and has been described as the star performer of the UK economy. When we look at the activity of the industry in overseas markets, it becomes clear why it is so important to our national economy. Last year, Scotland exported 99 million barrels of whisky, which, according to the Library, were worth almost £4 billion, with imports amounting to £200 million. Without the success of whisky, the UK’s trade deficit would be 11% higher than it is today.

Given the success and significance of whisky in the national economy, our call for a further reduction in spirit duty by 2%, which is supported by the SWA, is entirely legitimate. A 76% tax burden is entirely excessive and ultimately unsustainable. What is more, with less than 9% of the EU population, UK consumers pay 25% of all EU spirit duties. Indeed, revenue raised by spirit duty has gone up by more than £100 million in the last year, following the Chancellor’s 2% cut in last year’s Budget, so he does not have to look too far for the evidence.

The future is bright for the Scotch whisky sector. I see that at first hand in my own constituency with the investment that has been made in the plants in Renfrewshire. We should be proud that our whisky is famous the world over and attracts tourists all year round. Scottish whisky is one of the star performers of our national economy. It is vital to our local communities and vital to supporting local jobs, and we should do as much as we can to encourage its growth in any way we can. Sláinte!

Several hon. Members rose—

Mrs Madeleine Moon (in the Chair): There are four speakers left. At 3.30 pm, I need to start calling the three Front Benchers, so please keep your eye on the time. I call Chris Law.

3.7 pm

Chris Law (Dundee West) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon. I commend my hon. Friend the Member for Argyll and Bute (Brendan O’Hara) for securing this important debate. Scotch whisky, as we know, is one of Scotland’s most recognisable, ubiquitous exports. We have heard a lot today about its valuable contribution, including to the Exchequer, to which I will turn at the end of my speech. It is also enshrined in our history, art, culture and science. In fact, the late Alexander Fleming, who discovered penicillin, gave the very scientific advice:

“A good gulp of hot whisky at bedtime—it’s not very scientific, but it helps.”

I want to turn my attention to the innovation, research and development that are vital to ensure that Scotland’s journey in the industry is a continuing success story. I will do that by sharing with hon. Members the stories of two local companies close to my constituency of Dundee, one of which is not known for producing whisky. They are indicative of the wider needs and aspirations of our industry, and they assist in leading the way to future progress.

One of the companies is just over the water from Dundee, in the county of Fife. The Eden Mill brewery and distillery is a small craft company that faces the same almost insurmountable challenges as many others starting out in whisky distillation. Eden Mill is the first of its kind in Scotland. In a few years, it has gone from one employee to 40 employees. It has a turnover of between £3.5 million and £4.5 million this year, and more than 15,000 people from more than 30 countries have visited it. Those are all the hallmarks of having great success ahead.

What makes the company unique, however, is its approach to making whisky. It is estimated that the average cost of starting up an independent craft whisky distillery is £10 million. In order to begin laying down casks for whisky production, it began with the production of beer and now has its beers stocked nationally by Tesco, Sainsbury’s, Whole Foods Market and Aldi. In addition, it produces more than a dozen gins with a range of flavours. As we know, gin takes a much shorter time to produce than whisky and can generate much-needed cash flow while whisky, which takes more than three years to mature at a minimum, comes slowly to fruition. A little-known fact is that 70% of the gin produced in the UK is from Scotland, and the UK is the world’s largest gin exporter.

Eden Mill’s innovative business model has helped to at least stem the loss-making years of whisky production to some degree and has allowed affordable investment in whisky being laid down for future sale upon maturation. Small distilleries such as Eden Mill also add enormous value to local economies as tourist destinations, and they bring local sourcing of ingredients and high employment per litre of whisky produced compared with big distilleries.

I asked Paul Miller, one of the co-founders of Eden Mill, what more could be done to help grow our industry and whether there was value to his company in a duty reduction, for example. He said that in simple terms, duty and VAT were expected to be between £390,000 and £500,000 in the current year. A 2% reduction, for example, which I fully support, would allow Paul to create another job for a trainee distiller.

However, Paul added that the real opportunity could come from creating an environment for small, growing businesses to mirror the benefits that stimulated craft brewing back in 2001-02, when the sliding-scale tax on
small breweries was introduced. That encouraged authentic small breweries to grow and was the catalyst for an entire industry. Paul pointed out that the US bourbon trail was a great example of such a move. The UK Government should focus their efforts on the impact of the limiting volume written into the EU derogated power. Changing that would be a major prize, a point not lost on those of us who point out the valuable contribution that Scotland and the rest of the UK make by being part of the European Union and not sitting on the sidelines, as we would in the event of an EU exit. The UK should focus on that now, while it is seeking a better position within Europe. If that happened, Eden Mill could reinvest more than £175,000 per annum in better infrastructure and a retail experience for visitors, and could ultimately create a better global brand. Imagine what that could do for the other 111 distilleries.

At the other end of production, but no less important, is my other neighbour, the James Hutton Institute, a world-leading scientific research organisation that is working to provide solutions to global challenges in food, energy and water security. As I speak, the James Hutton Institute and Dundee University have launched a campaign to set up the international barley hub, which will be the world’s leading centre for research into barley and its potential in a future where demands are ever increasing owing to production, reduced chemical use and climate change. Without vital support there are dangers ahead for our Scotch whisky industry.

The cost of developing and building the hub is £36 million, and it will create 3,400 highly skilled jobs and add £700 million in economic value. It will be financially sustainable by year seven. Let us not forget that 20% of our food and drink exports depend on that research. Increased exports of our precious whisky and greater consistency of barley for the whisky industry will be just two key benefits. Doing nothing, however, would mean the UK no longer leading in barley research. As researchers naturally follow investment, that would lead to a downward spiral in capability and viability. To return to the point that my hon. Friend the Member for Argyll and Bute (Brendan O’Hara), who has a long association with whisky, and not just as a drinker. In 1992, I was elected to the then Clydebank District Council for ward 3, Mountblow. The district of Mountblow is home to one of Scotland’s most lowland malts and the only triple distilled whisky; it has been producing the uisge beatha for nearly 200 years. The Auchentoshan distillery is found in the foothills of the Kilpatrick, in the old Auchentoshan estate. I was honoured to represent the area in 1992, and I am delighted and honoured to do so in this House as we debate the impact of whisky on the economy. For the record, that is “whisky”, without an e—that is just a note for Mr Moon. I thank my very close hon. Friend the Member for Argyll and Bute (Brendan O’Hara), who has a neighbouring constituency, for securing this debate.

I have a long association with whisky, and not just as a drinker. In 1992, I was elected to the then Clydebank District Council for ward 3, Mountblow. The district of Mountblow is home to one of Scotland’s most lowland malts and the only triple distilled whisky; it has been producing the uisge beatha for nearly 200 years. The Auchentoshan distillery is found in the foothills of the Kilpatrick, in the old Auchentoshan estate. I was honoured to represent the area in 1992, and I am delighted and honoured to do so in this House as we debate the impact of whisky on the economy. For the record, that is “whisky”, without an e—that is just a note for Hansard.

In recent times my constituency has mourned the passing of Littlemill, which was dismantled in 1997, although thankfully its production was taken up by the vibrant Loch Lomond distillery, which produces Captain Haddock’s favourite tipple in Hergé’s “Tintin”—a truly European product. Whisky is a global product that will not be assisted by Members who favour Brexit. Loch Lomond marks the boundary between the lowlands and highlands of Scotland and has been at the heart of whisky production for centuries. Sadly, at least nine distilleries around the loch have been lost over the years, leaving Loch Lomond distillery to maintain the proud local tradition at that end of my constituency.

Auchentoshan is a true urban whisky, with an economic and social reach across my entire constituency and beyond. As hon. Members have said, that reach includes bottling, marketing, tourism, sales, printing, malt production and glass production. Each year the distillery of Auchentoshan alone uses 2,500 tonnes of malt, 12.7 tonnes of yeast and 12 million gallons of Scotland’s finest water drawn from the Kilpatrick, with more than 1 million litres of pure alcohol. That is bottled as five expressions of Auchentoshan, including my personal favourite, American Wood. In addition, it has produced its exceptional eight limited editions.

Auchentoshan and Loch Lomond distilleries play their part in supporting national production with 40,000 jobs, of which 10,800 are directly in the industry, and supplying salaries worth £1.4 billion to UK workers. I call on the Minister and the Government to play their part in supporting them. The average-priced bottle of Scotch whisky is subject to 76% tax, and there is no doubt that that is bad for business, bad for the industry and bad for consumers. I am sure the Minister will at least agree that a 2% cut in duty on whisky in this year’s Budget would be a welcome relief to the economy and a win-win for everyone.

The case for that is self-evident. From 2015 to January 2016, following the 2% cut in last year’s Budget, duty receipts from spirits went up by £102 million compared with the same period the previous year. Spirits were the driver behind a £190 million increase in alcohol revenue, which was of huge benefit to the economy. The evidence is clear. The UK Government’s rate of 76% on Scotch whisky is the fourth highest rate in Europe, and UK consumers currently pay 25% of all European Union spirit duties—more than consumers in Spain, Italy and Poland combined. It seems that at least in this case, the only drawback to being part of the European Union is the UK Government’s self-made taxation rates on spirits. Although Scotch whisky enjoys widespread popularity, a further cut in duty would be a welcome move for a product that remains one of the most highly taxed in the world.
Investment in new distilleries and production at established sites is unprecedented. Those new distilleries need a home market that encourages growth and long-term investment. Support for the industry through a further cut in excise duty would help and support that.

One last challenge remains. Some whisky producers have a local GDP equal to that of small nations. That could and should be challenged through our Community Empowerment (Scotland) Bill. It is my hope that one day whisky production will act as a catalyst for local community ownership, with broader local production being in the hands of the communities of Scotland.

3.18 pm

Carol Monaghan (Glasgow North West) (SNP): It is a pleasure to serve under your chairmanship, Mrs Moon. I congratulate my hon. Friend the Member for Argyll and Bute (Brendan O’Hara) on securing this important debate.

I confess that uso beatha, the water of life, would not have been my drink of choice in the past, but I have joined the all-party group on Scotch whisky. When I asked at one of the first meetings whether whisky was still mainly drunk by men, I was informed that some of the world’s most renowned tasters are in fact women, so I decided to do my bit for the industry and embark on some personal research. Since then, I have been practising. Hon. Members will be pleased to know that my taste for whisky is developing quite well, although it will no doubt cause a stir among my colleagues to hear that I enjoy it quite a lot with Coke.

We have heard about the producers and the supply chain. A major employer in Drumchapel in my constituency is the Edrington whisky bottling plant, which bottles Macallan, Highland Park and the Famous Grouse, among others. The origins of the company stretch back to its 19th-century foundation by William Robertson in Glasgow. In the 1960s, Sir William Robertson’s sisters transferred their ownership of Edrington to the newly formed Robertson Trust and insisted that a percentage of the profits should go to good causes—a practice that continues to this day. Many worthy causes throughout the UK have benefited from grants from the trust.

I had the pleasure of visiting the Edrington bottling plant last summer, where the chief executive, Ian Curle, voiced some of the industry’s concerns regarding levels of duty. Although the debate is about whisky, other small producers would benefit from a reduction in duty. Along with my recent work on whisky, I had the pleasure of tasting a new local product, the Makar Glasgow gin, which is only two years old and would really be able to increase its outreach with a change in duty.

New whisky producers have come to the market, but how many more would there be if there were a more realistic taxation level? When we call for a reduction in the ridiculously high duty of 76%, it is about more than just finance. It is about our ambition for this key Scottish industry. Although I was told recently that to dilute my whisky with a mixer was an affront, I would argue that the real affront is the level of duty placed on whisky, which is stunting the growth of the industry in Scotland.

3.22 pm

Michelle Thomson (Edinburgh West) (Ind): It is a pleasure to serve under your chairmanship, Mrs Moon. Hon. Members might wonder what on earth my link with whisky is, as the Member for Edinburgh West. Well, here you go. BenRiach Distillery Company, which is in fact based in Speyside, was built by John Duff in 1898. The hon. Member for Argyll and Bute (Brendan O’Hara) will note that that was 10 years after the formation of Celtic football club. The distillery features a traditional floor and pagoda-style chimneys. It was a global whisky distiller of the year in 2015 and, more importantly, its head office is located in Edinburgh West.

Few people consider the wider picture around the supply chain. Bottlers, glass makers, ceramics, cereals, transport, energy suppliers, tourism and retailers all add value. There are spin-off businesses, such as Celtic Renewables, which makes biofuel capable of fuelling cars with the by-products of whisky production.

We have talked about the value of the industry to the economy of Scotland and the UK, and about the increase in the tax take with the tax cut in March 2015. I agree with what I suspect the Minister will say, which is that it is difficult to prove the so-called causality. However, from a business perspective, I believe that the tax cut gave businesses the confidence to invest. We cannot assume that a year-on-year tax cut will always result in this outcome, but we can reflect on the fundamental fairness of how the industry is treated compared with others, such as beer. The tax cut is also to be welcomed as we have seen a reverse in the trend of declining home figures.

There are new distilleries in Annandale, Arbikie, Ardnamurchan, Ballindalloch, Dalmunach, Eden Mill, Glasgow, Isle of Harris, and Kingsbarns—now, I would like the Minister to repeat those backwards, if he can. In fact, the finance director of the Glasgow Distillery is an old colleague of mine from the independence referendum. The new distilleries will initially focus on gin but, critically, we must emphasise the point about capital investments. It is about the creation of jobs and infrastructure. As I mentioned, the supply chain is of value to the wider economy, particularly to rural economies.

I am a member of the Select Committee on Business, Innovation and Skills, in which I recently questioned Ian Wright of the Food and Drink Federation. If the contribution of Scotch whisky to UK exports was underappreciated, he highlighted that the UK Government fail to appreciate the value of consumer goods in general and said that there needs to be a change of mindset on the issue. I agree with that.

Significant value is to be derived from increasing exports, especially looking at the massive potential of the emerging middle classes in the likes of India. The Scotch Whisky Association argues that taxing until the pips squeak sets a precedent for overseas markets. Indeed, Scotch faces a tariff of 150% in India. In reality, the economic picture is considerably more complex, with individual economies making decisions based on support for their own producers, not just on their perception of the high quality of Scotch, but the point is worthy of reflection.
I am concerned about a potential British withdrawal from Europe because barriers to trade are considered unhelpful by industry. We should go for a trade agreement in India and stay in Europe; we can have both.

On a more serious note, my last point is about Scotland the brand, which whisky most encapsulates. There have been a number of attempts today to bottle the essence of Scotland the brand. The brand is shaped by authenticity and personality, and that cannot be truer than of Scotch whisky. Brand has equity, and we mentioned that when we talked about the small gin distilleries. Brand is the recognition and embodiment of key values, pleasures, value and perception, but it faces competition and we must ensure that the industry can compete.

I leave hon. Members with two brief thoughts about whisky. The first is from my personal favourite, Tommy Cooper:

“I’m on a whisky diet. I’ve lost three days already.”

And, finally, “Alcohol is your trouble,” said the judge to the drunk. “Alcohol alone is responsible for your present predicament.” The drunk looked pleased as he said, “Thank you, judge. Everyone else says it’s my fault!”

3.27 pm

Rebecca Long Bailey (Salford and Eccles) (Lab): It is a pleasure to serve under your chairmanship, Mrs Moon, and it is a pleasure, as always, to debate opposite the Exchequer Secretary to the Treasury. I congratulate the hon. Member for Argyll and Bute (Brendan O’Hara) on securing the debate. In his opening speech, he eloquently explained why the Scotch whisky industry is so important to the Scottish and UK economies and why his constituency is the centre of the whisky universe.

I thank hon. Members for taking part in the debate, which I have really enjoyed. I feel as if I have had a bit of a history lesson. A few points that I was not aware of before include: that Talisker was Robert Louis Stevenson’s favourite drink; that Arran has the purest water in Scotland; and that Alexander Fleming’s advice was to drink whisky, which I now take as medical advice. Other fantastic things have been mentioned but I will not go into detail because we are pushed for time.

There was a consensus across all contributions that, beyond doubt, the Scottish whisky industry contributes significantly to the UK economy. A number of hon. Members raised points about excise duty. Of course, we all look forward to hearing what the Chancellor has to say about that next week and whether the Minister is willing to leak any information on that.

The Scotch Whisky Association, which supplied a very useful briefing in preparation for the debate, estimates that the industry added more than £3.3 billion directly to the UK economy and more than £5 billion indirectly in 2014. That makes the Scotch whisky industry arguably larger than the UK’s iron, steel, shipbuilding and computer industries, and about half the size of the UK’s pharmaceutical and aerospace industries in terms of gross value added. It is important to note that the industry just keeps growing. The 2014 figures mark an increase of 1.6% on the previous year’s estimates of GVA.

The contribution of the industry is equally impressive when one considers the number of people it employs. In Scotland, 10,800 people are directly employed in the industry, with salaries totalling almost £530 million. Across the whole of the UK, both directly and indirectly, the association estimates that 40,000 jobs are supported.

Any industry that provides employment to so many should indeed be recognised as an important UK industry.

Nor is that significant only in Scotland. The impact on the wider UK supply chain is also important, as we have heard in many of the speeches today. Of the nearly £2 billion spent by the industry, 90% remains within the UK. The latest input-output data published by the Scottish Government, and industry estimates, show that about three quarters of the goods and services purchased outside Scotland are sourced from the rest of the UK, and that they are worth about £330 million to the suppliers. That is particularly significant in relation to capital expenditure worth about £140 million, much of it on items such as machinery and vehicles that support the wider industry.

Constituencies such as mine, with its history of manufacturing and other traditional industry, stand to benefit from the Scotch whisky trade, despite our distance from Scotland. We have heard Yorkshire’s point of view in the debate, and I think there is agreement on that point. Greater Manchester has a longstanding and proud brewing and distilling sector of its own—not to mention a blossoming boutique sector, in which I am becoming an expert. Whisky distilling, along with much of the drinks sector, is effectively a manufacturing industry itself, and the debate should be set within the wider one about the need for an industrial strategy.

One of Scotch whisky’s distinctions is that it is famous around the world, and is one of the largest contributors to UK exports. Scotch whisky exports were worth £3.9 billion in 2014—1.4% of total UK exports. That represents 80% of Scotland’s and 25% of the UK’s total food and drink exports. Scotch whisky’s trade surplus is the second highest for any goods exported from the UK, and it has been estimated that the UK’s overall trade deficit would be 16% higher without Scotch whisky exports. I think that that fact has also been alluded to today. However, it must be noted that, while the £3.9 billion is significant, that figure marked a decline of 7%—the largest since 1998.

It has been suggested by commentators that that fall in exports might be due to the political and economic situation in export markets. For example, David Frost, the Scotch Whisky Association’s chief executive, suggested that “economic and political factors in some important markets held back exports in 2014 after a decade of strong growth”.

Similarly, the drinks analyst at the market intelligence firm Euromonitor has highlighted the fact that the “fall in exports to Singapore was linked to Beijing’s clampdown on gift-giving”, noting that direct exports to China fell by 23% to £39 million. He also said that Scotch was losing out to types of whisky like US bourbon, which are targeted at a younger market. Political volatility in Russia and Ukraine is also reported to be having an effect on exports of Scotch “with the value of direct sales there down 95% from £25 million to £2 million in a single year”.

In that context, we would be interested to hear from the Minister what steps the Government are taking to ensure that our key export industries are able to cope with volatilities in the global market. What help are
they giving the industry in its ambassadorial role abroad? For example, DEFRA’s Great British food unit was created to promote British food and drink—such as Yorkshire Tea, the hon. Member for Brigg and Goole (Andrew Percy) will be pleased to hear—across the world. Could the Minister confirm whether Scotch whisky is currently included in the Great British food unit and, if so, how the initiative has helped the industry?

It is important to highlight the wider context of UK manufacturing. Frankly, I am concerned that this Government’s industrial strategy is inadequate across the board, as the problems with the steel industry have illustrated all too starkly. That is why we have been calling for a proper industrial strategy, in the context of a wider economic policy focused on investment, not cuts. Scotch whisky is one industry that by its nature cannot be outsourced abroad but, in other ways, it will face many of the same challenges as we see across the UK in other manufacturing sectors.

The last time the Scotch whisky industry was discussed in Westminster Hall, the then Economic Secretary to the Treasury, now the Education Secretary, stated that Her Majesty’s Revenue and Customs was “shortly be launching its spirit drinks verification scheme.”—[Official Report, 8 January 2014; Vol. 573, c. 138WH.]

The scheme was designed to preserve the industry’s reputation by requiring every business involved in the production of Scotch whisky to be verified as producing a genuine product. The introduction of the scheme was widely welcomed at the time, but it might be useful for the Government to provide an update on its operation to date. Is the Minister satisfied that it has been implemented in full?

The UK should be proud of the Scotch whisky industry, which contributes enormously to employment and boosts UK exports at a time when the trade deficit remains large. I therefore hope that the Minister can respond to the issues that I and other hon. Members have raised, so that we can continue to back this important global industry.

3.35 pm

Calum Kerr (Berwickshire, Roxburgh and Selkirk) (SNP): I am delighted to get to sum up last. I know that my party likes to claim that we are the official Opposition—but I like this new order in Westminster Hall.

It is rare to have the opportunity to sum up with such a good-looking group of MPs. I do not know whether it is to do with the balance in the Chamber. The hon. Members for Salford and Eccles (Rebecca Long Bailey) and for Brigg and Goole (Andrew Percy) are very welcome to join the Celtic brotherhood—and the Minister too. [Interruption] He has Celtic connections.

We have heard the benefit of an upbringing and affinity with the product we have been talking about, in the amazing lyrical literary references throughout the speeches.

Roger Mullin: I have another one. Does my hon. Friend agree with the great Norman MacCaig? I was sitting one time in Sandy Bell’s and said “Norman, would you like another dram?” and he said, “Roger, my family motto is ‘Excess is not enough.’”

Calum Kerr: I thank my hon. Friend for that wonderful intervention. He is here all night, ladies and gentlemen.

It feels slightly superfluous to sum up in this debate; I do not know if anyone has not figured out by now, whether in the Public Gallery or anywhere in the Chamber, that Scotch whisky adds £5 billion to the UK economy. They should do a test, just to see. It has been repeated so much.

Ms Tasmina Ahmed-Sheikh (Ochil and South Perthshire) (SNP): I look forward to hearing what is clearly going to be an excellent summation of the debate from my hon. Friend.

On the point about investment, will my hon. Friend join me in welcoming the massive investment by Diageo in Scotland, particularly in my constituency, where there has been an investment of £10 million in a state-of-the-art cooperage, and £80 million in a new filling store, at Cambus; £30 million in a new warehouse at Blackgrange Bond; and £1.5 million to expand and upgrade the Diageo global archive? I encourage all Members to come and visit if they have not already done so.

Calum Kerr: I thank my hon. Friend for that wonderful intervention—and Diageo thanks her too. I agree that it plays a huge role in our industry—but a positive and constructive one—and is part of the success story.

As well as the £5 billion value that I mentioned, the trade deficit would be 11% higher without Scotch whisky; and there are 40,000 jobs. Every job supports a further 2.7 jobs in the broader economy. One point of particular importance, which has come up in a number of debates—not least in contributions by my hon. Friend the Member for Argyll and Bute (Brendan O’Hara)—is the importance of the industry to the rural economy, where there are fragile economies that people are leaving and where depopulation is a challenge. The industry is a success story in the rural economy.

Turnover in the industry has increased by 27% since 2008, and employment is up 6%. Salaries have risen too. Another challenge in the rural economy is low pay, but salaries in the Scotch whisky industry have risen by 12% and now average £47,000 a year. That is a great track record, and it demonstrates how important the industry is to our economy and country.

Whisky may be our national drink, but it is not a homogenous product, and as my hon. Friend for Ross, Skye and Lochaber (Ian Blackford) outlined—when he used the words “alluring” and “full-bodied” I thought he was talking about himself—but it turned out he was talking about one of the whiskies in his region—our malts are highly regional and wonderfully varied. Each area produces its own highly distinctive variations. It is sacrilegious to put Coca-Cola in them, though, and I fear that my hon. Friend the Member for Glasgow North West (Carol Monaghan) has done herself immense damage by what she said. Clearly, she is but a novice, and there is time yet. Perhaps the hon. Member for Brigg and Goole can help there, because he does frequent the bars, I am told. I think the different characteristics are what make Scotch whisky such a wonderful success story, I am with my hon. Friend the Member for Argyll and Bute in that Islay malts are my favourite. Their peaty, smoky nature is just fantastic.
One region of Scotland does not have a distillery at present. As my hon. Friend said, the last time whisky was produced in the borders, legally at least, was in 1837, but times are changing. It shows the success that can be harnessed in all the regions of our country that no fewer than three distilleries are currently planned in the Scottish borders, most of which I represent. R&B Distillers is looking at a site in Peebles, and the Three Stills Company has a £10 million project for a fantastic distillery in the centre of the wonderful town of Hawick. Last week, I visited a new site just outside Jedburgh operated by Mossburn Distillers, which has fantastic and ambitious plans for new distilleries on the site. I witnessed the full scale of its ambition and how significant the operations could be. Taken together, the companies could invest £50 million in the borders economy and create more than 100 jobs. In the borders, the distilleries will of course reflect the history and landscape of the region, as well as making use of our fantastic borders barley and pure water. Indeed, Mossburn is considering names such as “the Borderer” and “the Teviot” for its whiskies.

Andrew Percy: It is not the Humber.

Calum Kerr: Thankfully not. Those wonderful titles pay tribute to the region’s rich heritage and will help to promote us as the whiskies are sold across the world. Of course, I am sure the distilleries will produce lighter, lowland-style whiskies, and I am sure I am not the only one looking forward to tasting them—they cannot come soon enough, but we will have to wait.

The companies behind the new borders distilleries are certainly entrepreneurial, and they have plans, beyond traditional distilleries, to produce other spirits, including gin. The sites have the potential to be highly popular attractions in their own right, and the visitor centres look fantastic. If I had £1 for every person who has offered to be a taster, particularly at the Hawick distillery’s gin lab, where people can make their own gin, I would be a rich man. I am taking names if anyone here wants to sign up. The sites will be fantastic tourist operations.

I visited Springbank in Campbelltown with a number of friends, and I was struck by the number of people who were there because of the distillery. I met one group from Sweden who had matching blazers, and another group from America who were there because of the distillery. I am not suggesting that we all had to get into uniform, but it reinforced the huge way in which a distillery puts a town on the map, raises its profile globally, brings more investment and creates more jobs than just those directly involved in the distillery.

Margaret Ferrier: I congratulate Speyside Distillers in my constituency. Founded in 1770, it has just secured a £2.3 million funding package to help it grow its market in the far east. Does my hon. Friend agree that the Chancellor should seriously consider duty reduction in next week’s Budget so that all distillers can expand, grow and contribute to the UK economy?

Calum Kerr: I agree with my hon. Friend. If the Minister has missed that point, why not reinforce it? I am sure he agrees with us. I notice a lot of nodding, and I am sure it is in agreement that the reduction should be at least 2%.

This is a hugely exciting situation, as is reflected in the energy and enthusiasm of the Members gathered here. Our export market is strong, and the hon. Member for Edinburgh West (Michelle Thomson) mentioned something that I wanted to highlight, too. The planned distillery in Hawick mentioned the duty in India. If we raise 76% in our own country, it puts us in a difficult position to argue for reduced duty elsewhere. Clearly, the Indian situation of 150% is unacceptable. I will be interested to hear the Minister’s comments on what we are doing about that.

We should also remember that the UK domestic market is the third biggest market by volume, with only France and the USA selling more. It still accounts for seven times more sales than China, so its importance to our producers is clear. We have already heard the case, so I will not reiterate how reducing duty is a win-win situation. By reducing duty, although there is not necessarily causality—good word—we might raise more money in total.

People often use the word “iconic” about whisky. I prefer to describe it another way. Whisky is literally the spirit of Scotland. It embraces all the very best aspects of our history and culture, and it is both romantic and emblematic. It uses our finest national ingredients and has strong green credentials. Of course, it is a product of very high quality and reputation. Just as the money it earns helps to bind together the UK economy, so its character and the joys of its depth and warmth bind Scots together as people. Whisky is one of Scotland’s great products and great successes. Now we need the Government to celebrate that success, to build on it and to work with the industry to grow this fantastic drink’s reach and prosperity. I urge the Minister to take that message away today. If he can secure the backing of his colleagues in Government, I am sure that is something to which we would all raise a glass.

3.46 pm

The Exchequer Secretary to the Treasury (Damian Hinds): It is a great pleasure to see you in the Chair, Mrs Moon. I congratulate the hon. Member for Angell and Bute (Brendan O’Hara) on securing this important debate. I have sometimes wondered what it is like to be at the Scottish National party conference, and I need wonder no longer. I commend all colleagues, from the SNP and from the Conservative and Labour parties, for being here for this debate. I welcome all the contributions, including from the SNP spokesman, the hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr), fresh from his unexpected starring role at today’s Prime Minister’s questions—he was “Callum”. [Interruption.] I recall all his colleagues pointing at him. I also welcome the contribution of the hon. Member for Salford and Eccles (Rebecca Long Bailey), who as always made a thoughtful speech and some good points. During my remarks I will return to the points that have been raised.

This has been a good debate, which made me thirsty more than once, particularly when the hon. Member for North Ayrshire and Arran (Patricia Gibson) was speaking—and that was just when she was describing the water. Even the most enthusiastic champions of the spirits industry would stop short of calling whisky a daily necessity. [Interruption.] I may stand corrected but, according to the Wine and Spirit Trade Association, just over half of UK adults, the equivalent of 26 million
people, drink spirits. Aside from that, the whisky industry makes a hard and important economic contribution to the UK economy. Every second, whisky exports earn this country £125—we will not quibble over £125 or £135. Scotch is solely responsible for a quarter of all UK food and drink exports. With Scotch present in some 200 markets worldwide, there is a good case to be made for calling it our most widely consumed export. Leading markets for Scotch whisky exports include France, the US and Spain. In Spain, exports increased by nearly 8% in volume between January and June 2015.

Martin Docherty-Hughes: On sales, France is the largest consumer of Scotch whisky by volume. Does the Minister agree with SNP Members that a Brexit would be both fundamentally difficult for the Scotch Whisky Association and would limit its ability because further trade agreements would be required for that volume of sales to continue?

Damian Hinds: The hon. Gentleman anticipates some of my later points. If he will forgive me, I will delay my response until then.

One of my favourite whisky-related export stats comes from Japan. It will be a matter of equal sadness and joy to the hon. Member for Argyll and Bute that, scandalously, the best whisky of 2015 award was won by a Japanese brand but that Japan increased the volume of its imports of Scotch whisky by 23% between January and June 2015. Clearly the consumers of Japan have very good taste. We should also acknowledge the wider British spirits industry. I am pleased to say that the main trade association reported that 140 million bottles of British gin are exported to foreign markets, which works out as a 37% increase in five years.

It is also important to bear in mind the very positive effects that the Scotch whisky industry has on employment; many hon. Members have already alluded to those effects. The Scotch Whisky Association estimates that the industry already supports over 40,000 jobs, including importantly 7,000 in the rural economy. Of course, distilleries remain a key source of jobs in the Scottish rural economy, and are strongly aligned with wider tourism activities. Also, as we have already heard this afternoon, every job in the Scotch whisky industry supports 2.7 further jobs in the broader economy, and some of that benefit is spread throughout the UK.

In the constituency of the hon. Member for Argyll and Bute, Scotch whisky is definitely a traditional industry that remains a critical part of its heritage. A total of 14 distilleries are in operation in the constituency, including Bowmore, Ardbeg, Kilchoman, Glengyle, Springbank, Glen Scotia, Tobermory and Oban, and a few others that are less obviously uni-phonetical, so I hope that he will forgive me if I stop there. It goes without saying that we want to continue and wholeheartedly support this Great British success story.

Over recent weeks, I have had the opportunity to meet the hon. Gentleman and some of his colleagues who are sitting with him today in the all-party group on Scotch whisky, as well as representatives from the SWA and the Wine and Spirit Trade Association, among others. I have taken on board the confidence that they have about the continued success of their industry, and I assure the hon. Gentleman that we are united in wanting to help the industry go from strength to strength.

Of course, it was precisely for that reason that my right hon. Friend the Chancellor announced in the Budget of March 2015 only the fourth duty cut in spirits history, the previous one having been in 1996. I strongly supported that decision. Since then, the trend in whisky production has been notable. Between 2014 and 2015, the volume of whisky cleared for sale in the UK increased by 2%. Increasing confidence from the Budget 2014 duty freeze, combined with demand for exports, has contributed to this significant turnaround from the decline in production that the industry had experienced between 2010 and 2014.

The encouraging news continues with the developing trend in small distilleries entering the market. From 2014, seven new whisky distilleries have opened, taking the total number of Scotch whisky distillers to 117. In addition, it is planned that a further 30 to 40 distilleries will enter the market in the coming years, which is a good thing for investment and jobs in Scotland.

I am pleased that the Scotch whisky industry remains dynamic. As has been mentioned, the £1.7 billion investment in its supply chain has helped to meet the demand from overseas markets, and supported jobs over the long term, which is particularly significant for our rural economies.

How can we as a Government continue to support the industry over the coming years? Hon. Members know that next week my right hon. Friend the Chancellor will deliver his Budget in the Chamber, and the hon. Member for Argyll and Bute and his colleagues know that it would clearly be wrong for me to anticipate that in any way whatsoever.

However, it is important to maintain our efforts in two particular areas. The first is the export market. Nine out of every 10 bottles of Scotch whisky sold are sold overseas, and I must remind hon. Members that, on that volume, no UK duty is paid. The hon. Member for Salford and Eccles rightly asked what export support could be given to continue the growth of this important industry. Through the efforts of UK Trade & Investment, we have seen some very strong success stories, all contributing to the 90% growth in exports that the Scotch whisky industry enjoyed between 2004 and 2014. Each second, 40 bottles of whisky are shipped overseas.

We have increased the budget and the remit of UKTI so that it can continue and even extend its promotion of British products worldwide and, importantly, negotiate with export markets for the right regulatory regime, to help people enjoy their dram wherever they may be in the world.

Distillers can now supply their product in countries including India, which can further open the door to other countries. Although Scotch whisky’s share of total spirits volume in India is only around 1%, the SWA expects that that would increase to 5% if there was full and fair market access. The UK supports a broad and ambitious free trade agreement with India. However, there are outstanding issues, including on spirits, that need to be addressed.

The Government are keen to restart negotiations on the free trade agreement and have made the case for that to the European Commission and in bilateral engagement...
with India. I am sure that most hon. Members here will agree that, as was mentioned earlier, in this endeavour we are better equipped as part of the world’s largest single market than we would be alone, even if my hon. Friend the Member for Brigg and Goole—and Saskatchewan—(Andrew Percy) may only agree with that comment for half the debate. He also reminded us of the importance and the number of other potential export growth markets around the world, including Canada.

Opening up more export markets is just one part of the Scotch whisky success story, and I hope that we see much more success in the coming years, as our expanded UKTI teams continue to make the case for Scotch whisky.

The second area that the Government can support is a little more nebulous, and the hon. Member for Edinburgh West (Michelle Thomson) referred to it. I think of it as protecting and enhancing the quality mark of genuine Scotch provenance. Scotch whisky is clearly an iconic product for Scotland and the UK, but with iconic products comes the risk of poor-quality imitations. To protect the integrity and the high reputation of the brand of Scotch whisky worldwide, we launched the spirits verification scheme, which the hon. Member for Salford and Eccles mentioned. This scheme sets standards on production and labelling for producers to sign up to, helping to identify non-compliant products and counterfeits, and making sure that people who buy Scotch whisky get exactly that.

The geographical indication for Scotch whisky is now recognised in the laws of nearly 100 countries, including the whole of the European Union, which is another reason for there to be continued optimism in the industry and continued worldwide recognition for Scotch. But why limit consumers to what they recognise as Scotch whisky from the front of a bottle? The hon. Member for Ross, Skye and Lochaber (Ian Blackford) mentioned the tourism opportunities, and that point was echoed by a number of other colleagues.

Producers are offering tours of their distilleries, opening up a whole new way to connect with thirsty tourists who are keen to understand the traditional side of their whisky—the pride and the passion that go into every bottle of Scotch. According to the SWA, collaborative efforts by the industry and VisitScotland have contributed to more than 1.5 million visits over the last year, with visitors spending more than £50 million at distilleries.

The other aspect of protecting and enhancing the brand of Scotch whisky is, of course, the health issue. Let me be clear about this—Scotch whisky, like all drinks, is perfectly capable of being enjoyed responsibly, and of course it is also capable of being misused. However, this Government firmly believe that the irresponsible actions of some should not be a barrier to the vast majority of people who enjoy a drink responsibly. That is why we will continue to combine efforts with the industry to raise awareness of the need for responsible drinking.

The Scotch Whisky Action Fund is an excellent example of what the industry can do. It is entering its third year of a five-year programme and is delivering £500,000 of funding to support community-based projects that are aimed at reducing alcohol-related harm in Scotland. I am confident that we will continue to strike the right balance between enabling responsible enjoyment of a traditional product, and dissuading irresponsible and harmful behaviour.

Let me turn very briefly to a couple of the other points that were made in the debate. It is not a new development that different countries choose to tax alcoholic beverages differently. Of course, countries choose their tax system, including the balance between direct and indirect taxes, to reflect their needs. When setting duty rates, the Government have to consider the wider fiscal picture. Total revenue from alcohol duty in 2015 was £10.7 billion, with revenue from spirits contributing around 30% of that. Just to give some perspective, £10.7 billion is the same as the entire budget for the Home Office.

I do not know of any EU country that has full duty equivalence among alcoholic drinks. In this country, of course, a typical serving of 25 ml of spirits has lower duty than other typical servings of drinks, for example a pint of beer or 175 ml of wine. As I have already said, the majority of Scotch does not have duty applied to it as it is for export. As I am sure hon. Members appreciate, any and all announcements on duty rates are made in the Budget.

The contribution of Scotch whisky to the UK economy is not least due to the tireless work of distillers who put in the hours and, in this case, the years to produce such a high-quality product. We want the industry to continue to succeed, both domestically and in ever widening markets overseas, promoting Scotland and the UK, and creating jobs and growth. Our programme for Government is based on creating long-term growth and security, and a successful and strong Scotch whisky industry is an integral part of that.

I thank the hon. Member for Argyll and Bute once again for bringing this important subject to Westminster Hall for debate today.

Mrs Madeleine Moon (in the Chair): I call Brendan O’Hara to speak again. I am afraid that you have only seconds left.

3.59 pm

Brendan O’Hara: Thank you, Mrs Moon, for your excellent chairing.

In the moments that are left to me, I thank the Minister for his reply. Without putting any pressure on him, I hope and feel that we have in him a real champion for the Scotch whisky industry, which does so much for the economy.

As I said earlier, Scotch whisky is liquid sunshine, so let us not put a cloud unnecessarily in front of that sun, and let us also push the Chancellor for a cut in duty on whisky in next week’s Budget.

Question put and agreed to.

Resolved,

That this House has considered the contribution of the Scotch whisky industry to the UK economy.
Rosie Cooper (West Lancashire) (Lab): I beg to move, that this House has considered the management of the Health and Safety Executive.

It is a pleasure to serve under your chairmanship, [Andrew Percy in the Chair].

It is not the first case in which I have been involved of senior executives in a public sector organisation creating a culture of bullying and fear using HR practices and disciplinary action to pursue individuals who would not bend to their will. It is not acceptable that those individuals can act in that manner as public servants. They are not running a family business with their own money: they operate in our name using taxpayers’ hard-earned money, and there should be greater scrutiny of their behaviour and consequences for inappropriate action.

On Wednesday 5 June 2013, Judge Reed, sitting at the Liverpool employment tribunal, confirmed that Linda Murray had been unfairly dismissed by the Health and Safety Executive on 18 July 2012. The hearing lasted only several hours before giving a verdict in favour of the former employee. Linda Murray was awarded the maximum statutory compensation of £85,000. That was in addition to the Health and Safety Executive’s legal fees, which were paid from the public purse. The bill ran into hundreds of thousands of pounds at a time when the organisation faced budget cuts and staff redundancies. It is unacceptable.

It is not only the monetary cost of the case that needs to be considered, but the personal and emotional cost paid by Linda Murray. Throughout the entire period she suffered stress-related ill health, requiring medication. She lost her financial security and her family suffered great distress. She had given 33 years’ service to the Health and Safety Executive. The whole episode led to a tense meeting between her and Mr Baker. Previously, Mrs Murray had provided challenge to and constructive criticism of Mr Baker. She expressed concerns about how decisions were being taken and the negative impact on her staff and the job they were employed to do. Following the meeting, Mrs Murray received notification of disciplinary action being taken against her. That resulted in a written warning, which was successfully appealed. The main grounds for the success of that appeal were that Peter Baker could not investigate the alleged misconduct when he was the sole person against whom the misconduct had allegedly been perpetrated.

Despite the appeal, Health and Safety Executive senior managers decided to run the disciplinary action again, and a senior crony then reinstated the written warning. A second separate investigation into Linda Murray was then pursued by senior managers, and that can be traced back to the period of her interim promotion. An underperforming staff member was put on her team, but no one told her about the performance issues. It reached a point where Mrs Murray and the staff member agreed that they could not work together. He was transferred to Mr Ian Travers’ team. Despite the transfer, the staff member continued to treat Mrs Murray with a great deal of contempt and disrespect. She requested that the staff member’s line manager, Mr Williams, speak to the person about their conduct, which he failed to do.

The acrimonious nature of a meeting between Mr Williams and Linda led to Linda being asked to meet with Ian Travers. Instead of dealing with the behaviour and conduct of the underperforming staff member, the two managers sought to deal with Linda Murray, claiming that she was bullying that member of staff. That led to Linda being forced off work with stress, and that situation was compounded by the hostility with which she was met by Ian Travers at her return to work interview. A suspension for 10 and a half weeks for insubordination was the outcome of that meeting. An example of that insubordination was asking for HR to attend the meeting with her. A 200-page report was produced and a dismissal for gross misconduct was the outcome.

From the outset of her dismissal, Mrs Murray was denied any measure of fairness or justice. Prior to her disciplinary meeting, she was not provided with the 60 questions that she would be asked. Those questions were overly long and loaded. She was refused the opportunity to interview some of the key witnesses in the case and staff were told that they did not have to provide written statements to her. Lies were told within the organisation to justify the disciplinary action. It was reported to...
Mrs Murray by a former colleague that a rumour was circulating that she had assaulted Ian Travers. She was never afforded the opportunity to put her side of the story. Such a culture of fear existed within the organisation that people were not prepared to speak out for fear of losing their jobs. It seems coincidental that the only senior officer to stand up for Linda Murray, her ex-husband, was subsequently investigated and subjected to disciplinary proceedings.

Mrs Murray pursued her case to a tribunal, knowing that she had been hounded out of the Health and Safety Executive for personal, not performance reasons. She understood the grounds of her dismissal were erroneous and a complete fabrication. She is a well-educated woman with a law degree. She had one successful career and has gone on to build a second one, but she admits that going through the tribunal process nearly broke her. She was unable to afford a lawyer to represent her as she was on jobseeker’s allowance, she had no access to legal aid, and her trade union, Prospect, refused to support her case, siding instead with the management. Linda Murray had to defend herself against the HSE’s legal team, which was publicly funded. We paid for it.

In the end, an independent arbiter, Judge Reed, was the person who finally listened to Mrs Murray. Although she paid a very heavy price, no action has ever been taken against the individuals who pursued a personal vendetta, including Ian Travers, who initiated the investigation and who reacted in a fit of personal pique having had his management capabilities questioned; Alf Williams, who I understand is a personal friend as well as a colleague of Ian Travers, and whose evidence provided a major contribution to the investigation; Philip White, who led the deeply flawed and oppressive investigation and who was heavily criticised by the employment tribunal judge; Eddie Morland, who rubber-stamped the outcome of the investigation; David Snowball, the senior operations manager who oversaw the investigation in conjunction with Peter Baker, and who took the decision to elevate the issue to the head of human resources, who I understand is now deceased; and Gordon MacDonald, a very senior official in the HSE who was asked personally by Linda Murray to intervene, which he had the authority to do, but who failed to act, allowing Mrs Murray to endure a tortuous experience.

As an organisation, the HSE does not seem to have learned from the experience either. It has refused to acknowledge the outcome of the case and has failed to take any action to restore Linda Murray’s reputation. Specifically, it has failed to address the rumour of assault being the grounds for her dismissal. Will the Minister give a commitment that the permanent secretary for the Department for Work and Pensions will personally ensure that this matter is investigated? Can he assure me that a conclusion will be reached within six months and a report produced that Mrs Murray and I can access?

The record should be set straight and Mrs Murray should get an apology, but for the Minister there are much wider questions. How does this happen in the Government’s name—or any Government’s name? Why is no action taken to investigate malpractice when a tribunal judge finds so heavily against an organisation or Government Department? What can be done to limit and, indeed, stop bullying in the workplace? Should fit and proper person tests be applied to the misuse of power? Then there is the cry from the taxpayer: how much have these failures across public services cost the taxpayer? How much of that money would have been better directed into public services?

I have presented the case of a single person. In a couple of weeks there will be an even bigger report from the health service along similar lines. We cannot allow this behaviour to continue and I look to the Minister for assurances that it will be rooted out.

4.13 pm

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): It is a pleasure to serve under your chairmanship, Mr Percy. I thank the hon. Member for West Lancashire (Rosie Cooper) for raising this serious issue and giving me the opportunity to provide a response as the Minister responsible for the Health and Safety Executive. Neither I nor the board or senior management of the HSE are happy to hear of any distress felt by any member of staff working at the HSE. It strives to be a good employer and knows that its highly skilled staff are its most important asset.

I hope that the hon. Lady appreciates that it would not be appropriate for me to discuss matters relating to the individual case she outlined. However, I acknowledge the strength of the points she put forward and what she asked of me as a Minister. I am meeting with the HSE’s senior team next week and shall bring this matter up. I want to investigate the case further, and I will also ask the senior team to meet the hon. Lady to discuss it. The hon. Lady has put a case on the record very powerfully and I have listened to it, and I give an absolute commitment to look into it further. I will try to do that as quickly as possible. I thank her for putting the case; it is a credit to her work on such matters. It is particularly important that she is asking whether this is just a specific case or a wider issue. We will certainly want to look into that.

Nick Thomas-Symonds (Torfaen) (Lab): It is always a pleasure to serve under your chairmanship, Mr Percy. I congratulate my hon. Friend the Member for West Lancashire (Rosie Cooper) for raising this debate and on the way she made her case. On the broader management of the HSE, can the Minister reassure me that while of course it has its advisory role, its enforcement role is equally important?

Justin Tomlinson: I absolutely agree with that point.

Because I cannot discuss specific cases here, I shall set out the wider issues relating to the work that the HSE is doing. Nevertheless, I have made a firm commitment to look at that serious case, and it should be investigated further.

Rosie Cooper: Before the Minister deals with the generalities, may I say that there is a huge irony in the HSE being the subject of the comments I have made? Will he look at the overall picture, in which employees are bullied, but even when a case goes as far as a tribunal that finds in the employee’s favour, the system does not learn? The people who promulgate that behaviour are not held properly to account. The NHS has fit and proper person tests; what happens in other public services?

Justin Tomlinson: The hon. Lady’s point is absolutely understood, and we will take that forward.
The HSE lies at the heart of a globally respected regulatory system and has been a catalyst for positive change in organisations ranging from the smallest micro-businesses right up to global players that manage major hazard facilities. It has helped Great Britain develop one of the best health and safety records in the world, and fatalities, injuries and ill health have all substantially reduced since it was formed in 1975. The 2014 review reflected the high esteem in which the HSE is held. There was widespread support from stakeholders for the organisation and for the professionalism and technical expertise of its staff. I have genuinely seen that at first hand when I have spoken to businesses at events. The previous Government accepted the review’s recommendation of confirming the HSE’s operating model and its status as an arm’s length body.

Last week, the HSE launched a new strategy for the health and safety system in Great Britain, aimed at helping the country to work well. Almost a thousand people from hundreds of organisations attended seven roadshows in seven cities to develop the new strategy, with 7 million more being reached through social media. The six themes outlined during the engagement with stakeholders attracted strong support, and now the strategy is setting a positive new direction for health and safety across England, Scotland and Wales. It will help each nation to work well, protecting lives and livelihoods and helping Great Britain become more prosperous.

The strategy will help to ensure that we maintain our world-class health and safety record while maximising the wider benefits that the system can bring. Such achievements and the future ambition are made possible by the dedication, professionalism and specialist expertise of the HSE’s staff and management. I have personally visited the HSE laboratory in Buxton and seen for myself the energy and innovation of the people there. Their work is directly helping industry to improve health and safety, both here in the UK and abroad, where a number of international contracts have been secured to provide advice and support.

The HSE is part of the wider civil service and, as such, offers modern employment terms that compare favourably with other large organisations. In line with the rest of the civil service, it is aligning its human resources policies with new, modernised terms and conditions. Its HR policies reflect good practice and are consistent with what is expected of a well managed modern employer. It has excellent retention rates and turnover is low compared with similar organisations. Excluding retirement, only 3% of staff leave each year. There is a high degree of loyalty, pride and commitment, which I genuinely saw on that visit to Buxton. Many staff enjoy long careers with the HSE, giving the organisation an impressive corporate memory. The civil service people survey results show that the majority of its staff say they are proud to work for the executive and regard it as a great place to work where staff are treated fairly and with respect.

Like any ambitious organisation, it has identified areas for improvement. Over the past year, under the leadership of the new chief executive, Dr Richard Judge, and with the active support of the internal management board, the HSE has set itself a challenging agenda to improve in its people and capability. I will raise the subject of the debate with those people and ask for further work to be done.

As a result of the actions I have described, the HSE’s overall engagement score is improving. It rose by 10% on the previous survey. Although it is currently just below the civil service average, the HSE’s goal is to ensure sustained improvement and performance above the civil service average. The programme of action is designed to get the HSE into the best shape to deliver its responsibilities, not only to continue to improve an already effective health and safety system but to anticipate the future and embrace new ways of working. The programme will respond to feedback from staff, including through the annual people survey.

We are not complacent, and it is important that there is ongoing improvement. The senior leadership team’s priority is to improve staff engagement and address leadership and management at all levels. In line with the rest of the civil service, a clear statement of values and expectations for those in leadership roles has been launched, against which all managers will be measured as part of their appraisals. A key element of that ongoing work is a structured leadership and management development programme, with an initial focus on new managers. That programme will eventually be targeted at all managers, equipping them to lead the HSE through change and to manage group and individual performance confidently.

In the most recent people survey, the rating for inclusion and fair treatment stood at 71%. That figure is increasing. However, about 11% of staff reported that they had experienced bullying and harassment in the previous 12 months—slightly above the civil service average of 10%. The HSE has a robust bullying, harassment and discrimination policy, which has recently been revised with its trade unions. It takes seriously any reports of bullying, harassment or discrimination, and any such cases are investigated independently of the line management involved.

My experience of the HSE is that it is a modern, effective regulator with a diverse workforce. It has a well deserved reputation for professionalism, expertise and dedication. I have seen at first hand the energy and commitment of its people, including its leadership team, and I am confident that it recognises the importance of engaging and managing its workforce effectively and has clear plans for driving further improvement.

The HSE has helped Great Britain to develop one of the best health and safety records in the world. It has done so as a result of the expertise, professionalism and dedication of its staff, and its future success will depend on their ongoing support and commitment. Its leadership and management team recognise that and are committed to ongoing improvement. I am confident that they have a clear plan of action to make the HSE an even better organisation.

The matter that has been raised will be taken seriously, and we will investigate it further. Once again, I thank the hon. Member for West Lancashire for taking the time to highlight it to me and the senior management team. We will endeavour to do what we can.

Question put and agreed to.
UK Energy Market

4.24 pm

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I beg to move,

That this House has considered competition in the UK energy market.

It is a pleasure to serve under your chairmanship for the first time, Mr Percy. Energy prices and the challenges facing the energy market—perhaps the failure of the energy market—are issues that have vexed consecutive Governments for many years. The challenges we face in tackling the behaviour of the big six energy companies were most recently illustrated by the debacle of the Age UK-E.ON energy tariff. Age UK offered its customers a tariff with E.ON—one of the big six companies—which was not the best deal on the market and cost them many hundreds of pounds more than they needed to pay. That is an example of the big six energy companies’ behaviour. I have a good impression of Age UK from my engagement with both the local organisation in Suffolk and the national charity, which campaigns for the needs of older people. That tariff is an example of one of the big six energy companies behaving poorly and not offering good value for money for customers.

An important review of the energy market will be published tomorrow, so this debate is timely. It gives us an opportunity to talk about the challenges we face in developing a sustainable energy market that serves customers and looks after the most vulnerable—people on fixed incomes, people in social housing, older people and people who are in fuel poverty.

The energy sector faces three sometimes conflicting pressures, which we often call the “energy trilemma”. First, since the liberalisation of the domestic gas and electricity markets at about the turn of the century, energy customers have grown accustomed to relatively cheap energy. More recently—particularly since the recession—many households have struggled with energy bills and the cost of heating their homes due to increases in energy prices.

Secondly, the UK’s future energy requirements are an increasingly pressing challenge. The Department of Energy and Climate Change—the Minister may talk about this later—estimates that electricity capacity in the UK will need to grow in the long term, as demand is likely to increase by between 30% and 100% by 2050.

Thirdly, and rightly, the UK committed to reducing its greenhouse gas emissions by at least 80% by 2050 under the Climate Change Act 2008. That Act, which set out steps towards the decarbonisation of the British economy, was underpinned by cross-party support. When it was enacted in 2008, the right hon. Member for Doncaster North (Edward Miliband) was the Energy Secretary, and the Prime Minister, who was then the leader of the Opposition, gave the support of Her Majesty’s Opposition to that important measure.

In short, energy must become low carbon while remaining affordable to consumers and attractive to investment and investors. That is the energy trilemma. It has perhaps been made slightly less challenging in recent months by the fall in the global oil price and the lower fuel costs for many customers. Certainly, the cost of kerosene—the fuel that many of my constituents use for home heating—is at a record low level.

Since 2008, Governments and the energy regulator, Ofgem, have sought to reduce the barriers to effective competitiveness in the gas and electricity markets, particularly for supplies to domestic customers. Up until now, the main aims of the regulatory interventions have been to ensure that the wholesale and retail gas and electricity markets are competitive. For retail consumers, the aim has been to make tariffs simpler, clearer and fairer and to reduce the complexity that previously dogged pricing in the energy market. The various interventions culminated in 2014 when Ofgem requested that the Competition and Markets Authority conduct an energy market investigation. Referring the matter to the CMA was intended to secure a once-and-for-all investigation as to whether there were further barriers to competition in the energy market, because the CMA had the more extensive powers with which to address the issue of big, long-term structural barriers.

In the course of the CMA investigation to date, the authority has published a large volume of evidence on its website, including more than 100 submissions from interested parties and transcripts of 30 hearings with industry participants and other important groups. In the provisional findings, which were published on 7 July 2015, the CMA suggested a range of adverse effects on competition in the energy market, as well as areas that did not give rise to such effects. The key provisional CMA findings were that a range of problems is hindering competition in the market, including the extent to which consumers are engaged in it and the shortcomings of the regulatory framework to support active consumer engagement.

The CMA also found that customers are not taking advantage of switching suppliers. Dual-fuel customers could save an average of £160 a year by switching to a cheaper deal, again highlighting behaviour of the big six of which we are too well aware. Furthermore, about 70% of customers are on the default standard variable tariff, despite the presence of generally cheaper fixed-rate deals.

The CMA outlined that regulatory interventions designed to simplify prices, such as the four-tariff rule, are not having the desired effect. A lack of transparency is hampering trust in the sector and, as I am sure that Members in the Chamber today know, a good example of that is the scandal exposed by the Select Committee on Energy and Climate Change in the previous Parliament, under its then Chair, Tim Yeo. The price comparison websites were only advertising deals that they were sponsored to advertise, so some of the very best deals were not available to the people using the websites. Every step of the way, there has been a lack of pricing transparency, even on the part of the price comparison websites. The history of the big six energy companies is far from one of benefiting the consumer.

Competition in the wholesale gas and electricity generation markets can work well—according to the CMA provisional report—but the presence of vertically integrated firms does not necessarily have a detrimental impact on competition.

Julian Knight (Solihull) (Con): My hon. Friend is making an important contribution and I congratulate him on securing the debate. I understand about the failings in the aggregator and price comparison sites sector, which we need to be aware of, but competition in
the energy market has made some progress. In 2010, 99% of the domestic market was shared by the big six, but we now have more than 30 providers and independent suppliers having 30% of households. Does he recognise that there has been progress, and that we just need more and at a quicker pace?

**Dr Poulter:** There has been progress, but it has been among empowered consumers. The most vulnerable consumers—such as people on fixed incomes, pensioners and those who live in the poorest housing, are unemployed, have mental illness and people who are sometimes the least able to advocate for themselves—might not even have engaged with the internet, which plays an important part in supporting consumer choice. Such lack of engagement is not true of all older people, but it is of some. Such consumers have not been engaged in the energy market and we have a duty to look after them, in particular those who live in fuel poverty. In that respect, there is ongoing market failure, and that needs to change.

May I develop my earlier point, which is key? As I am sure my hon. Friend is aware, this was picked up in the recent Which? report. Despite the CMA investigation and its provisional findings of last year, the behaviour of the big six energy companies seems to remain unchanged, profoundly uncompetitive and certainly not in the best interests of vulnerable consumers. Ahead of the final conclusions of the CMA’s investigation into the energy market, which I hope and understand will be published tomorrow, the latest Which? research has revealed that the recent price cuts announced by the big six energy companies are dwarfed by the savings that customers could be making by switching to an alternative provider.

Customers on the standard tariffs of the big six providers save only £30 a year from the recently announced cuts, which is a 5% reduction for those on a standard single-fuel gas tariff and only a 2.6% reduction for those on a standard dual-fuel deal—the cuts applied only to gas, not to electricity. The same customers, however, would save a massive £400 a year if they were to switch to the cheapest dual-fuel deal on the market, or £260 a year for the cheapest gas-only tariff. Clearly, there are still problems with and concerns about the behaviour of the big six energy companies, in spite of the provisional CMA report.

That is why a number of not-for-profit energy collectives such as the Big Deal have sprung up to support consumers to get better energy deals. According to Government estimates—I am sure the Minister will correct me if I am wrong—only 12% of customers switch their gas provider, with seven in 10, or 71% of gas customers stuck on standard tariffs and nine in 10, or 88% of households still with the big six. The forthcoming energy inquiry must therefore make it easier for customers to engage with the energy market and to switch to a better deal.

Consumers include the most vulnerable people who live in our constituencies, in particular the elderly, pensioners and people who live in social housing and private rented accommodation—frequently in some of the worst and least energy-efficient accommodation. They are the poorest consumers, often living in fuel poverty, and they are paying the biggest price for the failure of the energy market.

**David Mowat** (Warrington South) (Con): I do not want to be an apologist for the big six, but there is something about the subject that I always find intriguing. We have heard mention of “market failure”—another term for a cartel, frankly—but why have the big six not been able to turn their cartel into profits? Yesterday, npower announced the laying off of some 2,500 people and a loss of £100 million. Other members of the big six, according to the numbers, do not appear to be making massive profits either. Where does the money go?

**Dr Poulter:** I assume that the inflated energy tariffs are benefiting the shareholders in a number of those companies, because the companies are certainly not passing the reductions in their costs on to the consumer. If we want to restore trust in the energy market, they need to do so. Some of the most vulnerable consumers, the people least likely to switch, are losing out. Clearly there is exploitation in the big six market position, at the expense of vulnerable consumers.

**David Mowat:** My hon. Friend is of course right: we must have more switching—we are all behind that—and we must make the market work better. My point, however, is that shareholders do not appear to be benefiting. Npower lost £100 million in the UK, and others have not made a great deal of money out of the market. It would be useful for us to reconcile that—perhaps the three Front Benchers will help us later.

**Dr Poulter:** The Front Benchers can speculate why the benefits of the reductions in costs for the energy suppliers are not being passed on to consumers, because they are clearly not being. The money is going somewhere, but not to consumers’ pockets. If we genuinely want to have an energy market that has the trust of the public and protects those people who are perhaps not engaged with it effectively, something different needs to happen. The money is going somewhere, but not to the people to whom we want to see it going, and that is what a market mechanism is designed to do—to benefit the consumer.

**Julian Knight:** I was in conversation with Npower today, because it is a major employer in my constituency and I had concerns about the job losses that were announced. Npower told me that, in effect, the industry is running on a profit margin of about 4% to 5%; by comparison, Tesco and Sainsbury’s normally look at about double that figure. So a huge profit margin is not in place and perhaps where the disconnect—excuse the pun—comes in is in areas such as prepayment meters, where vulnerable groups are paying over the odds for their energy, compared with more everyday and active consumers.

**Dr Poulter:** My hon. Friend is right. Indeed, I have raised that point. You quite rightly kicked off the debate a little earlier than we had anticipated, Mr Percy, because the previous debate came to an early end, and in my opening remarks I alluded to exactly that point in relation to E.ON’s recent Age UK tariff, which was an uncompetitive deal compared with some provided by other big six energy providers—I give some of them credit in that respect. It was about £140 more expensive than the best big six deal at the time. That exploited the good will of Age UK and of its customers, who would have expected that Age UK would provide them with
the best deal available, which it clearly was not. That has further damaged the reputation of the big six and how they can use their market position to the detriment of the customers they purport to serve.

**Julian Knight**: My point related more to pre-payment meters, which are topped up at shops or other retailers, but people find that they go into emergency credit and end up paying far more for their energy. My hon. Friend is making some valuable points, but I wonder whether there is an acute difficulty only in small areas of the market, with overall profit margins being relatively low.

**Dr Poulter**: My hon. Friend is right to make that point about pre-payment meters. In that situation we are often dealing with some of the poorest energy consumers who can least afford to pay, but who pay a lot more for their energy as a result of those meters. I am sure the Minister will want to comment on that. Citizens Advice gave evidence to the Energy and Climate Change Committee on the importance of protecting vulnerable consumers and ensuring that they are not left behind by an energy market that benefits more informed, internet-savvy consumers. We need to protect those who by dint of social circumstance—they may not be very well off, or they may be in difficult circumstances—may not have the same opportunities as others to choose where they live. They may have to deal with pre-payment meters, which I am sure none of us would choose for ourselves. There is clearly a role for the Government in looking at how to protect vulnerable consumer groups.

**Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): The hon. Gentleman is making a fantastic speech. People on prepayment meters are the disguised self-disconnecters, which is a bad news story for those individuals but also for the country and for companies. That must be addressed, as the hon. Member for Solihull (Julian Knight) said.

**Dr Poulter**: I completely agree with the Chair of the Energy and Climate Change Committee; that is a good point well made. I hope we will have the opportunity to do that either through legislation or through cross-departmental work. This is an issue not just for the Department of Energy and Climate Change but for the Department for Communities and Local Government, which can implement much energy legislation that affects homes in the private rented sector. I am sure the Minister will want to take the issues forward with Ministers from that Department in some cross-Government working, because it is important that the energy market benefits the most vulnerable people in our constituencies.

Despite the CMA’s investigation and its provisional findings last year, the behaviour of the big six energy companies seems to remain broadly unchanged, profoundly uncompetitive and, as I outlined, certainly not in the interests of some of our most vulnerable constituents. Ahead of the conclusion of the CMA’s investigation into the energy market, numerous measures have been put in place that have not been in consumers’ best interests. I am aware that other Members wish to speak, so I will try to bring my remarks to a conclusion fairly soon, but it is worth highlighting where that review is and where it may lead us.

The CMA’s provisional findings were a clear indictment of a market that in my view—this is not without a good amount of evidence—is failing consumers. They showed that energy suppliers were using their market power to price tariffs above a level that could be justified by the costs at which they were buying energy. In the Which? annual energy supplier satisfaction survey, three of the big six suppliers failed to meet the overall average consumer satisfaction score of 53%, and npower had the lowest score for the sixth year running, at 41%. I am sorry to highlight that to my hon. Friend the Member for Solihull (Julian Knight), given the point he made.

Ofgem’s latest complaints figures show that the big six received an eye-watering 5 million customer complaints last year. I am sure hon. Members agree that such flaws in the energy market demonstrate the need for radical reform and change. There is also concern about the level of detail that the CMA has provided to date on its potential remedies, which is seen as lacking. I hope that we will get clarity on that tomorrow when its final report is published. There may be merit in the safeguard tariff proposal, but not enough thought has been given to how it will interact with proposals to get more people switching.

Crucially, the CMA appears to have given little or no thought to the steps that will engage people in the energy market, particularly after the failure of Ofgem’s retail market review. At a time when people should be saving as much as £400 by switching from a big six standard tariff to one of the smaller suppliers’ cheapest tariffs, a rise in switching of just 15% is a drop in the ocean. That raises big questions about what can be done to get people to switch and save, and the CMA needs to deliver clear answers.

**David Mowat**: My hon. Friend mentioned npower, which got a very low customer satisfaction score, has lost 200,000 customers, I believe, and is having to make something like 2,000 to 2,500 people redundant. In that respect at least, there is an argument that the market is working.

**Dr Poulter**: The market may be reflecting the damage to npower’s reputation, with some loss of jobs. None of us would like to see job losses in our constituencies, but clearly there are lessons for npower to learn. However, it is only one of the big six energy companies. As a group, their behaviour has consistently been not customer-focused, as the Which? survey bears out, and they have not made improved energy tariffs available to customers, particularly vulnerable customers. I do not believe that that is a good or healthy market, which is why Ofgem referred the issue to the CMA in the first place.

Crucially, the CMA appears to have given little or no thought to how we can engage people in the energy market. There are sticky customers—vulnerable customers, older people and those in the private rented sector—who do not engage, and we need to see that change.

In their draft legislation, the Government are looking at developing greater price visibility, compelling offers and quicker switching. Those ideas have a lot of merit and will encourage greater engagement in the market by some, but I am not sure all. There is a compelling case for the CMA inquiry ensuring that the presentation of pricing is more engaging for customers. In particular, the switching process needs to be improved—
both the time limit and how it works. The Government are looking at that in the draft legislation, which is welcome. We know that customers will switch, but the challenge is getting them more engaged in the market.

Today’s energy market is failing customers. Millions of people, many of whom are vulnerable and living on fixed incomes, are being punished for loyalty to their energy supplier, paying hundreds of pounds more for their energy than they should. The big six are using that money to hook in new customers with loss-leading tariffs, which is a cynical and poor way to treat customers that destroys market competition at customers’ expense. That is one of the key reasons why the big six retain their market position. The situation is worsened by too many complex rules and regulations and a lack of pricing transparency.

The CMA has a unique opportunity to deliver a new regulatory model based on simplicity and common sense, underpinned by clear, strong and practical principles that protect vulnerable customers and those on fixed incomes. In a refreshed energy market, with the energy companies showing genuine corporate responsibility, there is an opportunity to put customers at the centre of a market that is meant to serve them. Those who profit from exploiting their customers should have no choice but to change or face much more stringent financial and other penalties from regulators.

I would like to see three changes to the energy market coming from the CMA review, and I would be grateful for the Minister’s comments on them. We need to see fair pricing—energy suppliers’ prices should reflect underlying costs, and suppliers should be stopped from overcharging loyal customers or running loss-leading tariffs that damage competition and drive smaller suppliers out of the market. Regulations should be based on clear principles, with the priority being to avoid customer harm and to protect vulnerable customers and those on fixed and lower incomes, particularly those in fuel poverty. That leads to the key third principle of energy market reform: we must protect the vulnerable. We need a regulated, annually set social tariff that stops the most vulnerable customers and those in fuel poverty being exploited by the big six.

If we do not achieve those things, the energy market will become a contradiction in terms. Consumers, particularly the most vulnerable, deserve better. I look forward to hearing from my hon. Friend the Minister.

4.51 pm

Chris Stephens (Glasgow South West) (SNP): It is a pleasure to serve under your chairmanship, Mr Percy. I have a sore throat, so you will be pleased to hear that I will not be shouting.

I want to touch briefly on the effects of the energy market in Glasgow. As the hon. Member for Central Suffolk and North Ipswich (Dr Poulter) said, it is easy to fall into the trap of assuming that everyone is online and knows which price comparison site is which. For the savvy and connected, it can be relatively easy to shop around, but in Glasgow, where half our residents have a home internet connection, the continued focus on online opportunities excludes hundreds of thousands of citizens.

Poverty prevents many people from getting online, which in turn prevents them from shopping around and deepens the fuel poverty that they might seek to address. That block on the capacity of the financially and socially excluded reduces incentives for the big six to compete. Why compete for business from those customers when they are heavily handicapped in their choices, due to both the information available to them and the means by which they are able to choose?

There is no incentive for the energy companies to compete in the prepayment market; there is no market to speak of. Hundreds of thousands of customers who have moved into properties with prepayment meters are left with a choice of paying through the nose for their card meter or paying through the nose to get the meter replaced if they pass a credit check.

One constituent of mine was chased by one of the big six for an energy debt accrued on the prepayment meter in his flat. Given that he had moved in while the meter was in situ, there was no possible way for him to have run up a debt. Nevertheless, it was only when my office intervened that sense prevailed. How many other cases like that are out there, with debt recovery agencies chasing innocent victims for non-existent debts run up on a non-existent meter using non-existent energy?

Another constituent—a pensioner on a fixed income—attended my surgery to talk about his electricity costs. His last quarterly bill showed that three quarters of his spending was on standing charges. Although I understand that energy companies need to ensure that the maintenance of infrastructure is funded properly, it surely cannot be beyond their ken to ensure that vulnerable and poor customers such as my constituent do not find themselves afraid to turn the heating on for fear that their next bill will be unpayable.

Comparing costs per unit, per day and per month is just part of the problem. Qualification for the warm home discount scheme, for example, varies from company to company, with some enrolling only those mandated by the scheme and others extending entitlement to recipients of qualifying benefits. Navigating that minefield and finding the company that offers the best terms requires time, patience and, again, an internet connection. One hundred and forty pounds off the electricity bill may not seem a huge amount, but to someone on a means-tested benefit it is invaluable.

Competition in the energy market is not simply about who sells the cheapest kilowatt-hours or who gives the biggest discount on direct debit. A proper market serving the wider population requires that population to have equal access to information, so that they can make informed decisions. Sadly, the number of people still falling into fuel poverty means that far from the situation improving, it has in fact worsened over recent years.

4.55 pm

Philip Boswell (Coatbridge, Chryston and Bellshill) (SNP): It is a pleasure to speak under your chairmanship, Mr Percy. I would first like to thank the hon. Member for Central Suffolk and North Ipswich (Dr Poulter) for securing this debate on such an important issue. His excellent speech covered all the key issues—the dominance of the big six, the lack of trust and transparency, loyalty to and by customers, fuel poverty and, of course, competition. I am delighted to see the general alignment
across all parties on this subject, and I look to the Minister and the Government to address the serious issues raised.

The UK energy market is, without question, dominated by the big six suppliers. That market structure is detrimental to energy customers because companies within such structures are, by nature, subject to far less competition than those in competitive markets, and competition is key to keeping prices down. Ofgem itself has acknowledged that while there was no evidence that the big six were operating as a cartel—something that the hon. Member for Warrington South (David Mowat) spoke of—there was a possibility of tacit co-ordination between them.

Last summer, the Competition and Markets Authority found a range of problems hindering competition in the market. Two key factors were a lack of transparency and trust in the energy sector, as well as the fact that customers were not switching suppliers, which many Members have touched on. It is easy to see why many do not trust the energy sector. While energy companies have seen record profits, customers have seen their energy bills become even more expensive.

Between 2009 and 2012, during a global recession that saw millions struggle to find a stable income and keep food on the table and a roof over their families’ heads, retail profits of energy companies increased from £233 million to £1.1 billion. Ofgem has found no clear evidence that that increase in profits was due to increased efficiency by suppliers, meaning that the unprecedented growth in profits during a global recession could only be a result of charging customers more. Let us be clear: profit in itself is not a dirty word—it is vital to business and the economy. It is, however, the levels of profit that raise concern in this decade of austerity.

The CMA found last year that energy consumers were being collectively overcharged by £1.2 billion per year. Meanwhile, ScottishPower quadrupled its profits from £27 million to £114 million, and British Gas saw its profits rise 99% between 2014 and 2015—notably, at the same time as its parent company Centrica planned to cut 4,000 jobs. Just this week, npower announced it would cut 2,400 jobs, as has been well covered in this debate.

Even after the most recent overcharging scandal, energy suppliers are still overcharging customers. In January, Ofgem found that despite wholesale costs—costs that make up half of a customer’s energy bill—falling by nearly one third over the past year, that decrease in cost has not been passed along to customers. How can we possibly expect consumers to trust these energy companies when they so regularly take advantage of customers to bolster their own profits?

Coupled with that lack of trust is a lack of transparency by energy companies in terms of the tariffs they are selling to customers. A huge number of tariffs are available, the abundance of which makes switching suppliers and choosing a new tariff complex and confusing. Moreover, the related benefits and charges of the tariffs available, such as introductory offers and exit fees, are presented in a variety of ways, making the options available even more difficult to understand.

While online comparison websites are a welcome tool for consumers to help navigate the complexity of the various tariffs available to them, the variety of tariff structures available means that even using those websites does not guarantee that a customer will select the cheapest tariff or instil confidence in the customer in their decision to switch suppliers. Moreover, as my hon. Friend the Member for Glasgow South West (Chris Stephens) said, the most vulnerable in society are often unable to utilise those online resources. That combined lack of trust and lack of transparency makes customers hesitant to switch. In turn, it gives incumbency advantages to suppliers, which is a politically correct way of saying that suppliers systematically overcharge and exploit their existing long-term customers.

Turning to fuel poverty, in any debate on the energy market, it would be remiss of me to fail to acknowledge the real-life impact on consumers of the fact that the energy market, at present, does not work in their best interests. That impact is most evident in the prevalence of fuel poverty among the most vulnerable in society. My hon. Friend spoke articulately—if somewhat quietly—about the very serious issues of high tariffs for those in fuel poverty and the lack of opportunity to switch, telling us distressing real-life stories of how vulnerable and not well-off customers suffer most under the present system.

In the last 10 years, under energy market regulation dictated from Westminster by successive new Labour and Tory Governments, the number of households living in fuel poverty in Scotland has risen by 10% to 40% of households—let me say that again: 40% of households in Scotland are living in fuel poverty. Fuel poverty means more than simply not being able to keep the heating on. Fuel poverty has been found to cause mental health problems in adolescents, as well as respiratory problems in children. It affects the educational attainment and the emotional wellbeing of children and means that household income, which could otherwise be used to purchase healthy, nutritious food, goes on paying energy bills.

The combination of mental and physical health problems, poor diet, emotional turmoil and diminished educational attainment caused by fuel poverty is a recipe for condemning people to the cycle of poverty. To me, and clearly to most Members speaking today, that is completely unacceptable. Why should so many suffer while energy companies systematically continue to overcharge customers and take advantage of the market failures in the economic environment that this Tory Government continue to fail to address?

After considering the many contributions made by hon. Members, it is clear to me what needs to be done to address the critical issue of the UK energy market’s failure to benefit consumers. First and foremost, the systematic overcharging of customers must end, and the cost of energy bills must be reduced. The fact that this overcharging is so common is a clear indicator that the regulatory structure is not working at present.

More needs to be done to make switching suppliers easier. If customers had the confidence to switch suppliers, competition in the market would increase and, in turn, hopefully help to push down prices. That means addressing the two underlying reasons why customers are not switching suppliers—the lack of trust in the industry and the lack of clarity and transparency surrounding the different tariffs available to customers.

Finally, the growth of green energy provides a potential competitor to the big six energy providers, creating huge scope to help to push down prices for customers.
However, barriers to entry and expansion remain for energy providers. Proactive steps must be taken to ensure that this growing sector, which provides energy that is both renewable and potentially cheaper than traditional sources, is able to compete against the dominance of the big six.

5.3 pm

Dr Alan Whitehead (Southampton, Test) (Lab): I congratulate the hon. Member for Central Suffolk and North Ipswich (Dr Poulter) on securing the debate, which is so timely, given that it is within 14 hours of the Competition and Markets Authority’s report on its findings coming out. Unfortunately, it is taking place 14 hours before the findings come out, but it is pretty closely targeted on the important development that we are about to witness. For this afternoon’s debate, we have the CMA’s provisional findings, which I guess will inform the report that will come out shortly. The hon. Gentleman directed his very thoughtful points about the whole question of competition in the energy market to a number of those.

This is a conundrum with many layers—exactly how competition works, how it can best work, how it can be better enhanced and how it can work for those customers who could benefit most from better competitive arrangements in the energy market. In many instances, those customers appear at present to be stuck in a non-competitive mode with energy companies. Energy companies almost regard those sticky customers as assets that they can use to make additional resources, as the hon. Gentleman mentioned, with which they can finance special offers and various other things, which, to some extent, rely on the knowledge that those sticky customers will remain with the company—perhaps that is part of the conundrum—apparently very much against their better economic interests and despite longer term concerns. I will perhaps return to that thought in a moment.

The hon. Gentleman also made the very important point that we are discussing one part of that energy trilemma, in that we have embarked on—and I hope we will continue to be solidly embarked on—a process of decarbonisation of our energy system. Clearly, that has to be achieved, but under the circumstances of two additional imperatives: first, that there should be security of supply, among other things to make sure that the lights stay on, which is perhaps a rather important part of the customer experience of electricity prices and the market; and secondly, that prices should be fair, reasonable and equitable, as far as customers are concerned.

I am not sure that it would too far outside this debate just to reflect on the first part of that energy trilemma, in that we have embarked on—and I hope we will continue to be solidly embarked on—a process of decarbonisation of our energy system. Clearly, that has to be achieved, but under the circumstances of two additional imperatives: first, that there should be security of supply, among other things to make sure that the lights stay on, which is perhaps a rather important part of the customer experience of electricity prices and the market; and secondly, that prices should be fair, reasonable and equitable, as far as customers are concerned.

As for the question of how prices can be as fair and competitive as possible to customers, we need perhaps refer to what is happening with the CMA. It was interesting last summer to see the CMA’s report on provisional remedies. As the hon. Member for Central Suffolk and North Ipswich outlined, it concluded that a number of features of the market gave rise to the finding of an AEC—an “adverse effect on competition”. The report stated that that arose through “weak customer response, which, in turn, gives suppliers a position of unilateral market power concerning their inactive customer base”, which they are able to exploit through their pricing policies or otherwise. That refers particularly to sticky customers, but I was slightly surprised at the brief consideration that the CMA’s interim report gave to a number of other factors that seemed to contribute to that, such as vertical integration in energy companies. That may not have a direct impact on competition, but it may have an indirect impact for a variety of complex reasons that may have a hand in the process.

Perhaps part of the answer to the conundrum that has been presented in this Chamber this afternoon about where the money goes when energy companies are apparently posting substantial losses is a better understanding of how vertical integration works. It is not just within the UK power generation and retail market. It has been suggested that companies that buy and sell to themselves create an opportunity to shift sums around considerably.

There is increasing vertical integration outside the UK. Some companies are reporting what is happening in the UK, but also in the context of what is happening outside the UK, such as company structures. The extent to which those companies are able to post profits or losses in particular countries in which they are working does not necessarily reflect entirely what is going on across the board in other countries of operation. That should be examined at least.

David Mowat: I am interested in the hon. Gentleman’s comments about vertical integration, because the interim report looked at that and theory of harm 3a and 3b. My reading of it was that the CMA did not regard vertical integration as a major issue. I looked at it quite carefully.

On the point about moving profits around, which is the issue regarding vertical integration, the share price of Centrica, the owners of British Gas and the biggest player in all this, has gone down by around 40% in the last five or six years. I have no truck with these oil companies and big players, but if they are running a cartel, it is one of the worst I have ever seen.

Dr Whitehead: The hon. Gentleman makes an important point. This issue is like an onion. It has many layers that must be unpicked before anyone can get anywhere need the essence of it. Part of the process is that some companies are losing customers with insurgent companies coming into the market, and some are setting up good companies and bad companies to bifurcate the process of where their investments go and where their profit centres are. That clouds the picture. Obviously, there is the effect of energy prices, particularly who has bought what, where and when, and what those prices now mean in terms of strategies that took place two, three or four years down the line.
David Mowat: People can move profits around and have good companies and bad companies. What I am saying is that Centrica, which owns British Gas, has somehow turned the cartel that it is apparently operating— we will find out tomorrow so we are speculating—into somehow turned the cartel that it is apparently operating saying is that Centrica, which owns British Gas, have good companies and bad companies. What I am report some additional arrangements that will work.

Dr Whitehead: Indeed. As the hon. Gentleman underlines, that may be a factor of other processes at work in those companies and what investors think is their long-term security and future in the light of rapidly changing energy conditions. A whole series of factors is at work, and I hope that, in the report that the CMA will publish tomorrow, it has paid due attention to the complexity of those factors. I fear that some of that complexity was not fully reflected in its initial proposals.

A second complexity is transparency: who is buying what at what point round the curve, how companies are hedging their trading processes and whether they are trading with themselves and hedging advantageously compared with other companies down the line. One might argue that that is good practice or bad practice, but we do not know that because the market is not transparent at the moment.

Andrew Percy (in the Chair): Order. The hon. Gentleman should have had five minutes, although he is within his rights to take more as we have more time, but he will shortly have been speaking for 13 minutes, which will leave a similar time for the Minister. It would be courteous if he concluded shortly so that the Minister may have the appropriate time.

Dr Whitehead: I thank you for your guidance, Mr Percy. I fear I was somewhat swayed by expert fellow Members in the Chamber into going down paths that took me longer to explain and which I might otherwise not have been involved in. I, too, want to hear what the Minister has to say and I will conclude as soon as possible.

All I want to say further concerns the central issue that the hon. Member for Central Suffolk and North Ipswich raised. Why is it that 70% of the big six energy companies' customers stick with those companies through thick and thin, regardless of what opportunities are thrown at them to switch? Some of the remedies that are likely to arise tomorrow may not address that issue as closely as they should. The idea of putting people on a temporary safeguard tariff while continuing to bombard them with suggestions that they switch works only when the latter process also works. If it continues not to work, those people move further from the market rather than closer to it.

Remedies that look at what people do—

Andrew Percy (in the Chair): Order. The hon. Gentleman has had substantially longer than the Minister will have, which is a discourtesy to her. Although it is in order for him to speak for longer than the allotted time, will he draw to a close within seconds and give the Minister the courtesy of responding?

Dr Whitehead: Indeed, Mr Percy.

What those people do should be a matter for considerable further examination and possible additional remedies. I hope that at the very least the CMA has provided in its report some additional arrangements that will work.

5.18 pm

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): I congratulate my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) on securing this debate within such a short time of the CMA report coming out.

I want to reiterate that my Department puts consumers at the heart of everything we do. We are determined to be genuine consumer champions. Hon. Members will know that our priorities are to ensure that we have secure supply of energy and that we decarbonise at the very lowest cost to consumers. I remind hon. Members that we are determined to focus available support on the fuel-poor.

My hon. Friend was right to mention the appalling story of E.ON and Age UK selling poor deals to pensioners and it is right that Ofgem is looking carefully at that. He also mentioned the scandal during the last Parliament of price comparison websites not giving the best prices. That has been addressed in amendments to the voluntary code, but he was right to highlight that some of these issues are extremely serious and that we must always take steps to prevent them. I want to use this opportunity to reiterate to any energy companies listening to the debate that when wholesale prices go down, the Government expect them to pass those reductions directly to their customers.

The CMA, as hon. Members know, published its provisional findings last July. It is very clear that it found that retail competition is not working. It found that a lack of competition means that about 70% of households remain on their supplier's most expensive energy tariff, despite the savings that they could make by moving to someone else. In fact, by switching from a standard tariff to the best fixed direct debit deal on the market, many people could save about £200 and some could save more, so again I will take this opportunity to say to anyone listening out there: please do shop around; it is really worth doing.

However, there is some good news to report. We have been working hard with Ofgem to improve competition, and the work is beginning to bear fruit. We now have 31 independent suppliers competing with the big six in the domestic retail market. That is up from just seven small suppliers in 2010. The independent suppliers are making inroads into the market share of the big six. They now have almost 15% of the dual fuel market; that is up from less than 1% in 2010. The Government have worked with the industry and Ofgem to halve the time that switching supplier takes from five weeks to 17 days. An increasing number of households are switching supplier. Ofgem recently reported a four-year high in the number of energy account switches; 6.1 million energy account switches took place last year. That is increasing competitive pressure on the big six, and prices are falling. We saw the price of the cheapest one-year fixed tariffs fall by more than £100 during 2015, and prices are continuing to fall. That is good news for consumers who shop around and switch tariffs and supplier.

Matthew Pennycook (Greenwich and Woolwich) (Lab): Will the Minister give way?

Andrea Leadsom: I will not give way at the moment. I want to get through part of my speech, as it has already been severely curtailed.
It is a massive challenge to inject the sort of competition that we are seeing for fixed tariffs into the standard variable tariff segment of the market. That is the default tariff that most people are on. Despite the good news that all of the big six have announced price cuts to their standard variable tariffs this year, we want to see much more effort.

The Government, too, must do more, so we are working with Ofgem and the industry to move to 24-hour switching and we are continuing with our Power to Switch campaign. In just one month of the Government-funded Power to Switch campaign last year, more than £38 million was saved by 130,000 households switching energy supplier. Of course, we have already committed to acting urgently on the CMA recommendations that we expect to see tomorrow.

Matthew Pennycook: Does the Minister think that there is any merit in looking at what more Ofgem can do to help new entrants better to understand the regulatory environment, as Ofcom does, I think, with the telecommunications sector?

Andrea Leadsom: Yes, the hon. Gentleman makes a good point. It is something that Ofgem is very aware of, but I will certainly take that point away and look at it again.

I want to address the point made by the hon. Member for Glasgow South West (Chris Stephens). He is absolutely right to say that prepayment meter customers are particularly ill served by competition. That has been picked up by the CMA. It is true to say that those customers have far less choice of tariffs. We had a very good debate about that quite recently in the main Chamber. However, we are beginning to see some improvement in competition, with some suppliers offering smart prepay tariffs. We are working with Ofgem to remove the barriers that those customers face in switching supplier. For example, Ofgem is working with suppliers to help customers who are on prepayment meters and in debt to switch supplier for a better tariff. The hon. Gentleman raised a very important point.

We are also starting to see some improvement in customer service. The latest Ofgem data showed that the six major suppliers received 1.5 million fewer customer complaints in 2015 compared with 2014, but with a total of just under 5 million complaints, they still have a long way to go. We are therefore working with Ofgem and the energy ombudsman to identify and then fix systemic issues to stamp out poor customer service. Ofgem carried out a review of the role of the ombudsman last year and recommended that it should carefully analyse the specific complaints and use that information to reduce the underlying causes of complaints. That work is ongoing and will be very important.

As well as working to improve competition, the Government have a range of programmes to help vulnerable and low-income consumers with their energy bills. We are supporting 2 million customers a year with the warm home discount. We have increased the level of the discount, and in 2014-15 more than 1.4 million of the poorest pensioners received £140 off their electricity bill, with more than 1.3 million of them receiving the discount automatically. We have confirmed that the warm home discount will be extended until 2020-21 at the current level of £320 million a year, and we will be consulting on proposals for 2016-17 shortly. It is the case that 600,000 low-income and vulnerable households, including families, also benefit from £140 off their bill. Altogether, a total of £1.1 billion of direct assistance has been provided to low-income and fuel-poor households since the scheme began.

The winter fuel payment, which went to about 12.5 million older people in 9 million households last winter, is a significant amount of help towards higher fuel bills in the winter, with households getting between £200 and £300.

Also, and vitally, the cold weather payment, which is paid to vulnerable people during periods of very cold weather, has been permanently increased to £25. Last winter, more than 400,000 payments were made, during the very coldest weeks of the year, at an estimated cost of £10.6 million.

A reformed domestic supplier obligation from April 2017 will improve the energy efficiency of well over 200,000 homes a year to deliver on our commitment to help 1 million more homes in this Parliament.

In response to the hon. Member for Coatbridge, Chryston and Bellshill (Philip Boswell) on fuel-poor households in Scotland, he will know that fuel poverty is a devolved issue. However, some of our schemes to help tackle fuel poverty are GB-wide. That includes the energy company obligation. The hon. Gentleman will be aware that with 35.3 households per 1,000 homes treated, Scotland receives the greatest share of ECO, followed by England, with 25.4 households per 1,000 homes and Wales with 21.9.

As well as supporting low-income and vulnerable consumers directly with their energy bills, we fund the big energy saving network. Again, I think that this addresses the point made by the hon. Member for Glasgow South West about the need particularly to help the extra vulnerable and the fuel-poor. Face-to-face help and advice through trusted organisations is one of the most effective ways to help vulnerable consumers to engage with the energy market. The big energy saving network reached more than 90,000 people in 2013-14 and about 130,000 in 2014-15, and we are well on track to reach a further 100,000 this winter. The programme has helped some of the hardest consumers to reach, with above average percentages of those with a disability, off the gas grid or without internet access—issues that a number of hon. Members pointed out—and about half of participants, 51%, have reported that they now spend less on heating their home as a direct result of being helped through the network.

My hon. Friend the Member for Central Suffolk and North Ipswich has made very good points, as have other hon. Members. This has been a lively and thoughtful debate, and we have covered a lot of ground. We already have work in train: rolling out smart meters, moving to next-day switching and continuing to help vulnerable and low-income households with their energy bills. We are committed to acting on the CMA’s recommendations. I therefore hope that my hon. Friend and others will leave the debate reassured that the Government are determined to make the energy market work in the interests of all consumers.
5.28 pm

Dr Poulter: I thank the Minister, both other Front Benchers and all other hon. Members for their contributions. This has been a very productive debate, and we look forward to hearing tomorrow about the CMA’s findings, which I hope will benefit consumers.

Question put and agreed to.

Resolved,
That this House has considered competition in the UK energy market.

5.29 pm

Sitting adjourned.
Westminster Hall

Thursday 10 March 2016

[JOAN RYAN in the Chair]

BT Broadband Provision: Local Businesses

1.30 pm

Helen Goodman (Bishop Auckland) (Lab): I beg to move,

That this House has considered BT broadband provision for local businesses.

It is a pleasure to see you in the Chair, Ms Ryan. The Minister and I have sparred on many occasions about the state of rural broadband. I have been away from this brief for 18 months, but now I am returning, as a constituency MP, because things have not improved as we had all hoped. I want to bring some stories from my constituency to public attention, because I cannot see how, apart from by doing that, we will exert any real pressure on BT, which I think is becoming more and more complacent.

The first big problem in my constituency was faced by an auctioneer called Addisons, which was located in Barnard Castle. Addisons had been there for decades and increasingly found that auctions needed to be conducted over the internet. It would get better prices if it could conduct auctions over the net, but the connection offered by BT was not fast enough for it to be able to do that, so the firm closed, with the loss of dozens of jobs.

Last autumn, William Smith, a firm that has been working in Barnard Castle since 1832, got in touch. In October 2014, it ordered a short haul data service, at a cost of £30,000 up front, with a subsequent monthly fee of £16,000. Let me explain in more detail the situation of this family-run company in my constituency. It had a place in the middle of town and then it wanted to operate a larger warehouse on the outskirts of Barnard Castle. To do that, it needed a new data link between the two sites. As I said, the firm went to BT in October 2014. It said to BT, “We’re building a new warehouse”—the warehouse cost £2 million—and we need this data link so that we can use it. Without the data link, we can’t use the new warehouse and our staff can’t work effectively.

Nine months later, nothing had happened, so the firm got in touch with its Member of Parliament and complained about that, reasonably enough. I thought, “Well, I used to be the shadow Minister. I know all the right people in BT; I know the public affairs department. They will sort this.” I could not have been more wrong. We got in touch with the public affairs department. My staff were in almost weekly contact. We got in touch with the chairman of BT, Sir Michael Rake. Again, we made absolutely no progress.

I was very concerned because at one point we were not even getting responses from BT, so I asked the Minister to get in touch. The Minister got in touch, and the upshot of that is that the firm now has one of its links established, but it needs more links. The situation is rather complicated. It needs more capacity on the link, so we are still not there completely. The first section was completed on 29 February, 17 months after the firm paid its £30,000 up-front fee. That is not acceptable, and everyone knows that. However, that is not the only ongoing problem in my constituency. There is also a problem in Whorlton.

Anne Marie Morris (Newton Abbot) (Con): The hon. Lady is making an absolutely first-class point. Does she agree that the nub of this is that no priority or even equality of treatment has been given to the business community? In my rural constituency, there are businesses that can get absolutely nothing. We need parity between businesses and others in order to get businesses properly supported in terms of technology, IT support and broadband; otherwise, productivity and the mission to increase productivity become, frankly, a dead duck.

Helen Goodman: The hon. Lady is absolutely right. I will detail my next case and then come on to the general issues that she raises, because I agree with her entirely.

In Whorlton, the Danshell Group has a care home for vulnerable people with learning disabilities. It paid an even higher fee, £100,000, for its links, because it is trying to help people to maintain contact with their families through Skype and it is using sophisticated technology in other ways to provide therapies for those people. It still does not have its connection.

When people are paying these very large sums of money and they get in touch with BT months before they want the connection, they should expect a decent level of service. One thing that struck me in the William Smith case was that every time we rang BT, there was a new problem: it had to go under the road; the fibre had to be blown; there needed to be a new duct here; there needed to be a new duct there. It became absolutely clear that at no point had the people in BT sat down by then, we need to do this on date A, this on date B and this on date C.” There was no plan. It was as if they were complete amateurs and had never done it before.

Damian Green (Ashford) (Con): To illustrate the hon. Lady’s point, which is about not so much the inability as the unwillingness of BT to acknowledge that it is a joined-up operation, I want to read out an email sent to a constituent of mine in the last couple of weeks by someone in the executive level complaints team at BT. My constituent had complained, not unreasonably, that he could get only 1 megabit. The email reads:

“Our suppliers (Openreach) are in charge of this network and they would not consider any request from the public to move lines or modify serving exchanges, with the view to simply improving broadband speeds.” I cannot but take that at face value. Openreach is not a supplier to BT; Openreach is part of BT. It is dishonest of BT to pretend that somehow Openreach is a separate operation. Also, that allows it to say, “I’m sorry. Just because the public ask for higher broadband speeds, you can’t expect us to provide them.” That is completely unsatisfactory.

Helen Goodman: The right hon. Gentleman is absolutely right, and his constituency of Ashford is not even particularly rural; it is not as if the company has to travel dozens or hundreds of miles to make the connections in his constituency. It seems to me that it has a particular
problem with the small business sector and it has a problem the minute someone is outside one of the large urban areas. Further to the point made by the hon. Member for Newton Abbot (Anne Marie Morris), it is obvious that the benefits of good internet access are greater in rural areas than in big urban areas, because, as anyone with a rural or semi-rural constituency knows, vast amounts of resource go into transport and moving stuff and people around.

James Cartilage (South Suffolk) (Con): I am sure that every hon. Member present is getting a feeling of déjà vu and agreeing with pretty much everything that the hon. Lady is saying. I have a similar case. Stoke by Nayland golf club in my constituency ended up doing a self-dig in March last year. It dug its own line, with the agreement of Openreach, after many months waiting for BT Openreach to come and put down a line. Recently, an engineer finally turned up, offering to put down a line. That company in my constituency had already dug into the ground itself. Does not that prove that there is a massive breakdown in communication between Openreach and whoever the actual supplier is?

Helen Goodman: The hon. Gentleman is absolutely right. Now, the Minister made a rather good speech yesterday in a similar debate, in which he said that BT was spending far too much time buying sporting rights and not enough dealing with the problems. He is right. BT needs to concentrate on the day job but it is not doing that. This infrastructure is vital to the country’s productivity.

Jo Churchill (Bury St Edmunds) (Con): My constituency is located slightly above that of my hon. Friend the Member for South Suffolk (James Cartilage), and we have problems across the constituency. To further reinforce what the hon. Lady is saying, some companies in my constituency have now produced their own lines, and doing that cost a company I spoke to this morning, which has had the problem since last May, £6,000. That company can afford it, but that might not necessarily be the case for my small businesses or when there are issues of safety, such as when my farmers are involved.

One local business—this trumped everything I have seen—had its line, let’s just say, “reallocated”. The business line was not identifiable enough so it was reallocated to a homeowner. It took BT five to six weeks to figure out where the business line had gone and that it had redirected it. The gentleman in question was passed back and forth between line and broadband engineers. After a month, his broadband was reinstated. However, his connection speed was reduced by half. For the past three months, he has been forced to drive 25 miles to another office in Ipswich where he can access broadband. He identified the lack of supply and poor customer service as the two main obstacles to resolving his case. I would love to say that that example is isolated but it is not, and it has a real impact. The Minister knows, because I have seen him on many occasions, that the problem really affects my rural constituency.

Helen Goodman: It certainly does. The issue affects the hon. Lady’s constituents and the whole country. Our productivity is not rising as it is in the other G7 countries, and it has not been for eight years. Proper investment in infrastructure is one of the ways that we can get our productivity up, from which we will all benefit. When it works, it is really great.

There is a quarry in my constituency that has a very good website and, because of its website, it is able to sell stone to Spain because the Spanish people who are building the cathedral in Barcelona—the Sagrada Familia—saw that the stone was the right colour. That is fantastic. When it works, it is brilliant, but it is not working often enough. The OECD and the International Monetary Fund say it; everybody says it. I really feel that the issue should take priority over some things, such as HS2, into which public money is about to be poured. If we could get the IT right, we might not need all the investment in transport, which is proving to be so controversial across the country.

Mike Weir (Angus) (SNP): I understand what the hon. Lady is saying but I am a bit reluctant to pour yet more public money into BT, which is not up to the job of doing this, frankly. The Government, the Scottish Government and many others have poured money into these schemes. It is high time that a multinational company such as BT, which operates a private monopoly, steps up to the plate and invests some funds in this.

Helen Goodman: The hon. Gentleman is right. BT is extremely profitable. The industry is, of course, regulated by Ofcom but there must be a question mark about whether it is using its resources as effectively as possible. It is clear that the rural areas are particularly disadvantaged.

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): The hon. Lady is making a fantastic speech. Like all other hon. Members who have contributed, I think we are all in the same boat. In my rural constituency, rural business parks and centres that are looking to expand and already have connections are finding it incredibly difficult just to connect an extra building. Does the hon. Lady agree that it is completely unacceptable that they have to wait months—sometimes going into years—for a simple extension to their existing line?

Helen Goodman: Yes, the hon. Gentleman is absolutely right and, in a way, that is rather similar to the William Smith example I gave. These are not one-off examples. The Countryside Alliance has pointed out that “8% of premises in the UK (2.4 million) are connected to lines that are unable to receive broadband speeds above the proposed Universal Service Obligation of 10Mbit/s. Many of these are in rural areas, where about 48% of premises...are unable to receive speeds above 10Mbit/s.”

That is 1.5 million people in the countryside who are unable to receive those speeds.

We all know that the Minister is a very nice man. [HON. MEMBERS: “Hear, hear.”] He has helped many of us—faute de mieux—with our particular cases. I agree with what he said yesterday. I think he is right, but I am not wholly sympathetic because he is being forced to intervene as if he were a Minister in a Soviet, centrally-planned economy, on a case-by-case basis. That is because the policy framework set up by this Government, in which I think he had some hand, has not worked properly, and that goes back to the point made by the hon. Member for Angus (Mike Weir).
The Government made the areas for the contracts for the roll-out of broadband too small to be economic for any operators apart from BT to bid for them. That is why BT won all the contracts, maintains a monopoly, faces no competition, feels under no pressure and serves our constituents so badly. Everybody will probably welcome Ofcom’s proposals for changes to the governance of Openreach, particularly better standards of service to small businesses, and compensation when those standards are not met.

As well as keeping the pressure up on BT, which I want the Minister to do, we need him to talk to his colleagues in other Departments because the Government’s policy of digital by default is not serving rural communities very well. I had yet another complacent response from Treasury Ministers, saying that 98% of small and medium-sized enterprises submit their tax online. I bet that is only because they are not doing it at home because they go along to an accountant in a small town some way away and pay that person to do the submission online.

We have the same problem with the Rural Payments Agency. Once again, the Public Accounts Committee has had to look into the problem. I see that the Chair of the Select Committee on Environment, Food and Rural Affairs is in Westminster Hall this afternoon. He knows that although broadband is difficult for our farmers, it is not delivering at the moment. I just want that on the record because I would hate the chief executive purely and failings by BT relating to the location of works, that BT had not supplied it with drawings or plans. On any operators apart from BT to bid for them. That is why BT won all the contracts, maintains a monopoly, faces no competition, feels under no pressure and serves our constituents so badly. Everybody will probably welcome Ofcom’s proposals for changes to the governance of Openreach, particularly better standards of service to small businesses, and compensation when those standards are not met.

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the status of permits and the time needed for traffic management. In addition, Kent highways advised that the civil works had been rescheduled for 4 November.

On 18 November, BT provided a revised completion date of 27 November and provided details of the permit reference number for the works. Kent highways confirmed on 20 November that the permit number given to Bennett Opie by BT was for the civil works cancelled on 4 November and that BT had not applied for a replacement permit—I could not make this up.

I will skip a few entries. BT confirmed on 8 December that rod and rope engineers were on site and estimated that the tubing work would be completed by close of play that day—whooppee. On 9 December, BT confirmed that engineers were still working on the rod and rope task and that completion was expected that day. BT told Bennett Opie on 15 December that it could not complete the rod and rope task because traffic management was needed in order to access a manhole.

On 17 December, BT gave a traffic management survey date of 21 December, and on 22 December it provided Bennett Opie with details of four permit numbers for the job and confirmed that it would now take place on 18 January 2016, a year after the original agreement.

On 4 January, BT told Bennett Opie that Kent highways required night work to be done on the permit numbers quoted and that the work would slip to 8 February. Bennett Opie, quite understandably, contacted Kent highways, which confirmed that the permit numbers provided were wrong—two of them related to work due to take place in Brighton, which is some way from Sittingbourne, one did not exist on its system and the last was an incomplete number. On 18 January, workmen were observed working at night on the pavements outside the first site with a large reel of plastic tubing. Despite BT’s claim that two-way traffic signals were needed, the van simply parked on the pathway, a “keep right” sign was erected and a small barrier was put around the manhole. No other traffic management was used.

When Bennett Opie contacted Kent highways on 19 January, it confirmed that BT had requested full traffic light control; that the fibre tubing job was completed and ready for the fibre to be blown; that BT could have proceeded faster with the work due to the lack of traffic management actually needed or used; and that night work would not have been prevented during December, so the work could have been done then.

That comedy of errors is symptomatic of the way in which BT treats business customers, but of course it is no laughing matter for companies such as Bennett Opie, which lost business because of BT’s inefficiency. The good news is that Bennett Opie now has a working connection, 15 months after it signed its agreement with BT. As its chairman, Philip Opie, told me, the Great Eastern laid a transatlantic cable in 1865, and it took just one month. So much for the age of technology.

1.58 pm

Chris Davies (Brecon and Radnorshire) (Con): It is a pleasure to serve under your chairmanship, Ms Ryan. I congratulate the hon. Member for Bishop Auckland (Helen Goodman) on securing such an important debate. Broadband is an essential component of modern business life.

As we are all aware, a connected business is a competitive business. Those who cannot connect are left behind in the global race, and we must not let our excellent local businesses fall into that trap. The hon. Lady’s constituency is in many ways similar to my own. Beautiful rolling countryside and rural communities litter the local area and, like me, she has many excellent rural businesses crying out for better broadband. I am delighted that she mentioned a local firm of auctioneers that is suffering. I spent 20 years in that profession before entering this place, so I sympathise enormously with those auctioneers and understand what they are going through.

As a rural constituency, Brecon and Radnorshire faces many challenges, to which I will return later. However, I feel that it is only right to begin by commending the Government for their commitment to the 10 megabits per second universal service obligation. We are often quick to criticise, but that commitment was welcomed across my constituency and will be a great comfort to local people.

I have spoken in many debates on broadband during my short time here in Parliament—

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): So have I.

Chris Davies: And when I have spoken, the Minister has always answered at the end with a cheery smile and a great further commitment to rural broadband. However, I believe he would agree that even though he has always spoken well, there is still much more to do.

There are three main issues involved in providing adequate broadband to our rural businesses. The first is information. It is vital that our businesses have access to all the information they need to make an informed decision about their broadband needs. Many businesses that I speak to in my constituency tell me that they cannot get access to the speeds that they need, yet they are unaware of many of the options available to them. Often, few are aware of the possibility of ethernet connections, and many are put off by the extra costs involved, as might be expected. Others are still oblivious to the promise of satellite and wireless broadband, which could satisfy their requirements.

Businesses face a lot of noise about off-the-shelf products that hides alternative options that might benefit them. I therefore recommend that the Government do all that they can to ensure that our businesses are properly informed of all the options available. BT and other providers offer alternative services that might fulfil the needs of those local businesses.

James Cartlidge: Although information is key, does my hon. Friend not accept that sometimes there are physical reasons? With mobile reception, for instance, in some areas there are dips in the land or other factors that cause a “not spot” where there is no signal. I have good mobile signal where I live, and I use mobile broadband. Does my hon. Friend share my hope that the Minister is doing all he can to encourage further support for mobile phone signal as well as broadband in rural areas?

Chris Davies: I could not agree more with my hon. Friend, and I am sure the Minister will pick up that point when he sums up later.
When I have spoken to BT and Openreach about the roll-out of broadband, they have outlined many of the challenges involved in getting broadband to local rural businesses. They have told me of challenges in assessing the infrastructure that they need to roll out superfast and ultrafast broadband, and the costs involved in doing so. Although I applaud the Government’s work in assisting the roll-out of broadband to rural communities, I ask that the same concern be given to the roll-out to rural businesses. I am informed that where it is economically not viable to provide broadband to an area, it is down to the local authorities to decide where to procure services. I therefore ask the Government to do all they can to pressure local councils and the Welsh Assembly Government to give the same consideration to business broadband as they do to local communities.

Finally, following on from my previous point, I ask the Minister to consider how we can bring together broadband provision for communities and businesses. It is not economically viable to provide broadband to large areas, such as those in my constituency in rural Wales and on the Welsh marches. Premises for both habitation and business are spread over vast geographical distances, which can make broadband provision extremely expensive. I therefore commend Openreach’s community fibre broadband partnerships, which offer communities the opportunity to part-fund the roll-out of broadband in their local area. The scheme is aimed at giving local people and businesses the broadband provision they need. I encourage the Minister to take this opportunity to welcome the scheme, as it would help many of my constituents.

That said, the scheme involves challenges. Local communities and businesses have to fund it themselves, paying half up front when work starts and the remainder on completion. Many of my constituents who are local business owners are not able or willing to pay those costs up front. Costs for installation often run to tens of thousands of pounds, and many business owners are concerned that their cash flow will suffer as a result of extensive implementation costs. Will the Minister meet me to discuss alternative funding options, perhaps including a community loan scheme so that our rural businesses and communities can access the connections that they need while avoiding cash flow issues?

Connecting our businesses to broadband is essential in the modern age. Openreach and the Government are working tirelessly to connect our excellent British businesses, but there are significant challenges to provision in rural areas. I implore the Minister and BT not to forget about businesses in rural areas. The risks of doing so are high and detrimental to the rural economy. If rural businesses are forgotten, we could lose a significant portion of our important rural life as businesses seek to move to better-connected cities and towns. That would cost jobs and livelihoods, not to mention deplete our rural communities. My message is simple. I commend the Government for the roll-out thus far, but they must ensure that it happens across not just most of the UK but the whole UK.

2.6 pm

Neil Parish (Tiverton and Honiton) (Con): It is a great pleasure to serve under your chairmanship, Mrs Ryan. I thank the hon. Member for Bishop Auckland (Helen Goodman) for introducing this important debate. She has made some important points. It is nice to follow my hon. Friend the Member for Brecon and Radnorshire (Chris Davies), who made some good points about rural broadband in particular, including that the delivery of the single farm payment is not just about broadband but has a little to do with the Rural Payments Agency as well. It is lovely to see the Minister for Culture and the Digital Economy, my hon. Friend the Member for Wantage (Mr Vaizey) in his place. I know that he always enjoys my contributions to these debates, so I did not want to disappoint him in this one.

I congratulate the Government and local authorities on all the public money going into delivering broadband into rural areas, but—there is always a “but”—are we getting value for money out of BT? I know that the Minister works hard with BT, but we need to put even more pressure on it to deliver. The problem is that although we may get to 90% or 95%, the last 5% of people, by their very nature, are in the hardest areas to reach, and they are the ones who will put more and more pressure on the system. We see BT doing some areas or part of an area, stymieing anybody else who might come in to deliver broadband there and then not completing the whole area. BT must not only deliver, it must deliver across the whole area.

I also understand from meeting BT recently that it has now decided that it might have access to a satellite. That is marvellous, is it not? That technology has been around for a long time. I welcome the fact that BT is starting to consider different technologies, but BT has a major contract to deliver rural broadband across the country. It should not be thinking only now about rolling out such technologies; they should have been rolled out a long time ago. I have made that point to the Minister many times, and I do not apologise for making it to him again. If BT had more competition, somebody with a red-hot poker behind them—I will not say in what part of their anatomy, because that would be rude—they might actually get on with it. That is the problem that we have.

Jack Lopresti (Filton and Bradley Stoke) (Con): I apologise for cutting off my hon. Friend mid-flow, but as well as having technology and lots of taxpayers’ money, BT needs to get the fundamentals right. I moved offices in the summer, within a BT area in a business park. It was a fairly simple and rudimentary move, and my office went out of its way to ensure that the transfer went seamlessly as far as dates and times went, and got a special licence so we could access the property before we took possession. There were days of disruption to the phone line and the BT service, which inconvenienced my constituents and cost a lot of taxpayers’ money to put right, yet when I wrote a letter to Sir Michael Rake, the chairman of BT, on 5 August, I had no reply. Arrogance and aloofness will not be solved by taxpayers’ money.

Neil Parish: I could not agree with my hon. Friend more, because that is again symptomatic of the fact that although BT does not have a total monopoly, by its very size and scale it has a virtual monopoly. BT has played on that over the years and is still playing on it now. Hopefully the chairman of BT will hear my hon. Friend’s contribution today.

Jack Lopresti: Well, he did not get my letter, so I hope so.
Neil Parish: Hopefully he will reply to my hon. Friend. Was that letter from 5 August?

Jack Lopresti: Yes.

Neil Parish: That really emphasises my point that competition is necessary.

I am also very disappointed that Openreach has not been detached from BT. BT has so much by having Openreach—it has so much of the cables, the infrastructure, the fibre optics and really everything across the country for delivery of broadband. So, BT holds all the aces. Is it truly giving other companies the opportunity to gain access to its infrastructure? I suspect not. It also has all sorts of fantastic lawyers and wonderful people around the place who make it very difficult for other companies to intervene, and that is the problem.

As the Minister knows, the second contract for delivering broadband across Devon and Somerset was not awarded because it was not value for money. Therefore, we are now going out again with a further contract. I hope there is a real competition for that. Although it is perhaps easier in some respects to deliver broadband across the whole of Devon and Somerset in one contract, if the contract is so big BT will probably be the only company to bid for it again. However, if we have smaller contracts, other companies can come in and deliver broadband across places such as the Blackdown hills and in villages such as Upottery and Ruishton—all those villages across the Blackdown hills and on to Exmoor, which are difficult to reach. So I have still got many more people to be connected.

The point has been made by my hon. Friend the Member for Brecon and Radnorshire and others that broadband is the fourth utility and we really need it for all our rural businesses, including our farms. All of us in Westminster Hall today who represent constituencies with areas of rurality are amazed—are we not?—when we go around our constituencies and discover the types of businesses that are there. It is not just the farms. There might be businesses manufacturing or designing wings for Airbus, or other such things, where they would be least expected. However, the only way that those businesses can prosper is by ensuring that broadband is there and connected. Broadband is key.

I now turn to what happened recently in an area of my constituency at Dunkeswell and Luppitt:

Helen Goodman: Before the hon. Gentleman gives a specific example, could he enlighten us on the so-called “childish turf war” between the Government Digital Service, the Rural Payments Agency and the Department for Environment, Food and Rural Affairs, which meant the payments to farmers were down from 90% to under 40% at the end of December 2015? He might be able to tell us a little about that.

Neil Parish: I hope I will not be ruled out of order, because that is going a little off the topic of the debate. However, I can enlighten the hon. Lady. We had the head of the RPA in Parliament yesterday, and obviously what happened—to put it in layman’s terms—is that DEFRA created a system that was not entirely compatible with what the RPA was doing. We tried to drill down yesterday on the issue: at what stage did the head of the RPA realise that, and at what stage did he intervene?

Was there a breakdown in communication? Was there a clash of personalities? Yes, there was; there is no doubt about that. The trouble is that whatever Department or whatever system was to blame it is the farmers who pay the price, because they are still waiting for that payment.

In fairness to the RPA, it has speeded up its operation. However, what we are mindful of is that we do not want this situation to carry on as things did in 2004, when the payments were bad for 2005, 2006 and 2007, and it took 10 years and more to put matters right. We want to make sure that within one year the situation is absolutely right. There are people farming on the commons, and other farmers. Why should they have to wait so long for their payment when the problems are down to others?

As I say, we had the head of the RPA in yesterday and he was trying to say, “Well, it’s this Department, or that Department or the other Department.” However, as the hon. Member for Bishop Auckland says, if the farmers are not getting their payment, they are not interested in which Government Department is failing. We must deliver.

Jo Churchill: Before my hon. Friend is asked to come back to the topic of the debate, may I just draw a comparison? No matter who is to blame—whether it is BT, or any other company or persons—the people who suffer are our businesses, and that is the point that we want to address here today. The Government are doing good work. Suffolk County Council is hitting its targets; indeed, it got an extra grant for doing that. But the key word that my hon. Friend used was “communication.” I had a very robust conversation on Monday with BT’s directors—in fact, it was incredibly robust—and I pointed out that if they cannot communicate with their customers, their businesses and so on, they should not call BT a communications company.

Neil Parish: I thank my hon. Friend for that intervention, which brings me back on track. She is right about communication, and I will say a little more about that in a minute.

The point that my hon. Friend also rightly makes is that broadband is absolutely essential for our businesses. If we have a car, a piece of machinery or anything else that is not working, we can swap that car or that piece of machinery for another make that delivers what we want it to deliver. The problem that our constituents have is that there is no other “make” out there that can necessarily deliver broadband. Again, that is why BT needs more competition and why it has to step up to the plate.

Despite all my rhetoric I am not actually anti-BT, but I want BT to deliver. I know that the Minister is working very hard on this issue. I have urged him before to apply his iron fist to make sure that BT delivers, because it is not our money—it is our taxpayers’ money. It does not matter whether it comes from Government or councils; in the end, it comes from our individual taxpayers, who are often the very same people who are not getting connected to broadband. Therefore, they have paid for broadband but they are not getting it, so they have a double whammy.

We have made that point this afternoon and I know that the Minister must probably think, “Oh, yet another debate on broadband.” But once people are connected...
to broadband we will not have these debates, because people will not be concerned. While these debates continue, naturally he must respect that.

My final point is about some businesses in Dunkeswell and Luppitt, which are the sites of old aerodromes. They could not access broadband for three weeks, because the exchange went down. Exchanges can go down, but I will now explain the compensation that those businesses have been offered. Many businesses in my constituency have been affected by poor internet and broadband speeds; some of them have had no internet at all for a lengthy time, which is unthinkable from day to day. Companies such as Assinder Turnham Ltd, a property and construction consultancy, Lynch Motor Company Ltd, Dolly Diamond, and Flymoore Aircraft Engineering were all without internet for as long as three weeks. I completely understand that a catastrophic fault at a BT exchange can and will happen from time to time, but when it happens, what is done to compensate and help the businesses that are left on their knees?

I will take Flymoore Aircraft Engineering as an example. It is a local business in my constituency. It lost broadband from 25 January for three weeks. Flymoore could not do its VAT returns, and so spoke to Her Majesty's Revenue and Customs. Flymoore asked BT for evidence to provide to HMRC, but was told that it would cost £10 to get something called a work report. This company was without broadband for three weeks, but it ended up paying BT for the lack of service. It could not pay its staff or order parts or supplies for aircraft, and it did not receive new orders for work and so lost vast amounts of money. Flymoore could not access the European Aviation Safety Authority's website, which has all the mandatory legal requirements for aircraft safety. Because of that, it could not finish ongoing jobs. It could not access repair information or manuals online. It needed those instructions to physically carry out the maintenance on the aircraft.

At the very least, we would expect substantial compensation for the serious loss of business. Flymoore had a financial buffer to deal with market uncertainty, but virtually all of that has been wiped out, and the business is struggling financially. BT did not initially offer compensation, but Flymoore has since managed to get £25 in compensation and three months' free internet. What sort of company offers that level of compensation? If there was competition in the marketplace, BT would have to offer proper compensation.

I will not go into all the details of the other businesses affected, but interestingly they have all been offered different amounts of compensation and different lengths of free internet access. There seems to be nothing in place to compensate for the types of losses that the businesses have had. It is not only about delivering broadband in the hardest hit areas, but about ensuring that when the broadband connection is there, it is constant. If it breaks down for a long period, those businesses need adequate compensation. What they have been offered is pathetic.

BT needs to step up to the plate, deliver broadband and compensate people when they do not receive it. My hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson) gave us a huge catalogue of issues with a company trying for more than a year to get broadband onsite. We want, and we have, a dynamic economy, but we will only improve it further by having good delivery of broadband across the whole country.
situated between the main towns of Arbroath and Forfar. I was first contacted by Mr Appleton at the end of July last year. At that point he had been in the unsustainable position of trying to run his business without the ability to take and process incoming calls since 1 June, following the completion by BT Openreach of the contracted works at his premises.

Before contacting my office, Mr Appleton had tried to deal with the matter himself by taking it to the highest level in BT. He had been told that there were “multiple sections of underground cable which are faulty and Traffic Management will be required to re attend to the fault further”.

It turned out, however, that despite the fact that there were multiple failures, the traffic management had been booked for only one day. It will come as no surprise to Members that that did not deal with the multiple faults that BT knew existed. He was then told that the site had to be re-surveyed by Lux, the company that hires out temporary traffic lights, because traffic management was required in different locations. I do not know about you, Ms Ryan, but I would have assumed that if BT knew there were multiple faults, it could have joined the dots and worked out that it would need to work at multiple locations, but apparently that was beyond BT.

Even before consulting my office, Mr Appleton had been dealing with the chairman and CEO of Business at BT, who had previously prompted the well-named dig and auxiliary team. Mr Appleton believed that the complaint had been escalated to the highest level, but it appeared to have little effect. I took up the case with BT, but still the matter ground on. By 7 August, Mr Appleton reported that he was “haemorrhaging business”. Openreach had by this time acknowledged an entitlement to compensation, but Mr Appleton was in the surreal position of being told that nothing could be done until service had been restored. One could have forgiven him for thinking he had strayed into a Kafka novel or a “Monty Python” sketch.

The delay in effecting repairs, despite the involvement of cohorts of BT and Openreach staff and engineers, was apparently down to the fact that the problem required traffic management. By early August, that had taken 10 weeks to organise, during the course of which BT had apparently lost the form, which caused huge delays. It appeared to be beyond the wit of BT Openreach to get engineers and traffic management in place simultaneously. A divert set up as a temporary measure also failed.

Finally, on 17 August, BT Openreach managed to get everyone together and fix the lines. Hallelujah! Three weeks later, the system was down again. That happened again in January, which apparently was a fault “further into the network”. That incident required another escalation to the director’s office before a repair was effected. On 1 March, Mr Appleton again contacted my office to say that the service had gone off. It came back on the next day, but was incredibly slow to non-existent.

As Members can tell from that timeline, the problem has been ongoing for nine months. That is a complete and utter scandal in an age when broadband is a vital component of the business environment, especially in rural areas.

As other Members have said, broadband should be a true universal obligation. BT Openreach is effectively a private monopoly; the hon. Member for Tiverton and Honiton (Neil Parish) called it a virtual monopoly. There might be competition in major urban areas, but there is none in rural areas. There is nowhere else for people to go to get the service, so BT can treat customers as it likes. As Members on both sides of the Chamber have described, BT cares little for the effects on business of its complete incompetence in dealing speedily with repairs, and we have heard — this is true for my constituents, too — how BT blames the local authority and everybody else without taking on any blame itself.

The hon. Member for Bishop Auckland and others spoke about more money being put in, but the taxpayer has already paid BT Openreach a fortune for the broadband network. We should not be looking to punt in yet more taxpayers’ money; we should be telling BT that it has to earn the right to run the roll-out. It has an effective monopoly, so it must put in some of its own money. BT must step up to the plate and do what is necessary to ensure a reliable system for all consumers in the United Kingdom.

2.31 pm

Clive Efford (Eltham) (Lab): It is a pleasure to serve under your chairmanship for the first time, Ms Ryan. I congratulate my hon. Friend the Member for Bishop Auckland (Helen Goodman) on securing yet another debate on broadband. I am sure that the Minister needs no notes to respond to these debates.

We heard from a number of Members about the problems in their constituencies. In an intervention, the right hon. Member for Ashford (Damian Green) read out a response that suggested BT was trying to distance itself from Openreach, which is incredible. The hon. Member for South Suffolk (James Cartlidge) said that his constituents had dug their own channel in an effort to expedite the situation themselves. That is taking things to an extraordinary degree, but it shows the lack of service, particularly for people in rural areas, although I stress that the problems are not just in rural areas.

The hon. Member for Bury St Edmunds (Jo Churchill) illustrated very eloquently the chaos suffered by one business in her constituency. When the line was reallocated, the business lost its BT broadband connection. When it came back, the speed was reduced and the gentleman was forced to travel 25 miles to another office. The impact of something like that on a small business is difficult to measure.

The hon. Member for Sittingbourne and Sheppey (Gordon Henderson) read out a catalogue of failures over a long timeline. It is difficult to understand how BT can be so incompetent and fail in its duties so frequently. The hon. Member for Brecon and Radnorshire (Chris Davies) highlighted the problems for rural people and called for a truly national roll-out. The hon. Member for Tiverton and Honiton (Neil Parish) said that by definition the hardest-to-reach areas are rural, and underlined that by discussing the ignominy of companies having to pay BT to get an explanation of BT’s failure so that they can get compensation. That is hard to stomach for small businesses.

The hon. Member for Filton and Bradley Stoke (Jack Lopresti) intervened to underline how arrogant and aloof BT is when it comes to the needs of people who
are not receiving broadband, especially to businesses. That was also underlined by the hon. Member for Angus (Mike Weir), who discussed BT’s failure to carry out repairs. Because BT has a monopoly in his area, it does not respond readily to his constituents’ concerns.

The Federation of Small Businesses has referred to broadband as the fourth utility, as have many Members today. As broadband becomes ubiquitous and ever more vital for doing business, it becomes more important that businesses can access broadband. It is vital for all businesses, not just those in the digital economy. It is ludicrous that the Government have not been able to provide what has become the fourth utility for so many people.

The Government’s own broadband impact assessment states:

“It is now widely accepted that the availability and adoption of affordable broadband plays an important role in increasing productivity”, and that access to faster broadband is worth £17 billion to the economy. It goes on to explain how better infrastructure increases productivity by “supporting the development of new, more efficient, business models, enabling business process re-engineering to improve the efficiency and management of labour intensive jobs, and enabling increased international trade and collaborative innovation”.

Broadband also allows more people to work, or to work in different ways.

The failure to roll out broadband is increasing the problems for inner cities in the face of demands for public services and more infrastructure. A fully rolled out broadband infrastructure would mean that businesses could relocate, or more readily remain in rural areas to conduct their business. If, as the impact assessment shows, something is worth £17 billion to the economy, surely it is a false economy for the Government not to ensure that it is rolled out properly.

The European Commission set a target of universal broadband by 2013, yet we are still not there. When the Labour Government left office in 2010, they left behind a fully funded plan for basic broadband to be delivered to all within two years, and superfast broadband to 90% by 2017. The remaining 10% would have been covered by mobile broadband. We are falling further and further behind our competitors. Australia, a huge landmass, is aiming for 100 megabits per second for 93% of premises by 2021; South Korea will have 1 gigabit by 2017; and Ireland has recently increased its average broadband speed by 10%. Yet in the last quarter, the average speed in the UK has fallen by 3.7%.

The coalition Government designed a fragmented and monopolistic superfast broadband roll-out that handed £1.7 billion of taxpayers’ money to one company to roll out broadband: BT. Four years later, many homes are still waiting. Incredibly, the Government have missed their targets on several occasions. In a Westminster Hall debate yesterday, the Minister raised several of his own frustrations with the service. We have debated broadband on 45 occasions in the past five years. The Minister has answered questions on the subject at every Culture, Media and Sport questions I can recall—a total of 63 times in the past five years. There has been a constant barrage of attacks from Members on both sides of the House about the quality of the service.

The Minister said in yesterday’s debate: “Openreach must do better.”

Mr Vaizey: Yes, it must.

Clive Efford: He continued:

“As the Minister responsible, I find it particularly frustrating that I have to step in to sort out these problems.”

Mr Vaizey: I do.

Clive Efford: Well, there must be an enormous number of problems because quite a few have been mentioned today that he has not got around to. He went on:

“Why has Openreach not put in place a hit squad to deal with some of the more prominent complaints that come from MPs?”

Mr Vaizey: Yes, absolutely.

Joan Ryan (in the Chair): Order. Minister, will you address these points in a few moments when the hon. Gentleman sits down?

Clive Efford: Thank you, Ms Ryan. Why is that hit squad not in place?

Jo Churchill: Will the hon. Gentleman give way?

Clive Efford: I shall just finish my point. The Minister has been in post for nearly six years. Why, when he is answering a debate that he has responded to on 45 previous occasions, is he still asking why Openreach has not put in place a hit squad to deal with MPs’ complaints? Perhaps the hon. Member for Bury St Edmunds is going to tell us.

Jo Churchill: No, I am not going to tell the hon. Gentleman. I put that and another question to BT on Monday, and it replied that it now no longer uses agency workers to do the difficult work; it now uses its own people to do the work that needs programming, which should sort out the fact that it cannot programme that work to sort it out for the customers. It strikes me that a company of its size, which consistently fails and, by its own admission to me, has the wrong people doing the wrong job at the wrong time, needs some assistance in the rear end department.

Clive Efford: Again, the hon. Lady very eloquently illustrates one of the problems that we have with Openreach.

The Minister gave his own example:

“I dealt with a factory that had been built to be ready to open specifically on the basis of when Openreach was going to connect it, but Openreach was already a year behind schedule. That cost that factory many tens of thousands of pounds. It continues to baffle me why it cannot get its act together and sort out these problems.”

It is beginning to baffle us why he cannot sort out these problems with Openreach.

“I had to intervene on new builds. When a housing development is being put together, one would have thought it was the most obvious thing in the world that the people buying the houses are likely to be relatively young and likely to have children, and therefore likely to want, in this day and age, fast broadband connections. However, it took me a year to 18 months to bang together the heads of BT and the house builders to get an agreement.”

Mr Vaizey: I will explain in a minute.
Clive Efford: I sincerely hope you will. If it takes the Minister 18 months, imagine what it is like for constituency MPs.

The Minister was obviously in full flow, because he threw in one or two other items:

“I, for one, would love them to get rid of this landline rental charge that they put on our bills. They put on their adverts a nice, big, juicy low price for broadband, and then an asterisk and a line saying, ‘By the way, you’ll have to pay £25 a month for landline rental.’”

Is that a statement of policy, or just the Minister throwing something into the air?

Mr Vaizey: Ms Ryan, you quite rightly admonished me for trying to respond to the Opposition spokesman from a sedentary position, but it is frustrating. Yesterday, I joked that, because of the lack of an Opposition policy, I would give an Opposition speech, but I did not expect the Opposition spokesman literally to read it out word for word the next day. Can we perhaps hear what the Opposition propose?

Clive Efford: The hon. Gentleman is the Minister. If he wants to dodge the arguments by posing as an Opposition Member, fine, but that is to run up the white flag and admit defeat.

The Minister said:

“I hope that the Advertising Standards Authority will crack down on how providers advertise their speeds. At the moment, if only 10% of customers are receiving the advertised speed, in the eyes of the ASA that is supposed to be okay. I totally accept that the ASA does a good job—it is a great example of self-regulation—but it really needs to go further on that. In my humble opinion, at least 75% of people should be getting the speeds that the broadband providers are advertising.”—[Official Report, 9 March 2016; Vol. 607, c. 139-140WH.]

Is that another policy statement? He is the Minister, so he really should not put such things into speeches if he does not intend to deliver them.

The Minister derided the previous Labour Government’s commitment to provide 2 megabits per second by 2012, but the Government are not delivering that minimum standard. Superfast broadband is 24 megabits per second, but the Government have moved the goalposts several times on it. It was 90% by the end of 2015; then it was 90% by the end of 2016; then it was 95% by the end of 2016; and now it is 95% by the end of 2017. When the Select Committee on Environment, Food and Rural Affairs was conducting an investigation into rural broadband, BT told it:

“it is there or thereabouts. It may end up being in 2018”.

The Committee pointed out in its 2015 report on rural broadband that it is by no means certain that the Government will even meet the phase 2 target. BT let the cat out of the bag: the Government are really behind the times.

Let me finish by asking the Minister a few questions. Two weeks ago, we cautiously welcomed Ofcom’s strategic review of digital communications—a plan for sorting out the mess created by six years of failed policy—as a step in the right direction. It mainly proposed two things: allowing rivals to access BT’s ducts and poles to increase competition, and addressing the issues relating to service standards. Ofcom will introduce automatic compensation for customers and businesses when things go wrong. It is good news that broadband, landline and mobile customers will automatically receive refunds for any loss or reduction in service, which hon. Members have spoken about today. Openreach will be subject to tougher minimum requirements to repair those faults and install new lines more quickly. As hon. Members indicated, that is very welcome indeed.

What will the Minister do if those proposals are not met? How will he ensure that those targets are achieved? For example, Openreach might decide to fix easier and quicker faults at the expense of some of the ones that have been described today. Ofcom will introduce performance tables on quality of service to identify the best and worst operators on a range of performance measures so customers can shop around in confidence. Will the Minister tell us how he intends to ensure that that is achieved? How long does he think it will take for the market to become more competitive? What will he do if it does not work? Are all the measures still subject to further consultation and debate? Ofcom will need the Government’s political cover to make that happen, but the Secretary of State’s mind is currently elsewhere. Will the Minister assure us that addressing the issues that hon. Members raised this afternoon is a priority for him and his Department?

2.47 pm

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I am grateful for the opportunity to respond to this important debate under your chairmanship, Ms Ryan. I thank the hon. Member for Bishop Auckland (Helen Goodman) for securing it.

Halfway through the debate, I began to wonder whether we were taking part in a kind of Sport Relief charity function, because we had exactly the same debate yesterday. To deal with all hon. Members’ complaints about Openreach, I propose a 24-hour debateathon. I am particularly pleased that I am the last man standing.

Yesterday, we had the hon. Member for Berwickshire, Roxburgh and Selkirk (Calum Kerr), who is not the Scottish National party’s Culture, Media and Sport spokesman, but its Environment, Food and Rural Affairs spokesman: he worked for a telecoms company for 20 years so the SNP sent him along. He has not made it today. We also had the official Opposition spokesman, the hon. Member for Newcastle upon Tyne Central (Chi Onwurah). She has not made it today; she sent the sports spokesman instead. But I am still here, still standing and happy to take questions.

This may not be a Sport Relief event, but it is a mass therapy session. Many hon. Friends and hon. Members came here to relieve themselves of the shear frustration of having to deal with Openreach on behalf of their constituents. As I have said on many occasions—well, certainly yesterday—as a constituency MP, I also have to deal with that frustration.

The hon. Member for Eltham (Clive Efford) mentioned the example of a factory that I cited. I was, in fact, talking about a factory in the constituency of the hon. Member for Bishop Auckland—I had forgotten that she would be leading this debate. As she knows full well, I have been closely involved in trying to sort out that problem. There is no defending what happened to that factory. I am not here to defend it, because I do not work for Openreach. It is absolutely astonishing that a business would spend £30,000 up front with a supplier
such as Openreach, build its warehouse based entirely on the belief that it was dealing with a reputable company that would deliver what had been contracted for, and then find—

Neil Parish: Will the Minister give way?

Mr Vaizey: No, I will not give way. My hon. Friend spoke at length on the issues and I am not giving way to him.

The company built a factory based entirely on the expectation that the service would be delivered, only to find that it was not delivered—Openreach said that it had a problem with blocked ducts. If people are paid £30,000 to deliver a business line, the least they can do is to get out there and look at the ducts, in particular if the order has come in six months before they are meant to deliver it. There is no defence.

I freely admit that it is frustrating to deal with such issues. I wonder sometimes how I could distract attention from them. In fact, I asked the Prime Minister the other day, “Can we have a referendum on something? I am suffering all these attacks from my colleagues, please can we have a referendum on something like our European membership as that might distract them for a few months before they come back to the issue?” But it has not distracted them—we are still debating Openreach’s failures.

The Opposition have contributed a great deal to telecoms and telecoms policy. I read this morning that one Opposition Member was fined £5,000 by the Information Commissioner for making 35,000 recorded calls urging people to nominate him as the London mayoral candidate, which he failed to achieve. But he has added to BT’s coffers!

We are still waiting for a broadband roll-out policy from Labour, but I am grateful to the hon. Member for Erith and Thamesmead (Clive Efford) for reminding us that Labour’s target was 90% superfast broadband by 2017, which we achieved by the end of 2015. So we are two years ahead of what Labour promised with its unfunded commitment when it was in government and before it left us with a wrecked economy and such long-term plans. I sometimes dream that Labour won the 2010 general election and that a Labour MP might now be having to stand in my place and explain why his Government had still not got to 90% and why they were still going to wait for two years to do so. We have never changed our targets; we will reach 95% by the end of 2017.

I sometimes dream, too, of the SNP being the official Opposition—I know I should not say that, because it is almost blasphemous, but the hon. Member for Berwickshire, Roxburgh and Selkirk yesterday was entirely reasonable in pointing out the complexities and difficulties of the programme. I also commend the hon. Member for Tiverton and Honiton (Neil Parish) wondered earlier whether it was value for money: as he well knows, thanks to the clawback mechanisms in the contract, we have achieved £130 million. In fact, there is considerable underspend on the contract as well, so we will probably be able to use existing money to go further than 95%.

As far as I am concerned, Openreach is full of very good people doing a very good job, and the roll-out of infrastructure is going extremely well. In this debate, we are dealing with issues that I will not say are beyond my control, but that should be laid squarely at the door of Openreach. In yesterday’s debate I said that Openreach has the lowest levels of customer satisfaction, just below TalkTalk, according to Ofcom surveys. It is important to remember that no communications provider is perfect. I am sure that if we looked in our inboxes we would all find complaints from our constituents possibly about TalkTalk, Virgin, Sky or even some smaller companies providing business broadband. No company is perfect.

James Cartlidge: BT has a monopoly on that front. I have never had a complaint about any other company apart from BT.

Mr Vaizey: Well, I have, but perhaps I live in a different world.

Having said that, I find it frustrating that I am sometimes doing the job of the chief executive or directors of Openreach. I find it frustrating that I have to broker a deal between Openreach and house builders to provide what should be provided in any common sense view—when building a brand-new housing development, surely that is the time to lay brand-new technology that people will expect over the next 20 years. I find it frustrating that I have to deal with a legion of complaints that are the result, frankly, of bad management and bad customer service. I sometimes feel that someone in Openreach loathes me so much that they sent out a memo saying, “Please give me the address of every single MP’s office, so we can make sure that every time they try to get a phone line, it will take three months.” At least four MPs have complained about that to me.

Clive Efford: Given that the Government have provided so much money to BT Openreach, will the Minister accept that the proper checks and balances were not put in place to ensure that it delivered on its contractual obligations?

Mr Vaizey: No, I will not accept that, because the hon. Gentleman is missing the point I made earlier about the distinction to be made. The physical roll-out of infrastructure is going well, and more than 4 million homes that would not otherwise have got superfast
[Mr Vaizey]

broadband now have it. That job has been done extremely well. What frustrates me is the poor customer service, which I hear about again and again from my colleagues. That is why we have had two debates in two days. I am really trying to get the message to Openreach to sort that out.

Damian Green: I spent several years as the front person for the UK Border Agency, so I have every sympathy with the Minister having to be the front person for Openreach. Has he reflected on the policy implication? Even though the roll-out, in effect, of fibre to the cabinet has been a success—as he said—that is still not providing an adequate service for millions of households and businesses throughout the country. Therefore, at some stage, a Government will have to bite the bullet and say, “We actually need fibre to the premises, however expensive it will be.”

Mr Vaizey: My right hon. Friend is moving me on to the next stage of infrastructure roll-out of broadband, but I agree, whether that is fibre to premises or new technology such as G.fast. I have talked about the need for a gigabit Britain and, as far as I am concerned, we are reaching the end of the superfast broadband roll-out programme and now we need to look ahead. We are not complacent: we need to go for a gigabit Britain.

To make things easier for people to build such networks, we will reform the electronic communications code, so that laying fibre across land becomes cheaper; we will reform planning so that mobile operators—as mentioned by one of my hon. Friends—may build bigger masts to get better signals; and we will work with Ofcom on a digital communications review, which will open up BT’s poles and ducts. I completely agree with those who say that it is important to follow up and to ensure that the practical implementation of the regulations actually happens. The Secretary of State for Business, Innovation and Skills also announced a review of business broadband, which is at the very heart of what colleagues have been talking about.

Jo Churchill: Will the Minister bring domestic and business sides together, where possible? As he knows, the Home Builders Federation rolled out its programme in my constituency, in Woolpit. Businesses in that village cannot get adequate supply, which is crazy.

Mr Vaizey: I agree with my hon. Friend. That should form part of our business broadband review—that we need to put in place proper procedures to ensure, in particular when business parks are being built or extended, that communications providers know that and therefore use the opportunity to put in place the new technology that everyone wants to see. The infrastructure programme, however, is going well.

I should also mention that, in the digital communications review, Ofcom has proposals for automatic compensation to householders and businesses where communications providers fall down in what they are providing. I am extremely keen to see that implemented as soon as possible. So we will make it easier to build infrastructure and to use Openreach’s network, and we will bring in provisions to ensure that when Openreach and other communications providers fall down with consumers, consumers get compensated.

Question put and agreed to.

Resolved,

That this House has considered BT broadband provision for local businesses.
Energy-Intensive Industries

[Mr Chrisopher Chope in the Chair]

3 pm

Graham Evans (Weaver Vale) (Con): I beg to move, That this House has considered energy intensive industries.

It is a privilege to serve under your chairmanship, Mr Chope.

Energy-intensive industries are defined in the 2000 EU regulations on pollution prevention and control and further directives as companies whose energy intensity is more than 3%. This means that their energy costs are at least 3% or more of their total production costs. However, it is important to note that the figure is often significantly higher than this. For example, electricity accounts for 70% of chlorine production costs at the INEOS Runcorn site in my constituency. The companies that tend to fall into this bracket come from a wide range of sectors, including chemicals, steel, paper, minerals, glass, ceramics, and industrial gases, among others.

Protecting the competitiveness of the UK’s foundation industries is vital to our long-term economic success. Energy-intensive industries account for 4% of the UK’s total gross value added, directly employing more than 200,000 people. These foundation industries are crucial to the success of other companies through their supply chains, meaning that the multiplier effect on economic growth and jobs is far greater. In a report for the CBI, Tata Chemicals estimated that for each direct job it creates, a further five jobs are created in the supply chain. These are often high skill, high wage jobs that are vital to the future prosperity of the UK economy.

Energy-intensive companies, much like other industries, draw competitive advantage from clustering. This is a result of the existence of a pool of specialised workers, the provision of specialised suppliers, and the rapid flow of industry-specific knowledge among firms. As a consequence, regional economies can often be heavily dependent on a small number of energy-intensive firms in the area. Because energy-intensive industries compete globally, their export success is critically dependent on secure and competitively priced energy supplies.

UK industrial energy prices are the most expensive in Europe: 75% higher than Germany; 45% higher than France; and nearly 80% higher than the EU average. Energy-intensive industries are typically paying between £80 to £90 per MWh for electricity. Of this, £14 is attributable to the cost of carbon through the EU emissions trading scheme and the carbon price floor.

A further £20 goes towards the cost of renewable subsidies, such as the renewables obligation and the feed-in tariff. The UK-only carbon price floor results in UK-based energy-intensive companies paying four times the cost of carbon paid by their continental competitors such as France or Germany. The Department for Business, Innovation and Skills has been paying compensation since 2014 to lessen the impact of the EU emissions trading scheme and the carbon price floor. This support is limited to 80% of the impact by EU state aid rules.

3.17 pm

On resuming—

Graham Evans: I welcome the announcement in the autumn statement last year that energy-intensive industries will be exempt from the policy costs of the renewables obligation and feed-in tariffs, which will ensure that they have long-term certainty and remain competitive. Energy-intensives whose electricity costs exceed 20% or more of their gross value added are eligible for renewables compensation, capped at 85% of the impact by the EU state aid rules. However, I am concerned that energy-intensives that fail to meet the 20% criterion and therefore do not receive the compensation are often in direct competition with others that meet the criterion and do receive it. That puts some companies at a profound competitive disadvantage. Officials at the Department for Business, Innovation and Skills are exploring the feasibility of alternative options to support those companies, which is a welcome development. I look forward to the results of that.

I represent a constituency in Cheshire, where the energy-intensive chemical industries are of historical significance. INEOS Chlor and Tata Chemicals, among others, are significant employers of people in Runcorn and Northwich, and in the wider M56 corridor throughout Cheshire. Chemistry is the bedrock of manufacturing, and strong, competitive chemical industries underpin all great manufacturing nations in the developed world. The UK chemical and pharmaceutical industries have a strong record of manufacturing.

Kevin Hollinrake (Thirsk and Malton) (Con): Is my hon. Friend aware that the shale gas industry has revolutionised the fortunes of the chemical industries in the US? According to PricewaterhouseCoopers 1 million jobs will be created in manufacturing by 2025 as a direct result of shale gas energy and associated chemical feedstocks.

Graham Evans: I am grateful to my hon. Friend, who has certainly made his mark on this place since he was elected. He is right; the east coast of America is an example of how countries can reinvent themselves as manufacturing nations.

The chemical industry is manufacturing’s No. 1 export earner, adding almost £9 billion to the UK’s GDP each year. More widely, the Royal Society of Chemistry claims that £222 billion of GDP and 5.1 million jobs are partially reliant on UK chemical research and the UK chemical industry. The industry faces the additional challenge of using energy supplies both as fuel and as feedstock. Supplies of North sea gas for use as feedstock and fuel are diminishing, meaning that there is increased reliance on less secure supplies of imported gas. The political realities in Russia and Ukraine, as well as in parts of the middle east, show in no uncertain terms the increasing importance of energy security in the coming years. We have only to look across the Atlantic to the east coast of America to see the impact on the chemical industry of lower energy prices and booming supply. Cheaper energy combined with cheaper feedstock and Government investment has kick-started the US chemicals industry, which has since attracted more than $100 billion in investment.

3.3 pm

Sitting suspended for a Division in the House.
As my hon. Friend the Member for Warrington South (David Mowat) pointed out in January, that success is a direct result of a cheaper economic model and a business case, and as my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) said in his excellent intervention, more than a million jobs have been created along the eastern seaboard of the US.

I want to talk about bricks—I am not talking about Brazil, Russia, India and China; I am referring to bricks and mortar. At the general election, almost every Member stood on a manifesto commitment to increase house building and home ownership. The English housing survey suggests that home ownership is increasing for the first time in a decade, which I am sure we all agree is fantastic news, but the inescapable fact is that if we want to build, we need bricks. The owner of Michelmersh, Britain’s fourth largest brick producer, estimates that Britain requires 2.2 billion bricks a year. The country is at full capacity, making 2 billion, with the rest made up of imports, largely from Germany.

The Federation of Master Builders’ state of trade survey highlighted the scale of the challenge. Two thirds of small and medium-sized enterprises face a two-month wait for new brick orders, almost a quarter are waiting for up to four months and 16% face a wait of between six and eight months. Arrangements for compensating energy-intensives such as brick makers are significantly more generous in countries such as Germany. Although the brick industry is starting to recover and reinvest in some of the kilns mothballed during the recession, that will place British firms at a distinct competitive disadvantage as the demand for bricks soars. An opportunity exists to address that and to help truly kick-start the brick making industry, to complement the burgeoning construction industry and get Britain building.

It is important to keep energy-intensive industries competitive in a global market, not just to safeguard them but to maintain a far wider range of UK industrial sectors. Our foundation industries make the raw materials that go into everything from clothing and medicine to buildings, vehicles and computers. Energy-intensive industries and the jobs associated with them are almost exclusively located outside of London, and they form a vital part of the northern powerhouse and regional growth and development.

By 2030, the world population will be 8.3 billion and 60% of the population will live in urban areas. There will be 2 billion cars on the road, and 50% more primary energy will be needed. Such huge challenges cannot be met without embracing energy-intensive industries. They are the building blocks on which manufacturing rests, and on which our future prosperity will be built.

3.23 pm

David Mowat (Warrington South) (Con): It is a pleasure to serve under you, Mr Chope. I congratulate my hon. Friend and neighbour the Member for Weaver Vale (Graham Evans) on securing the debate, which is the second this week on energy-intensive industries. We did ceramics earlier in the week, so we are giving it a bit of a go, and it is good that we are because we do not talk about it enough. As he said, there are something like 900,000 jobs in the industry and its supply chain and, by and large, those are well paid, good jobs that we do not want to lose, particularly by accident or through carelessness.

On my validation for speaking in the debate, I do not have a particularly major industry in my constituency, but at one time in my life I worked at the Port Talbot steelworks. I remember seeing the blast furnace at Port Talbot and I suggest that all BIS Ministers and shadow Ministers see a blast furnace—while they are still here—because they are a magnificent sight.

Kevin Brennan (Cardiff West) (Lab): While the hon. Gentleman is on that point, can I tell him that my father worked for more than 20 years at Llanwern just a few miles down the road from Port Talbot? I was fortunate enough to be employed there for six months as a young man and came in close proximity to a blast furnace. Unfortunately, at the time I was there, three workers were killed by a gas leak from one of the blast furnaces.

David Mowat: The shadow Minister has validated himself in the debate. They are a sight that will always be remembered—I will certainly always remember it. I did not spend six months there, but I did work there.

Many industries have Ministers in this place who are directly responsible for them. We have a Minister for the City or banks, a Minister for farming, a Minister for sport, a Minister for IT and digital, a Minister for arts and a Minister for small business. Those are all important segments, but there is no Minister for the foundation industries and I think that shows a little.

Let us recap on what we are talking about—ceramics and bricks, chemicals, steel and aluminium. I should have said that I am the chair of the all-party parliamentary group for the UK aluminium industry, which is an interesting group to chair because globally aluminium is a real growth industry. It is increasingly displacing ferrous and other metals in the car industry. It is actually a very green material that is light and strong and we are seeing it used more and more. In the UK, though, that industry, which used to have three primary smelting works, now has only one, and that one—in fact, it is in Scotland—is under consultation for closure.

That is not to say that the aluminium industry in the UK is in bad shape. We are going more into secondary processes, which are higher value processes and there is an element of logic in that, but it is a shame that we are losing the raw material-producing capability that is also at risk in other industries such as steel. I will reflect on some of the reasons for that. I will talk about two things: energy prices, as my hon. Friend did, and what we are doing to ourselves—it is nearly all to ourselves—in that regard; and some of the aspects of our position on market economy status vis-à-vis China. I would like clarification from the Minister on that. Others may also talk about that, because some bits of it are not clear to me.

The basic premise is that it is not possible for us as a country to have a march of the makers, with a resurgence in manufacturing—that is in the north by definition, because much of that is in the north—on the back of differentially higher energy prices vis-à-vis our neighbours, whether in Europe or in the United States. We are not talking about China; we are talking about differences in approach in Europe and, to a lesser extent, in the United States.
In terms of energy, there are two sorts. My hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake) talked about the gas industry in the United States and what that has done. This is not a debate about fracking other than to say that we sometimes talk about it as though it is a new industry and we are deciding whether it, and all that goes with it, will happen. The truth, of course, is that fracking has already happened—it has been going certainly for more than a decade—and it has transformed the United States’ eastern seaboard. Something like a million jobs have been created and the gas industry—gas is not just a raw material for energy but a feedstock for chemicals—in the United States has been transformed by it.

It is also worth reflecting that, as a result, the United States’ carbon emissions have massively come down, faster than any other country in the world. The United States did not sign up to Kyoto, but had they signed up they would have made their targets because of the displacement of coal by gas. All of us who are concerned about the environmental aspects of that need to reflect on that.

One of the interesting questions is: have the million jobs created in the United States affected us in the UK? Actually, yes, they have—only at the margin, but everything in all these industries happens at the margin. By and large, whole industries do not get moved; by and large, industries such as the one in Teesside are not closed down. What happens is that a decision is made about an individual process plant. It is now more cost-effective to put that plant in the United States than in Teesside, where it may have gone 10 years ago, because they are paying one third of the price for that gas there. Those of us who are taking opportunistic positions regarding fracking—whether it is INEOS in Grangemouth or elsewhere—need to reflect on what that means for the 900,000 workers in this industry.

Vis-à-vis the rest of Europe, our gas prices are not out of line; in fact, if anything, they are a little cheaper than much of the rest of Europe. Electricity prices in this country are broadly 80% higher than the European mean, as my hon. Friend the Member for Weaver Vale said. This morning, Germany and France were paying 4p per unit. Our energy-intensive industries are paying 9p per unit and there are two components of that. One is the carbon price floor, which I am sure the shadow Minister will rightly address. That is a tax on manufacturing, and it is arguably a tax on the north. It is certainly not a tax that I like.

As well as the carbon price floor, which we have unilaterally imposed in this country, there is the renewables and climate change stuff that we continue to impose on this country unilaterally. I want to consider the massive differences between what we are doing on this and what others are doing—not the Chinese or the Indians, because it is quite reasonable that they do less than us as they have so far to catch up, but the rest of the EU.

One of the big myths about carbon policy is that it is the EU making us do all this stuff. There was a bit of that in some renewables directives, but by and large, that is not the case. By and large, nothing going on now in climate change policy—policy that we may or may not agree with—is caused by the EU. It is caused by us, by the Climate Change Act 2008 and the Committee on Climate Change.

The point that needs to be made—and the Minister and shadow Minister need to be cognisant of it—is that the 2008 Act has imposed on our industry the need to reduce carbon emissions by 80% over a 60-year period. The European submission to the Paris summit requires a change of 40% over 40 years. That is a lower gradient, and furthermore, it is easier to get a higher gradient to begin with. They are doing the easy bit at a much lower rate. If we take the UK out of the overall European submission to Paris, it means that—roughly speaking—they have signed up for an emission reduction rate of 50% to 60% lower than us. Either we are right or they are right, but it seems odd to me.

The reason for the difference is clear: in those countries, the people who run the foundation and heavy engineering industries have much more lobbying power with Government, perhaps as the banks do in our country. As a result, they look at the proposals and say, “We’re going to do what’s reasonable. We’re not going to bankrupt ourselves.” The trajectory of emission reduction to which the EU has signed up is 60% lower than the one we are giving ourselves in the UK. The EU has not even assigned that amount by country yet; it is just a total EU level. That should give us all pause for thought. Maybe we are right, maybe they are right, but our trajectories are certainly different.

The European emissions trading scheme was supposed to reduce carbon emissions. The European Parliament had a vote three or four years ago because the ETS did not set a high enough price for carbon. It implies a carbon price of €5 per tonne of CO2. The vote was to try to get that price up, but the Germans, the French and others would not agree to it. It is one reason that on Monday night, an Opposition amendment to the Energy Bill will advocate going further down the path of unilateral action here—in that case, because of the failure of the emissions trading scheme in Europe. If it were not so serious for the 900,000 people whose livelihoods we are talking about, it would almost be funny.

In terms of progress on emissions and climate change, a very good database called EDGAR—the Emission Database for Global Atmospheric Research—shows emissions per capita, per unit of GDP for all the countries in the world, and how they are moving and changing. It is worth reflecting that Austria, a relatively prosperous, affluent part of Europe, has increased its carbon emissions per head by 20% since 1990, while we have decreased ours by something like 15% or 20%. There is no consistency of approach, which is extraordinary.

We have talked in the past about the fact that countries such as Germany are building a new generation of coal power stations. Their renewables are not going up, but in fairness, they have done a lot on renewables in terms of emissions. However, Germany’s carbon emissions are one third higher than the UK’s per unit of GDP and about 30% higher per capita. We need to reflect on that and on the actions that we think it is necessary to take. I make the point again that either we are right or they are right, but for too long, we have listened to people’s words on this subject and not looked at their actions.

I asked the Committee on Climate Change at a meeting recently, “What about these industries? All other things being equal, if we decide that we wish to continue having the highest energy prices in Europe and so on, what does that mean for them?” One person on the committee said, “It’s about comparative economic advantage.” The theory of comparative economic advantage says that a developed economy should probably not be doing some of these things. The implication is that it is
probably right to leave steel production behind and move into making aeroplanes and so on. That is the thinking in some parts of the Committee on Climate Change. Either parliamentarians wish to challenge that, or we accept it. At the moment, that is the consensus on action—I personally think it is wrong.

Kevin Brennan: The hon. Gentleman makes, as ever, an expert speech. That kind of thinking is wrong because whatever the economic theory of comparative advantage says—having taught it, I know what it says—it is ultimately in our country’s strategic interest to maintain a steel-making capacity. Does he agree?

David Mowat: I completely agree. That is precisely why that sort of thinking must not gain currency. However, let me be quite clear: it is out there.

I want this to be a debate and to talk about the facts, but that thinking is out there in parts of the Labour party as well. I have often reflected on why many Labour MPs who represent seats in the industrial north are less concerned about this issue than I would expect them to be. It is the same in Scotland. I think it is because there are almost two Labour parties. I do not want to get into a fight, but there are the guys who represent the big industrial communities and understand the issues, and then there is what I would call—I do not mean to be pejorative—the Primrose Hill branch of the party, which believes in cutting emissions at all costs at all times to show leadership to the world. Frankly, the consequences will be the consequences. That is what we should be talking about today.

It is important that the Front Benchers understand the points I have made and that unilateral action will take us to a place where we do not want to be. This is not only about energy-intensive industries. All industries use electricity—for example, the manufacturing industry uses electricity—with the possible exception of the banks, although even they need to put the lights on and get their computers to work.

Finally, I want to ask the Minister about market economy status and why the UK Government are apparently so keen to fight for that for the Chinese economy status. The UK Government have gone some way, but I would like to put on record my sincere appreciation of the Scottish Government’s decarbonisation of industry steering group specifically helping them to deliver their emissions reductions under the EU emissions trading system and to meet legal obligations such as the UK climate change levy and the energy savings opportunity scheme.

In summary, let me repeat these points. There will not be a march of the makers or if there is, it will be a march to the EU, to the USA and to China, if we continue to concede a massive gas price advantage to the United States and a massive electricity price advantage to the European Union, and if we are not careful about the issue of dumping in China. The Minister is not from the Department of Energy and Climate Change, so she may not be able to answer this question, but I also want to know why the UK is going unilaterally so much further than others and whether there is any chance of others following us in future, because it is very clear that they have not followed us yet.

3.41 pm

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): It is a pleasure to serve under your chairmanship, Mr Chope. I congratulate the hon. Member for Weaver Vale (Graham Evans) on securing this important debate.

Support for energy-intensive industries is a matter that I care a great deal about. My hon. Friend the Member for Motherwell and Wishaw (Marion Fellows) and I represent the two constituencies with Scotland’s remaining steel mills, and those are sadly at risk. I have worked hard since my election to fight to save our steel industry. Although the Clydebridge steel treatment mill employs far fewer people than mills in other constituencies, it is no less devastating when jobs are at risk and when such an iconic industry stands to be lost from the constituency.

As the steel industry transitions to lower-carbon forms of production, it deserves our support. When crisis hit in my constituency, First Minister Nicola Sturgeon moved swiftly to establish the Scottish steel taskforce. That has resulted in positive action to retain jobs and hopefully to save and protect this established industry. If an alternative operator takes over, production will be able to resume swiftly due to the Scottish Government’s steelworkers retention plan. Action has been taken on business rates, and in addition to new public procurement guidance on steel, the Scottish Government have released an ambitious and visionary new action plan entitled “A Manufacturing Future for Scotland.”

The Scottish Government’s decarbonisation of industry steering group promotes and co-ordinates action to support energy-intensive industries, such as the steel industry, in making the transition to lower-carbon forms of production.

Wendy Morton (Aldridge-Brownhills) (Con): The hon. Lady and I both sit on a newly formed all-party parliamentary group on ceramics. Does she agree that not only the steel industry but industries such as the ceramics industry face huge challenges? There are a number of firms in those industries in my constituency.

Margaret Ferrier: I thank the hon. Lady for that intervention, and I will come to ceramics later, if she will bear with me.

The Scottish Government’s steering group specifically helps them to deliver their emissions reductions under the EU emissions trading system and to meet legal obligations such as the UK climate change levy and the energy savings opportunity scheme.

It is clear that the Scottish Government are committed to protecting the steel industry as a key strategic asset in the Scottish economy, and on behalf of my constituents, I would like to put on record my sincere appreciation of that. The UK Government have gone some way, but there is still more to be done.

On the issue of ceramics, in addition to a very long-established steel mill, there is a brickworks in my constituency—Scotland’s only remaining clay brick company, in fact. Raeburn Brick is an established family-run business in Blantyre. Somewhere in the region of...
15% of the bricks used in Scotland are produced by Raeburn, which means that about 85% are imported from outside Scotland. Those figures might not mean much to others, but to me they show that there is a real opportunity for more domestic business.

Graham Evans: I was interested to hear the hon. Lady mention the figure of 15% being made by that family business. Does she have the figure for how much is imported from outside the United Kingdom?

Margaret Ferrier: The figure I have is that 85% of bricks are imported from outside Scotland, but I am not sure how many are within the UK or the EU. I can certainly get back to the hon. Gentleman about that.

If we are serious about long-term and sustainable economic growth, companies such as Raeburn need support. There is clearly room for the Scottish market to expand and reasons why it is being held back. The manufacturing sector is highly important, and I certainly do not wish to see Raeburn at risk, as the Tata steelworks at Clydebridge is. The ceramics industry is looking for a level playing field, just like the steel industry, and is calling for assistance and action on carbon emissions, energy costs and trade, as well as on the housing supply chain.

How do we support energy-intensive industries? I acknowledge and welcome the action that has been taken already. State aid clearance for the UK Government’s energy-intensive industries support package will go some way towards easing costs for those industries.

We need only look at Sweden, for example, to see that electricity prices in the UK are needlessly high. According to Eurostat, the statistical office of the European Union, Swedish industry pays only €0.067 per kilowatt-hour for electricity. In the UK, the figure is exactly double that. Sweden has decided that fracking is not economically viable and is also phasing out nuclear. Renewable energy in the form of hydropower is now the single large source of electricity in the country, and wind power production is growing at a phenomenal pace—it has more than quadrupled over the past six years. We must aspire to cleaner, lower-carbon, sustainable forms of energy if we want to support industry in the long term.

The Scottish renewables sector has massive potential. The waters surrounding Scotland have the potential to provide it with a sustainable, renewable energy source—they are estimated to account for up to 25% of Europe’s tidal power and 10% of its wave power, as well as about 25% of European offshore wind resource potential. That renewable potential is being impaired, however, by the regressive energy policies of the UK Government, who are cutting support for onshore wind and vital support for regional economies. He mentioned his concern about the 20% criterion, which leads to some companies being put at a disadvantage in direct competition.

The hon. Gentleman then spoke about chemicals. Tata and INEOS are significant employers with a strong manufacturing record. The industry is worth £9 billion to the UK economy and brings 5.1 million jobs—I hope I have got that right. Energy security is very important. The hon. Gentleman then mentioned bricks and the need for a commitment to house building in the UK. We need 2.2 billion bricks a year. Germany does better than the UK, so we need to look at that as the demand for bricks grows. I hope that the Minister will consider those points.

The hon. Member for Warrington South (David Mowat) mentioned that we do not want to lose jobs and spoke fondly of his time at Port Talbot. The hon. Member for Cardiff West (Kevin Brennan) also has fond memories of working in the industry.

Energy-intensive industries include not just steel and bricks but ceramics, chemicals and aluminium. As the hon. Member for Warrington South said, aluminium is a growth industry and a green material, but we are down to just one smelting capability, which apparently happens to be in Scotland. There is also a risk in the steel industry, and we must look at energy prices. He said that the gas industry in America is not new and has been going for more than a decade, but we must reflect on its environmental aspect. He said that China and India still have to catch up in their carbon policy.

The hon. Gentleman mentioned the difference between emissions in the UK and the EU—the EU seems to have signed up to a 50% to 60% lower emissions reduction than the UK. He then spoke about the emissions trading system and the failure to make progress on climate change. He mentioned Austria—it is interesting that its carbon emissions have increased. He asked the Minister who is right—are we going down the right road, or are other countries?

One comment that the hon. Gentleman made, if I picked it up correctly, was that Labour MPs in the north are less concerned about the issue. I am not sure whether I agree—perhaps I picked up on his comment incorrectly. I know that there are not many Labour Members in the Chamber today, but perhaps the Opposition spokesperson will be able to take that argument forward. Labour Members have certainly been strong advocates for the steel communities in the north.

David Mowat: I completely accept that. The point I was trying to make was that whenever we discuss climate policy, those MPs press for us to go further unilaterally, which is a little odd in the context of the industries and communities they represent. I completely accept that they care passionately about those industries.

Margaret Ferrier: I thank the hon. Gentleman for his intervention.
Finally, the hon. Gentleman wanted to know which industries will benefit from China gaining market economy status. We have heard many times from the Minister why she feels it would be okay to give China market economy status, and I am sure she will give that answer again at the end.

3.52 pm
Kevin Brennan (Cardiff West) (Lab): I congratulate the hon. Member for Weaver Vale (Graham Evans) on securing this debate. It was not so long ago that we debated similar issues in this Chamber, led by the hon. Member for Thirsk and Malton (Kevin Hollinrake), and we had similar discussions about some of the issues relating to energy-intensive industries, with a particular emphasis on fracking.

The hon. Gentleman talked about the problem of energy prices in the UK and, as ever, gave a thoughtful and informative speech. He was followed by the hon. Member for Warrington South (David Mowat) who, in a way, put his finger on many of the fault lines. I will perhaps return to his comments about the Labour party in a moment, but until yesterday, none of us was sure which Department would respond to the debate. Only at the last moment did I find out that it would be the Department for Business, Innovation and Skills instead of the Department of Energy and Climate Change. The information from official channels was that there was some question. That is not a criticism and I hope the Minister does not take exception, but it emphasises the fault line in this area that the hon. Gentleman explored in his comments about the tension in the appropriate desire for us to do something about climate change.

We have the Climate Change Act 2008, as the hon. Gentleman rightly pointed out, which was supported cross-party—not by everyone in the House obviously, but certainly by those on both Front Benches. It is an appropriate ambition. We want to save the planet from the possible consequences of not acting, but the tension arises from the need to make sure that in doing so we do not kill off our vital industries. The hon. Gentleman pointed out the tension, which exists not just in my party, but probably in the Conservative party to some extent. The fact that this debate was allocated late, with apparently some internal debate about who should take it, illustrates his point.

The hon. Gentleman’s speeches are always informative and educational for all of us. He brings a level of expertise that is sometimes unusual among elected Members. He would probably make a very fine Minister in this area if he received a call from No. 10. I have probably killed of any prospect of that by mentioning it, but it is without question. He always provides us with a challenge and food for thought in his remarks.

From time to time, people try to say that we should not talk politics in the House of Commons, which is vacuous as a statement. If one cannot talk politics in the House of Commons, where can one? The hon. Gentleman made a point about tension in the Labour party, which he said he had identified between some part of north London—

David Mowat: Primrose Hill.

Kevin Brennan: The Primrose Hill lot. I am not an expert on the areas of London. MPs from the north, Wales and other parts of the United Kingdom may be more au fait with the industries we are talking about. He may be right about that tension. All political parties are broad churches, including his own. There is a strand in his party of people who are extremely laissez-faire in their attitude to the economy and would take the view that if the steel industry cannot survive in the bitter winds of market forces, it is appropriate for it to suffer the consequences and to diminish and disappear. The emphasis is more on the comparative advantage that the UK has enjoyed in industries such as finance, banking and so on.

To an extent, both the hon. Gentleman and I want to see a broader and stronger consensus develop on the need for an industrial strategy, with a recognition that the Government have a serious role to play if we are to have a march of the makers. In recent years, I have felt that that political consensus was genuinely developing. I pay some credit to a previous Secretary of State for Business, Innovation, and Skills, Lord Mandelson, who came back from the European Union having had an epiphany of sorts while a European Commissioner. When he was a Trade and Industry Minister previously, I felt that he had displayed too much of that laissez-faire attitude towards British industry, but having seen other countries in the European Union and how they do things, he came back realising that it was vital for the British Government to take a much stronger interest in UK plc and particularly the high-skill, often energy-intensive industries that would genuinely help to rebalance our economy away from the unhealthy state that it had got into with too much reliance on the banking and finance industries.

We can perhaps create that stronger consensus in British politics, given the views that are shared among all parties across the House, to achieve a longer-term strategy for British industry.

David Mowat: I probably am a bit more laissez-faire than the hon. Gentleman. Having said that, I do understand that an industrial strategy is needed in some cases at some point. To the extent that the Government have got involved in these industries, however, it has been to impose—apparently without necessarily understanding that they were doing it—higher energy costs than their competitors in the EU. We have already intervened in an unhelpful way. That is really my concern.

Kevin Brennan: Indeed, and that was the central strand, obviously, of the hon. Gentleman’s remarks and why I described them as a challenge to us all. The points that he made provide deep food for thought about what is the best way forward to ensure that we fulfil our obligations in relation to climate change, but also have the kind of strategy that will make sure that these industries can be sustained and can prosper into the future, because of their importance to our economy.
The hon. Gentleman went on to talk about market economy status for China. My view would chime with his remarks in that regard as well. I am interested to hear the Minister’s response to his question about the anticipated beneficiaries of the UK’s support for market economy status for China. My fear is that if we roll over too easily on that subject—whoever the beneficiaries are—it could have extremely negative consequences for some of the industries that we are discussing.

At a time when Chinese steel is being sold at under cost price in European markets and in the UK, with the consequences that we all know about for British jobs and British industry, it seems extraordinary that we are going out of our way to be favourable towards market economy status for China, instead of perhaps using it as a bargaining lever when discussing the Chinese Government’s policy on the steel industry. It is 70% state owned after all, so one would have thought that the Chinese communist Government had some influence over it. I know that some of the consequences of that over-production are now being felt in China. At the recent congress of the Chinese communist party, it had to announce a reduction in steel making in many of those areas.

The hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) told us about energy intensive industries in Scotland. She mentioned tidal power, which leads me to ask the Minister whether she can give any update—I think I might know what the answer will be—on the Government’s proposals in relation to the Swansea bay tidal lagoon. That is a current issue—no pun intended—and I hope that she will be able to say something about it when she responds to the debate.

I do not want to detain hon. Members too long today, but we did receive a briefing ahead of the debate from EEF, the Manufacturers Organisation. It posed some questions, and it would be helpful if the Minister could respond to them, in the spirit of the debate that we are having today. I will outline the four challenges that it poses—that is probably the easiest thing to do—rather than repeating what has been said already.

EEF says:

“The Government should support industry’s calls for major changes to the proposed reforms of the EU Emissions Trading System (ETS) post 2020.”

I wonder what the Minister’s position is on that. EEF also says:

“Ministers must bring political pressure to bear on the EU Commission to approve the ‘second’ state aid application in relation to the EII compensation package without further delay.”

Again, I wonder what the Government’s response is to that challenge from EEF. It also says that in the Budget “the Government should look to announce a scrapping or phasing out of the Carbon Price Floor.”

The hon. Member for Warrington South rightly mentioned that. EEF continues:

“At the very least we must see a commitment to continue the current freeze.”

EEF also says:

“Government must use the 2050 Roadmap project to devise a radical new approach to the decarbonisation of energy intensive industry. This must include a credible industrial carbon capture and storage (CCS) strategy and serious consideration of financial support for industry.”

I do not want to detain hon. Members too much longer, but I wonder whether the Minister could respond to the points that EEF has helpfully provided to us for this debate.

4.5 pm

The Minister for Small Business, Industry and Enterprise (Anna Soubry): It is, as always, a pleasure to serve under your chairmanship, Mr Chope. I congratulate my hon. Friend the Member for Weaver Vale (Graham Evans) on securing the debate. This is an important issue and, as other hon. Members observed, it is not the first time this week that we have debated the subject, because we discussed the future of the ceramics industry on Tuesday.

I am a little confused about why the Opposition were confused about who was to respond to this debate, because we in BIS were in no doubt at all. EIIs are very much within our responsibility, so I was always going to be responding. I think that my hon. Friend for Warrington South (David Mowat) said, “Do we have a Minister for energy-intensive industries?” He was berating the fact that we do not have one. I do not know whether it is good or bad news from his point of view—I hope he will be happy—but I am the relevant Minister, because I am the Minister for Small Business, Industry and Enterprise, and at the heart of that industrial brief are these great EIIs, these great manufacturing industries, which many would say form the absolute hard core of our economy, are certainly at the heart of our manufacturing sector and are incredibly important to our economy.

No one should be in any doubt as to the huge value that we place on the steel industry. I do not want to dwell too much on it, because I think we want to talk about other sectors, notably chemicals, but my right hon. Friend the Prime Minister has made it clear that steel is a vital industry. I obviously have repeated that. My right hon. Friend the Secretary of State has also repeated it. It is not just that it is a vital industry; in relation to steel production, not just the electric arc way of making steel but the blast furnaces, notably at Port Talbot and Scunthorpe, we have no doubt; we are determined to do everything that we can to secure their future.

Kevin Brennan: On a point of clarity, it is not a matter of being confused. The Minister may not realise this, because I do not think she has been a shadow Minister. How this works is that we receive a notification from the Government through the usual channels of who is speaking in a debate, and the information received from the Government said “To be confirmed”.

Anna Soubry: Well, I do not know. It does not really matter, does it? We were not in any doubt; we knew we were doing it. I knew I was doing it as soon as my hon. Friend the Member for Weaver Vale secured the debate and, as I said, I congratulate him on that.

As we know, our manufacturing industries face difficult times, and EIIs face those pressures perhaps more than most, given their considerable consumption of energy—something like 20% of all UK energy as heat. However, these sectors play an essential role in delivering the UK’s transition to a low-carbon economy, as well as contributing to economic growth and the rebalancing of the economy.
My hon. Friend the Member for Weaver Vale used a different set of measures from the ones that I have, which were kindly supplied by my officials, but here are some facts. EIIs employ about 2% of the UK’s workforce and contribute an annual £50 billion to the economy, approximately 4% of the UK’s gross value added. With Inovyn and Tata Chemicals in my hon. Friend’s constituency, he will know at first hand the significant contribution that these industries make to our national and local economies and the impact that is felt by the local community and industry supply chains when sites reduce their operations.

I want to say a little about the chemicals sector. The Chemical Industries Association has pointed to real confidence in growth across the UK’s chemicals sector. Since 2010, the UK chemicals industry has seen the strongest growth of the major EU chemical producers, with the exception of France, and has grown more than twice as fast as UK manufacturing as a whole. That is the trajectory we want to retain and grow, particularly given the sector’s strategic importance in underpinning UK manufacturing and supplying raw materials and inputs to a range of sectors. I am happy to meet that group, as I do regularly, and I was delighted at our previous meeting to hear of the progress that the sector is making. I am not saying for one moment that there is not more to be done, and of course we know the problems with the high cost of energy, but I was delighted to hear about some of the progress on exports, for example. I am pleased that the sector has an excellent working relationship with UK Trade & Investment—it has a new form now. I am keen to ensure that we continue that strong working relationship and continue looking into increasing our contribution to exports.

It is a challenging time. There is a shift in the emerging economies from importers of chemicals to being producers and exporters. China accounts for roughly a third of the current global chemicals demand, but it is expected to generate more than half the global demand growth for chemicals for the rest of the decade. As such, the Chinese economy has slowed down. It is still growing, but not quite as fast as we thought. That will have a greater impact on chemicals than perhaps any other sector.

With these economic backdrops, it becomes even more vital to create the right environment for maintaining manufacturing capacity and attracting new investment. I went to Brussels a few weeks ago for a summit on energy-intensive industries, where various representatives of those industries spoke without fear or favour, and very frankly. Their asks were interesting. They do not ask for any subsidies or for anything particularly special. All they ask for is a fair playing field so that they can compete in a difficult global situation. They just want that level playing field and I completely agree with them, which is why I will now turn to energy costs.

I pay tribute to the excellent speech of my hon. Friend the Member for Warrington South, who is becoming a delightful thorn in my side. I make no complaint if he hunts me down to come to every debate we have on this matter. He can continue to ask his questions, to make his points and to probe. I agree with much, although not all, of what he says. He made a point about getting the balance right and I absolutely agree with him about that. We want our children to inherit a world that is in a better state than the world we inherited from our parents, and that includes being cleaner and greener.

We have to get the balance right in our country by reducing our carbon emissions and playing our part in all that, but not at the expense of these vital manufacturing industries. It is difficult. It is not all about green taxes, if I can use that expression. Such is our concern in the Department for Business, Innovation and Skills that only today I spoke to one of my officials about the high cost of electricity. We talked about why, as my hon. Friend the Member for Warrington South explained, it is higher in this country than in Germany and France. One of the reasons, as well as the reasons my hon. Friend mentioned, is the higher cost of transmission. We want and need to look at that, and we will work with our colleagues in the Department of Energy and Climate Change to ensure that we are doing the right thing by industries throughout the UK.

I pay tribute to my right hon. Friend the Secretary of State for Energy and Climate Change because, in her, we have somebody who can combine these twin drivers: ensuring that we play our part in reducing carbon emissions and keeping our planet cleaner and greener; and, at the same time, not doing so at the price of undermining and having an adverse impact on our excellent manufacturing sector. I wanted to put that on the record and make it clear.

We understand the concerns about the need to compensate our EIIs. Of course, we have now won the compensation that had been long argued for and sought from the European Union for those EIIs that are particularly high consumers of energy. We have achieved that and we have gone further. From April next year, it is our intention to move from a compensation model to an exemption model. Instead of taking money away from industry only to give some of it back, which I always thought was a rather bizarre way to go about things, we are now doing the right thing, which is not to put those burdens on industry in the first place.

The exemption model means that the industries will no longer have to pay the renewables obligation and the small-scale feed-in tariff. However—and I am going to say it because it is true—that does not include all those industries that have a very high consumption of energy. Other schemes are being looked at. There is more work to be done in the EU, and we will continue to do that. Hon. Members can be sure that, in this Minister, they will always have a champion for great manufacturing industries, particularly the EIIs.

I will continue to do all I can, notably over in the EU where we are making great progress. I am one of those who firmly believes that we will be stronger, safer and better off remaining within the EU. I think a wind of change is blowing through it and I am proud of my Prime Minister for leading that change. I am drifting off so I will come swiftly back to this debate because it is important.

I pay tribute to what we have. The hon. Member for Cardiff West (Kevin Brennan) says that we need to have an industrial strategy. It is all very well and good having bits of paper, strategies and all the rest of it, but what matters is what we are doing about it. We have the 2050 road maps that we debated earlier this week, in which we work with the industries to look at how they can improve the way that they go about getting and using...
their energy. We want to ensure that we do everything we can to help them to reduce their carbon emissions and that they do everything they can to keep their energy costs down. It is great work that includes: industrial carbon capture and storage; clustering and value chains collaboration; heat recovery; access to finance; and removing barriers to industry using renewable resources such as biomass and the biogenic materials in waste as energy and feedstock.

I thought that the hon. Member for Cardiff West made the most bizarre speech from a Member of Her Majesty’s Opposition—not giving us any clue about the Opposition’s policies on this and what they would do. Instead, he read out a series of questions, helpfully provided by the Manufacturers Organisation. That was quite peculiar.

Kevin Brennan: Will the Minister give way on that point?

Anna Soubry: No, not yet. Perhaps that perfectly explains and is an example of the exact point made by my hon. Friend the Member for Warrington South. The Labour party is now led by, almost, the Islington intellectual left elite, compared with the days when it was led by people from those great chunks of the industrial north. It is not fair to look around the Chamber and think that the Members present are the only ones interested in the debate. Many will read it in <i>Hansard</i> or watch it in their offices, as they cannot be here. However, the three people here who represent the Conservative party—well, they represent their constituents, who happen to be Conservatives—all come from the north of England. However, the hon. Member for Cardiff West is the only person on the Labour side. He is now going to intervene and, no doubt, say something very interesting.

Kevin Brennan: I am sorry that the Minister does not like my asking those questions but would she be so good as to answer them?

Anna Soubry: I did not say that I did not like the questions. I just thought that it was rather perverse that Her Majesty’s Opposition could not make a speech telling us what they would do if they were in Government and what their policies are, and actually challenge us.

Kevin Brennan: Is the Minister going to answer the questions?

Anna Soubry: I will answer the questions. If I do not, the usual rules apply—I will write to hon. Members.

I will go through some of the points that have been raised. The EU will decide whether to give China market economy status, as I have said many times. I am aware of the arguments against it as much as the arguments in favour. I keep on saying this and I will say it again: the ability of the EU to impose tariffs on China is not precluded if it acquires market economy status. There is a very good argument that ensuring that China stops dumping things could be an important part of any negotiation in relation to MES. Russia enjoys MES, but it does not stop the EU imposing tariffs on it. The debate will continue in the EU about whether China should have that status.

My hon. Friend the Member for Warrington South suggested that we have a different trajectory to decarbonising from the rest of Europe. I am told that the UK’s trajectory is in line with the emissions reduction trajectory set by the EU and applied in other member states. That does not mean that I will not take that important point away and make further inquiries.

David Mowat: The Climate Change Act 2008 mandates a far steeper decline in emissions than any equivalent European legislation. I am sure of my ground on that point, so it would be good if the Minister chatted with her officials about that afterwards.

Anna Soubry: I absolutely will. I want to do so for my own benefit, as well as for my hon. Friend, who raises important point. I certainly need to know about it, and we need to address it properly.

Returning to the points raised by my hon. Friend the Member for Weaver Vale, he is right to raise the question of shale and whether we will continue fracking, as is my hon. Friend the Member for Warrington South. Two licences have been issued for shale gas exploration in my constituency, and even if that exploration is successful, the next stage will not come until at least 2020, which is still a long time. The Labour party in my constituency is absolutely opposed to fracking, rather bizarrely because the Labour party has quite a good policy on fracking, which is that there is nothing inherently wrong with it. So long as fracking is done properly, going through the right processes and procedures, and is safe, it seems eminently sensible. We have to realise and understand what is going on in the real world, because I have no doubt that shale gas is an important source of energy that must not only be explored but exploited for all the undoubted benefits that it would bring.

We are delivering on the asks made in relation to the steel industry. As we know, it is not just about steel but about aluminium and all the metals, the processing of which uses a great deal of energy. We worked with the Metals Forum on a metals strategy, and we are considering how else we can help it to ensure that metals also have a sustainable future.

My hon. Friend the Member for Weaver Vale rightly spoke about the brick industry, which, perversely, faces challenges from increased home building. As we have heard, we continue to import bricks, which is pretty barmy. We are already doing a lot of work on improving supply and ensuring that we meet the need with British-made bricks, rather than having to rely on imports. That work will continue because, with a few exceptions, it is always better if we can buy British. The general picture on brick supply is one of continued readjustment. We are pleased to see the general increase in capacity, but I do not doubt that we can do more and that we will continue to do so.

I have not answered the questions of EEF, the Manufacturers Organisation, but I will write to the hon. Member for Cardiff West. In any event, I will write to EEF to answer its very good points. I hope that hon. Members will take from this debate that the Government understand the problem and are determined to get the right balance and do the right thing by our energy-intensive industries, wherever they are on the scale—not just the ones at the very top but the ones all the way through the scale—to ensure that we do not shift the burden...
from one part of EIIs to another. We have to do this fairly, and we have to do it right, but we really need to ensure that we have not just a continuing and regular supply of energy but cheaper energy in our country. If we start to do that, whether by ensuring that we do not overly burden people with green taxes or by getting the prices down in the ways suggested, we will create the level playing field for which this excellent part of the British economy asks. EIIs are hugely important, and I pay tribute to everyone who works in that sector. They are usually very highly skilled and absolutely devoted and dedicated, and they have a champion in me.

4.24 pm

Graham Evans: I thank the feisty Minister with responsibility for energy-intensive industries. She is doing a great job, and I urge her to carry on with her good work. Locally, it is all about jobs. My hon. Friends the Members for Warrington South (David Mowat) and for Thirsk and Malton (Kevin Hollinrake) and I represent the north of England, but the situation is the same in south Wales, Scotland, the north-east and the other regions of the country. One reason why there are no Labour Members here is that it is Thursday afternoon, which is not a great time for such a debate. They are busy in their constituencies, but they sent their apologies and wished us well.

For me, it is about jobs—well paid, long-term and greener, cleaner jobs. As Members of this House, we have a duty to future generations, who should be able to work in such industries. It is about competitive advantage. We have spoken at length about fracking. I was determined not to mention it, but there is nothing new in it. I believe that fracking is safe, so long as it is done safely. As my hon. Friends mentioned, the industry is being transformed on the east coast of America, with good-quality, well paid jobs being created. I want that for the north of England, Weaver Vale, Wales, the north-east and Scotland. I want a slice of the action. It must be done properly and safely, but I am sure that we can all agree that we need competitive energy prices.

It is also about rebalancing the economy. When this Government came to power with the coalition in 2010, they mentioned rebalancing the economy away from London and the south-east, and away from the financial industries. My hon. Friend the Member for Warrington South asked whether the strategy and policy was to benefit the banking industry. We are in the business of ensuring that industry keeps providing good-quality jobs in the north of England.

We are currently the second largest economy in Europe. If we are to be the biggest—we could well be, because Germany has some structural issues—we need these foundation industries, the energy-intensive industries. The future is bright for Great Britain, but it is not guaranteed. We must work together to ensure that we provide good-quality, highly paid jobs in manufacturing and the energy-intensive industries that are so important to our constituencies: chemicals, steel, paper, glass, ceramics and others. I am in the business of the future and providing good-quality jobs for a future that is brighter, greener and more prosperous for our children and our children’s children.

Question put and agreed to.

Resolved,
That this House has considered energy intensive industries.

4.27 pm

Sitting adjourned.
Westminster Hall

Tuesday 15 March 2016

[Mr Adrian Bailey in the Chair]

Engineering Skills: Design and Technology Education

9.30 am

Michelle Donelan (Chippenham) (Con): I beg to move.

That this House has considered engineering skills and design and technology education.

It is a great pleasure to serve under your chairmanship, Mr Bailey. I have called this debate because I believe that the future of engineering and design and technology education is central to the challenges facing our economy today. An under-skilled workforce limits a company’s—and, in turn, the country’s—growth prospects. If our labour supply does not match our jobs market, the result is simple: companies will either relocate or, potentially, close. That is a massive threat facing businesses in my constituency and our country.

We must be bold. We cannot just tinker around the edges and hope for the best—not if we want to fulfil the infamous long-term economic plan, support British businesses, boost productivity and give young people a fair shot in life by encouraging them to study subjects that are more likely to lead to employment. The UK is the 11th biggest manufacturer in the world. We are competitive in our ability to research and develop highly specialised technologies. However, to maintain our influence, we must focus on exports and address the UK’s productivity crisis. Since 2013, the UK’s productivity has been stagnating. That is simply unacceptable and needs addressing.

We have a severe shortage of engineers. According to the Institution of Engineering and Technology, the country will need almost 2 million more engineers in the next seven years. I repeat: 2 million. That is a flabbergasting figure. Each week, I visit businesses in my constituency, and time and again the same message is echoed: they are struggling to hire adequately skilled staff. Shockingly, some businesses are considering the possibility of relocating. The UK Commission for Employment and Skills estimates that companies are struggling to fill 43% of their STEM—science, technology, engineering and maths—vacancies because of the skills gap.

Kevin Foster (Torbay) (Con): I congratulate my hon. Friend on securing this important debate. She says that the Government need to do more and they need to do it at an early stage. A number of businesses and schools in my constituency are also doing an excellent job, but not every school is doing the same. However, businesses need to do more and they need to do it at an early stage if they are to inspire young people at the ages of six, seven and eight to get involved in engineering.

Michelle Donelan: I thank my hon. Friend for that point, which I will touch on in a minute. I completely agree: the link between business, companies and education needs to be aligned much better. There is a big stigma and misconception about this sector, and the only way in which we can myth-bust is by introducing young people to real people in the industry, who will tell them what life is like in the job.

Lucy Frazer (South East Cambridgeshire) (Con): Does my hon. Friend accept that businesses are already doing a great deal in this area? In my constituency, Marshall does a great job of inspiring young people to go into engineering and aerospace, and yesterday I met representatives of TWI, a company just outside my constituency, which is doing the same. However, businesses need to do more and they need to do it at an early stage if they are to inspire young people at the ages of six, seven and eight to get involved in engineering.

Michelle Donelan: Yes. I thank my hon. and learned Friend. Again, I will touch on that point in a minute, but I totally agree. The problem is that there is inconsistency. A number of businesses and schools in my constituency are also doing an excellent job, but not every school is offering the same link with businesses and not every business is engaging as much as it could be.

John Howell (Henley) (Con): I am sorry to interrupt my hon. Friend; she is being intervened on a lot by hon. Members. The military, the private sector and the public sector, it is a big problem facing us. Also on that point, there is a problem with the numbers of females and of people from socially deprived backgrounds in STEM. We must try to make the industry much more representative. The number of women in engineering is just 6%. Something needs to be done to address that.

A business in my constituency, Alford Technologies, summed the situation up well in an email to me. It said: “Engineering is sadly underrated in the UK. Britain needs to do something to raise the profile of engineering, to make it something more people aspire to do. In order to stay at the forefront of the modern, technological world, the Government really needs to invest in encouraging the next generation of great engineers, designers and innovators.”

Stephen Metcalfe (South Basildon and East Thurrock) (Con): I, too, congratulate my hon. Friend on securing this important debate. She says that the Government must do more to engage and promote engineering, but does she agree that there is also an important role for businesses to play? They should be getting out there, into primary and secondary schools, promoting their business and showing what they do behind what might appear to be closed doors to families and children, who often do not know what engineering means until it is too late.

Michelle Donelan: I thank my hon. Friend for that point, which I will touch on in a minute. I completely agree: the link between business, companies and education needs to be aligned much better. There is a big stigma and misconception about this sector, and the only way in which we can myth-bust is by introducing young people to real people in the industry, who will tell them what life is like in the job.

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Michelle Donelan: Yes. I thank my hon. and learned Friend. Again, I will touch on that point in a minute, but I totally agree. The problem is that there is inconsistency. A number of businesses and schools in my constituency are also doing an excellent job, but not every school is offering the same link with businesses and not every business is engaging as much as it could be.
To put it another way, we need to wake up to the fact we need to make our education system more productive. We need to think about what careers young people go into—so that we can better support schools on destination reporting—reporting on what journey that my hon. Friend will take us on this morning.

Michelle Donelan: The main thrust of my speech is about the EBacc, so I will leave that point and my hon. Friend can eagerly anticipate what I will say in a few moments.

John Howell: Touché!

Michelle Donelan: Linking education with business can be done in a variety of ways. The most important way is to get businesses into schools to talk to children face to face. Only a certain amount of information can be had from books and the media, and if we continue to perpetuate stereotypes, we will not get anywhere. That is the reality.

To go back to my speech, we must support businesses such as Alford. We must inspire the next generation of thinkers and create an innovation-hungry economy. Britain needs more businesses making more things, designing more things, inventing more things and exporting more things. We must recognise that engineering and manufacturing are an important part—indeed, a vital part—of Britain’s economic future.

What is the answer to all these problems? We need to improve our careers education system, starting at primary school age. Studies show that from age six children rule out careers. That is just perpetuating the stereotyping and the reluctance of girls to enter this industry. We need to strengthen the links with local businesses and to increase the emphasis that we place on local opportunities and the best career choices and options available to them.

John Glen (Salisbury) (Con): I am extremely grateful to my fellow Wiltshire MP from my home town of Chippenham for initiating this debate. Does she concur that one of the great opportunities in Wiltshire is provided by QinetiQ? That company provides thousands of apprenticeships in science and technology, and there is its initiative with the 5% Club to target high investment apprenticeships in science and technology, and there is the reality.

I believe that the answer to addressing the skills gap lies in the new design and technology GCSE course. For too long, design, technology and engineering subjects have been misunderstood, stigmatised and stereotyped, which is quite ironic given that the skills shortage means that we are in dire need of encouraging more young people to pursue those careers. It is also ironic given that all those subjects give students the best shot at getting highly valued, highly paid jobs, and given the UK’s productivity crisis. Those in the know—business leaders—see design and technology as an essential part of the UK’s remaining a global leader in product design. If we are to plug the ever-growing skills gap and address our rather shameful productivity crisis, we must listen to business and act urgently.

Education is the key to addressing the skills shortage, and design and technology is a key part of that. Entires for the D and T GCSE have declined by 18% since 2010—a decline that, at 26% over the five-year period, is even more dramatic among girls. In addition, the recruitment of D and T teachers has hit an all-time low. Since 2010, their number has fallen by 2,300, and the number of teaching hours has fallen by 16%.

The Government are rightly pushing ahead on ensuring that education is vigorous and gives students the core skills they need for the workplace. It is vital that the EBacc remains purely academic, ensuring that students leave education with the skills that they need to get on in life. I fully support that. However, the push towards the EBacc in its current form threatens to undermine any progress being made to address the stigma associated with technology and engineering. I would like the vastly improved D and T GCSE to be included as an option of the science element of the EBacc. There is huge support for that within the business community and the teaching community—not just in my constituency, but in Wiltshire, but across the country. They are crying out for this change, and something needs to be done.

Figures vary, but estimates suggest that there are about 54,000 vacancies for the 1,200 graduate engineers each year. That is a brake on business and a drag on the economy. Let me be clear: I am asking not for a U-turn in the policy, but for a minor change to strengthen,
improve and safeguard the Ebacc given the scientific and academic nature of the new D and T GCSE. There will be no outcry from vocational subject pressure groups, such as art, music and religious education, as that is a totally different debate.

There is a precedent for the change in the example of computer science. In recognition of the changing economy, the former information and communications technology qualification was revamped as computer science to cater for the economic need for computer programmers and the shortfall in the digital industries. Yet the skills shortages in design, manufacturing and engineering are far vaster, so surely the case is much more pressing.

Without a technology and engineering element to the Ebacc, young people do not have the opportunity to taste those subjects and thus gain a greater insight into those careers. Yes, they can do the core subjects such as maths and science, which can lead them on to a university place or an apprenticeship in such fields, but why would they do that if they had never actually tasted D and T and had no real concept of what it means? In fact, they will not, as the evidence shows us. Between 2010 and 2015, the number of A-level entries for D and T fell by more than 24%, which indicates that the decline in the GCSE is having a further impact that is knocking on through the STEM pipeline.

The Government are committed to 3 million new apprenticeship schemes. Ensuring that D and T is part of the Ebacc will help towards that goal. A taster in a technical course will encourage people to go on to do a technical apprenticeship. I encourage the Minister to utilise the same foresight used with computer science by introducing the newly improved and very scientific D and T course as part of the Ebacc. Doing so would add to the image and value of the subject, and send out a message that D and T and engineering are science subjects that are core to the curriculum. After all, is not one of the key purposes of our education system to create the workforce of tomorrow?

Progress 8, in theory, measures students’ progress across eight subjects: English; maths; three other Ebacc subjects, which can be science, computer science, geography, history or languages; and three further subjects, which can be from a range of the Ebacc subjects or any other highly approved art, academic or vocational qualification. However, many schools—schools are telling me this—are pushing their students towards the academic subjects. Many students are taking more than the expected minimum of five subjects, resulting in D and T being squeezed into a single or double option box to compete with the likes of photography or dance for a single place among the students’ options. It would be tragic for the new, academically rigorous D and T GCSE still to be sidelined after all the work, time and money that has been invested in it.

Some will argue that the Ebacc is only five subjects from a GCSE programme of nine, but that does not really show an understanding of the situation we face. D and T are being marginalised. The brightest students overlook it because they do not perceive it as a scientific subject and because it does not have that Ebacc accreditation.

As a result of the hard work and commitment of the Minister, the James Dyson Foundation and the business community, the content of the new course, which will be launched in September 2017, is highly scientific and a vast improvement on the previous qualification. It encourages the innovation and creativity needed to boost UK productivity, and it is worthy of Ebacc status. The Minister has made some very good points, describing the new GCSE as “gold-standard”, and said:

“This is a rigorous qualification which will require students to have a sound grasp of maths and science, and which will undoubtedly stretch them to further develop the kind of knowledge and skills so sought after by employers and universities.”

Well, I agree. D and T is the only subject in which students put their maths and physics knowledge to a practical test. It is the only subject that gives a window into engineering careers, and it is the obvious pipeline for engineering talent. That view is shared by Sir James Dyson; Dr Rhys Morgan, director of education at the Royal Academy of Engineering; Paul Jackson, the chief executive officer of EngineeringUK; the Design and Technology Association; and hundreds of businesses that have contacted me in the past few weeks. We must listen to the experts and take action. Including the course within the Ebacc would help to challenge perceptions of the subject, and boost recruitment and take-up. There is a 57% recruitment shortfall in trainee D and T teachers, who are concerned over the subject’s future and status.

There are a number of other ways in which we can encourage young people to take engineering and D and T to safeguard the subject and their futures, and I do not deny that I have only really touched on one way today. I am sure that colleagues will go into further depth on other areas. I have focused on including the new D and T course within the Ebacc because I believe that it is crucial and very doable. The simple change is what is needed. Business and the economy need it. It would highlight that the Government understand the need to align the education system much more with the economy and to give our young the best opportunity in life.

We have a chance to include a new, robust and rigorous D and T course within the Ebacc as a science element, just as was done with computer science, to combat any negative perceptions and recognise the needs of the industry. It is unacceptable, at a time when we have such severe engineering shortages and a growing productivity crisis, that we are prioritising only the S and M, and not the T and E, of STEM. What is the point of all the programmes we have to encourage young people to consider a career in the sector if we are going to say that the new science-based D and T course is actually not really science? That is what this categorisation means—that it is not actually science—and it sends out the message that the subject is not important to the STEM agenda.

In conclusion, if we are to remain at the forefront of global product design, we must take action. Bolstering the D and T GCSE by its inclusion in the Ebacc is an important step to addressing the skills shortage, safeguarding the future of the subject, and supporting skills and businesses. As I said to the Prime Minister last month, the skills shortage is a ticking time bomb, and I urge the Minister to act now.

9.49 am

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate. I thank the hon. Member for Chippenham (Michelle Donelan) for setting the scene so well on a subject that is of interest to us all. It is nice
to see the Minister here, too. I look forward to his contribution. I also look forward to the speech of the shadow Minister. He and I celebrated Leicester City’s win against Newcastle last night as we march on to premier league success, so we have more reasons for smiling this morning than we normally do. As a Leicester City supporter of some 46 years, I must say that we have been through hard times, so it is good to enjoy the good times, too. I digress; we are here to discuss an important issue.

I have spoken on this issue many times in the House, and I have tabled questions and early-day motions. The need for MPs—and Members of the Northern Ireland Assembly, as it is a devolved matter—to push for engineering skills and design and technology education has never been more important. When I first became a Member of Parliament in 2010, our unemployment rate was 5.4%; it is now down to 3.9%. To give credit where it is due, that is due to the Government’s economic policy and to our Ministers in the Northern Ireland Assembly, who have collectively encouraged job creation. In proportion to our size, job creation in Northern Ireland has matched job creation in south-east England.

Job creation in Northern Ireland is important, but we need a skilled workforce and young people coming through to take advantage of the many good jobs that have been created. The country needs to look to the future and produce a workforce that will allow the jobs of the future to come to the United Kingdom of Great Britain and Northern Ireland and be part of a resurgent manufacturing sector in the high-skilled economy that we are trying to create. We in Northern Ireland are keen to benefit from that, and we have seen some benefits. We have seen economic growth in the Province, with more jobs than ever, but the jobs that have come have too often not offered the quality career that aspiring young people want and need. The jobs of the future will be located in the STEM sectors of our economy, which can make a real contribution towards establishing a more balanced economy across the whole country and producing a more sustainable economy in a volatile global market.

We have to respond to the market. Of course, many people would say that the market is uncertain, as the Chancellor seems to be indicating—we will probably know more about that after tomorrow’s Budget—which raises concern for the future. One reason why our economy was exposed during the recession was the lack of manufacturing jobs. We need to focus more on manufacturing. We cannot let all the manufacturing jobs go outside the United Kingdom. We cannot let other countries take advantage of lower workforce costs. We have to retain as much of our manufacturing base as we can.

When we talk about manufacturing jobs, of course, we have to take account of the fact that manufacturing is part of a global market, and it is near impossible to bring production line manufacturing jobs back to the United Kingdom. Simply, nations across the globe are undercutting us to such an extent that we would have to abolish the minimum wage even to try to compete, and we are not going to do that. We are going in the opposition direction, and the Prime Minister and the Government have committed to introducing the living wage, which is a welcome development. With that in mind, we must seek to bring in high-end manufacturing jobs—the jobs of the future of which I spoke—which require a highly skilled workforce. Such a workforce can only be achieved by investing properly in this field of education, and in apprenticeships, so that we can be globally competitive once again.

We debated International Women’s Day last Tuesday, and a notable achievement of the push for STEM education in schools is that more than 40% of ambassadors in the STEM ambassador programme are women. In last night’s debate on Commonwealth Day, the Minister of State, Foreign and Commonwealth Office, the right hon. Member for East Devon (Mr Swire) said that women were in very high places across the United Kingdom, as they should be. It was once a male-dominated industry with a male-dominated ethos and environment, but real change is now happening in the STEM sectors, and careers are open to all. I am encouraged by what the Northern Irish Minister for Employment and Learning, the Department for Employment and Learning and the Northern Ireland Assembly are doing. We have created a lot of apprenticeships for young people across the gender base. Many young girls are now taking up engineering as a job. The wage structure is such that new starters earn £30,000 to £35,000, which tells me that that is not a great wage, but it is a terrific wage for Northern Ireland. Such wages provide opportunity and keep our skill base at home. We want to see more of that.

I sit on the board of governors of Glastron College in my Strangford constituency. At our meeting last Thursday, the careers teacher had an opportunity to indicate some of the things that she was doing to ensure that young people at the school, and particularly young girls, saw engineering and the STEM industries as an opportunity. How do we do that? It is not just about the jobs; it is about pointing people in the right direction and bringing those two things together. In her introduction, the hon. Member for Chippenham mentioned “designer technology”—I wrote it down. That is what we need. We need to get our young people looking towards where those jobs are, which is important to me.

Shorts Bombardier has announced the bad news of job layoffs, but we are hopeful that that will make the company leaner, although maybe not meaner, and therefore more cost-effective, which will be a base from which the manufacturing base can hopefully bounce back. Last Thursday, the Minister for Skills announced more help for apprenticeships across the United Kingdom of Great Britain and Northern Ireland. We are all going to benefit—Scotland, Wales, Northern Ireland and England—and perhaps the Minister for Schools will comment on that. I know that it is not his Department, but there are great opportunities to do more.

Indeed, there have been commendable efforts and STEM initiatives, particularly in schools. We need to ensure that those initiatives translate into results and that there are real returns on our investment. The Government have invested some £15 million, and we need results not just for the sake of the economy but for our young people who need to grow up with the security of a top-class career and wage so that they can cement their position here in the United Kingdom.

Despite those efforts, results have been disappointing, and I have some statistics. GCSE entries for design and technology declined by 18% between 2011 and 2014-15.
The decline has been even more pronounced among girls, with entries falling by 26%, compared with 12% for boys over the same period. Will the Minister comment on that? Between 2011 and 2014-15, A-level entries for design and technology fell by 24%. Either the Government’s efforts have not taken hold or we need to consider a different way of doing it. I always like to be constructive in debates, so that is not a criticism. It is about how we can do it better and how we can find solutions and improvement.

Efforts have also been made in Northern Ireland’s higher education sector, where the Department for Employment and Learning has taken significant steps to focus on STEM and make changes in the further education sector, universities and colleges. In the 2015 autumn statement, the Government announced that from 2017-18, the equal and lower qualification fee exemption would be extended so that students wishing to take a part-time second degree in a wider range of STEM subjects would be eligible for tuition loans. Will the Minister comment on that?

In addition to supporting those in education, there has been some support for educators in the STEM sector. Trainee teachers in England with a first-class degree or a PhD in physics, chemistry, mathematics or computing are eligible for a bursary of £25,000, which is significant. The bursary for trainee teachers in physics with a first-class degree or a PhD will go up to £30,000 in 2016-17. Those are significant, positive changes to the bursary opportunities that are available.

Compared with November 2010, the number of design and technology teachers has fallen by 2,300, but the number of engineering teachers has risen by 100. Again, it seems that a change in education provision is needed. Have the Government made provision to ensure that there is a sufficient number of engineering teachers so that pupils can take advantage of that opportunity? The situation reflects decreased demand in schools, but it also prompts us to ask what point there is in incentives for teachers in the sector if we cannot even motivate students to take the subject.

There has been some success. In the year 2014-2015, there were 74,060 apprenticeship starts in the engineering and manufacturing technology sector. Absolutely significant steps forward have been taken if there are 74,000 apprenticeships in engineering and manufacturing. It is the highest figure of all comparable years since 2011; that is a big step. There has been some success, but unfortunately, lower figures in schools should raise alarm bells. I urge the Government to act on that, for the sake not just of the economy but of the future of our young people, who want quality long-term and sustainable careers.

I am in the second half of life. Although not everyone in this room is, those of us who are must prepare our young people to come forward—our children, our grandchildren and other people’s children and grandchildren. Let us give them the job opportunities that we want for them. I want to see our young people stay in Northern Ireland; I certainly want them to stay within the United Kingdom of Great Britain and Northern Ireland. That means Scotland staying in the United Kingdom of Great Britain and Northern Ireland as well, by the way. [ Interruption. ] The hon. Members from the Scottish National party knew I was going to say that. It has been a pleasure to speak in this debate, and I thank the hon. Member for Chippenham for securing it and giving us a chance to participate.

Mr Adrian Bailey (in the Chair): Four people have indicated that they wish to speak. I want to call the Front-Bench spokespersons by half-past 10, so if subsequent speakers could confine their remarks to about seven minutes, I would be grateful. It will enable us to get everybody in.

10.1 am

Kelly Tolhurst (Rochester and Strood) (Con): Thank you for calling me to speak in this debate, Mr Bailey. I congratulate my hon. Friend the Member for Chippenham (Michelle Donelan) on securing this debate and on her detailed speech, which correctly highlighted the issues facing us.

I represent a constituency with a long, rich history of engineering. It has the dockyard, the Royal Engineers, Short Brothers, BAE Systems and now a growing digital and high-tech economy. The Royal Academy of Engineering has suggested, as my hon. Friend said, that there is an annual shortage of about 53,000 graduate engineers. We must encourage young people to get excited about a career in engineering and technology and to see the plethora of opportunities that are available if they choose engineering and design and technology as a career.

In my constituency, we are lucky enough to have an engineering and construction university technical college, which was opened in September. It gives 14 to 19-year-olds the opportunity to study those subjects, gaining academic qualifications and—this is also key—the skills required to go out into the workplace. We hear that employers value that very much, and it is what they look for in young people who study those subjects.

We particularly need to encourage girls, who are less likely to see engineering and design and technology as a route. Last week, on International Women’s Day, I was lucky enough to have some young women from the UTC come up here to showcase some of the work that they had carried out since starting there in September. They are doing their bit locally as well by running a “UTCs are for girls” campaign, but they rightly point out that the necessary change must start earlier, in primary and secondary schools, so that young people are completely aware of the opportunities and excitement that engineering can bring. That can be achieved only by offering the opportunity to study those subjects at GCSE level and by giving pupils good-quality careers advice while they study.

This year, BAE Systems has offered 12 higher-level apprenticeships at its Rochester site in my constituency. BAE is doing exciting design and highly technical manufacturing work in my constituency, and some people there have not always been aware of that work. BAE reports that the young people who came through the doors were aware of those 12 higher-level apprenticeships only because they had been guided by their parents or had friends or relatives who worked at BAE Systems.

Our UTC reports that it also has concerns and challenges in recruiting staff for the technology subjects. It is proving increasingly difficult as schools phase out some of those subjects. It is absolutely right that we should be able to attract high-quality people into such roles within
When I first graduated, it was the time of the recession in the early 1990s, which made jobs really difficult to come by and also deflated the wages that were available. The result was a constant drip-feed of fresh talent into other sectors, including the financial sector. That meant that when there was an inevitable upturn, there was a big skills shortage. I am well aware of that, but I can also say that over the past 20-odd years there has been a big improvement in trying to close these gaps and to raise awareness about engineering as a career.

I speak about engineering from my perspective, but quite often it might differ from other people’s perspectives about what constitutes an engineer. That can sometimes make it problematic to promote the concept of a career in engineering, because engineering is so wide-ranging. I recently visited some engineering workshops associated with the aerospace industry. Hands-on, high-quality manufacturing was in evidence, but again it was very different to what I saw as my career—latterly, I worked as a consultant, which is worlds away from that hands-on engineering environment. That in itself illustrates that there is no one-size-fits-all approach that can be conceived to fill the skills gaps across the broader engineering sector.

Having said that, it is clear that, fundamentally, what is required is the promotion of STEM subjects. STEM is an acronym that is widely used. However, as the hon. Member for Chippenham touched on, we really need to focus on the technology and engineering aspects of STEM; those aspects are not to be more widely promoted and developed at school level.

I also served as a councillor for my local authority, East Ayrshire Council, which has introduced a STEM programme for primary children. Recently, I met Dr Peter Hughes, a former chief executive of Scottish Engineering. He said that East Ayrshire’s approach to STEM subjects, both in primary schools and through its business enterprise initiative for secondary schools, is world-leading. That shows what can be done when there is a drive in a local area, and obviously it would be good if that best practice was shared across the country.

The local college in my area, Ayrshire College, also works with industry to develop courses that the industry requires to fill its gaps. One example of that is working with wind farm operators to develop turbine technician courses. That gives some engineering-related courses a less intense academic focus, and instead balances the knowledge and understanding that is required with hands-on working. In civil engineering, I have also noted a return to the technician-engineer route. For me, there is no doubt that that can attract those who otherwise would not want to do a four-year degree course. In relation to the turbine course, obviously the cuts to subsidies for the renewables industry will not allow this industry to continue to grow. That is a shame, because the industry was getting to a stage where it could forge really sustainable careers for people.

These education initiatives accord with the wider Scottish National party Government’s determination to improve the take-up of STEM subjects in schools and to encourage a more diverse range of young people into STEM subjects and careers. Several initiatives underpin that. There has been a £1.5 million allocation to boost delivery of STEM subjects; there is a “Making Maths Count” initiative to drive up numeracy attainment; the Scottish Funding Council has provided funding for an...
additional 1,200 STEM subject places over four years; there has been an Inspiring Teachers recruitment campaign; and only last month, part of a £12 million transition training fund for the oil and gas sector was set aside to allow individuals from the sector to retrain as teachers and hopefully inspire a new generation. The SNP has also set up the general £100m Attainment Scotland Fund.

Higher education in Scotland is still free, which we are proud of. Again, that compares with the previous coalition Government trebling tuition fees to £9,000 a year, and there is absolutely no doubt in my mind that those fees can be a barrier to people entering higher education, which of course can impact on the engineering sector as well.

There is another risk caused by the UK Government that I have identified, which is the cut of funding for research and innovation. The move from innovation grants towards innovation loans has been decried by Bivik Sharma, who is the head of small business accounting at KPMG. We really should not be de-incentivising the industry when it has been making large strides to promote innovation and forge better links with education establishments.

Another issue in Scotland is the loss of the post-study work visa, which was particularly useful in the civil engineering industry to fill the skill gaps. Again, I have encountered that: at the place I worked, we had graduates who came from all over the world, but they had studied in Scotland and they were able at that time to stay in Scotland in that working environment. Not only had they contributed to education establishments; they then had an opportunity to contribute to the wider society, pay taxes and learn their careers, so I urge the UK Government to rethink.

As a civil engineer, I am a member of the Institution of Civil Engineers, which has developed some fantastic initiatives over the years that aim to inspire the next generation. In Scotland, outreach activity reached more than 5,000 pupils in 2015 alone. That activity includes the Bridges to Schools programme, which is a hands-on activity for primary year 6 and 7 pupils, enabling them to build a 12-metre long cable bridge. They build the bridge, and then they are able to walk on it, understand the loading on it, and deconstruct it. It is about teamwork, promotion of engineering and letting them understand that wider career.

ICE in Scotland also organises the rapid response engineering challenge, which covers first and second year pupils. It also hosts careers evenings and targeted events to increase diversity in the industry and works with Skills Development Scotland and Young Scot to get out appropriate messages about engineering career paths.

As a younger engineer, I participated in classroom visits myself, but given that I have not even managed to persuade my two sons to enter engineering. I am not sure I was the best advocate to encourage others. Nevertheless, I certainly enjoyed doing that and it is great that other people continue to do it.

Across the UK, ICE also works closely with STEMNET, asking members to sign up with ICE as STEM ambassadors. STEMNET works with schools, colleges and STEM employers to enable young people to meet inspiring role models, understand the real-world applications of STEM subjects and experience hands-on activities. Obviously, the intention is to motivate and inspire the pupils, and to bring learning and career opportunities to life for them. There have been more than 30,000 trained STEM ambassadors, of whom more than 40% are female—

Mr Adrian Bailey (in the Chair): Order. If the hon. Gentleman could wind up, I would be very grateful, as it would enable other speakers to participate in the debate.

Alan Brown: More than 40% of the STEM ambassadors and more than 60% of them are under the age of 25.

To conclude, industry, education establishments and the Scottish Government are making inroads in promoting STEM subjects. I agree with the hon. Member for Chippenham: we need a way to measure the impact of engagement with pupils and its results in their careers.
[Chris Green]

of pupils by ensuring that they receive a core academic curriculum, with employers in technical and skilled occupations reporting a shortage we cannot afford to overlook subjects that lead to careers in technology-dependent sectors of our economy. Just as the hon. Member for Kilmarnock and Loudoun (Alan Brown) has a background in civil engineering, I worked for nearly 20 years in the mass spectrometry industry. An academic background is necessary, but hands-on skills are also key, because so much of what is learned then has to be applied by the hands.

Hon. Members might be aware of the Your Life campaign, which aims to increase the number of people studying science and mathematics at A-level. It is welcome news that since 2010 the number of young people studying for science and mathematics A-levels has increased by about 29,000, but there is still much more to be done in the other STEM subjects of design and technology, and engineering. Teachers and employers must boost pupils’ understanding of the value of those subjects, including their relevance to the modern world and their transferability to a wide range of careers. Students should not be aiming for high grades irrespective of the subject they choose, just so the statistics look good. Subject options must be taken with care. Choices in mind and with the best possible careers advice.

Too much focus on the academic and not enough on skills and more practical applied learning will mean that the skills gap in the economy will increase. The future of the UK’s economy requires a fundamental change in how pupils choose their subjects, as this leads to their future career paths—into higher education or apprenticeships, or directly into employment. I regularly hear from businesses in my constituency that they are concerned that children are regularly pushed down the university route and actively—not just tacitly—pushed away from the apprenticeship alternative. I ask the Minister directly to address the concern that schools are locally. Providing young people with the right incentives to their options, to think about what opportunities there are. Children can be encouraged, when choosing their primary school, when the award for the best science teacher of the year. We must encourage people to go down the academic route and discourage the apprenticeship side.

Our schools can do more to engage with local businesses—and that is key, as local businesses have a wealth of experience and present a wealth of opportunities locally. Children can be encouraged, when choosing their options, to think about what opportunities there are locally. Providing young people with the right incentives and the right information about the choices they make is vital for their future and for the future of the UK’s economy.

10.23 am

Danny Kinahan (South Antrim) (UUP): I am glad to be speaking here today, Mr Bailey, and I congratulate the hon. Member for Chippenham (Michelle Donelan) on bringing forward the debate.

I wanted to speak in this debate because I had three years in Northern Ireland as vice-chair of the education committee—so a little bit of experience there—and I now chair the all-party parliamentary group on education here. I also worked for three years in the 1980s at Short Brothers, later Bombardier Aerospace, where I was definitely a square peg in a round hole. At university, I remember computer science coming at me for the first time as part of my business studies degree, and in those days—I am a little older than most here—it was about punching cards, stacking them into a machine and pressing the button that said “Run.” I think it worked only once. So the message I would really like to hear is that we need to teach and train everyone in these skills—they certainly passed me by.

I feel that, particularly in Northern Ireland, we have lost our way in education by concentrating too much on certain skills. Because we are devolved and in danger of devolving further into northern powerhouses, midlands machines and all sorts of other things, we must ensure that we all work together, helping each other throughout education, and do not end up concentrating on our little areas.

There are schemes for sharing the skills that are there, such as Catapult, and that is the sort of thing I would like to see as we all work together. I want education to prepare pupils for jobs, life and employment. The all-party group will be doing a survey and an inquiry into future skills, and I hope that all hon. Members here and their colleagues will get involved in helping us to explore what those skills are and how we work at the issue so that people leave school ready for a job.

When I was at Stormont working on education, various statistics came at me. One was that the Chinese produce 76,000 engineers a year. We have to stay better than them, and keep our entrepreneurship better than theirs too. I was also told that 80% of jobs now include IT, and when we went down to our excellent science park in Belfast, we discovered that there is a shortfall of some 30,000 people in Northern Ireland being trained in those skills. That fits with all the other figures. We need to get more people involved, and I think that our approach is wrong.

I will be a little local. In Northern Ireland, we have had Sinn Féin running our education system for more than a decade. It is trying to get rid of the grammar schools, squeezing them from every angle. Grammars are our one chance of getting people to perfect certain skills and certain angles, so we have had to work hard to get changes in so that they all work together. Sinn Féin has tried to get rid of that concentration on high-level skills, to bring everything down to the lowest common denominator. That is where we have lost our way.

We need to get science teaching into primary schools—Sinn Féin cut that and moved it away. It also cut the funding to Sentinus, one of the major bodies involved in making STEM interesting to pupils, and then it cut a lot of the funding to STEM. We are going in the opposite direction, but we have some fantastic teachers—in fact, most of our teachers are good. A teacher at one of my local schools, Creavery, won the award for the best primary school science teacher of the year. We must keep working so that everyone gets interested.

We also have to work on careers and make them interesting. A few years ago, I met someone from Northern Ireland who had gone to China and produced a business skills course, which he sold to the Chinese but not to us. The course teaches everything from sourcing raw materials all the way through to working on them and producing the end product. No one ever taught me that sort of skill at school—how to understand the whole business trade and creation—and that is the sort of thing we have to get into the teaching. We have to make the area interesting.
I sometimes wonder whether we could not have one big web portal, into which someone would stick the skill they were interested in. Say they put in “Art”: it would lead them down to design and technology, to whether they were going to design pottery, paint paintings or do the interiors of houses or ships. Everything would open up. I have been to various air shows and seen the great big banks of screens about what industry is doing. That could all be on a web portal. Every single angle could be gone down and children and pupils could go, “Wow! That’s what I want to do”. That is what we should be doing. We should be lifting everyone’s education so that they really want to move into the fields of science and technology. It did not work for me.

Jim Shannon: You’ve done all right.

Danny Kinahan: Thank you. But it could work for everyone. Some of us are art and some of us are history, but we can make things work for everyone. It all interlinks. If I have a message today, it is this: “Please promote and educate in STEM—all the sciences and technology”—so that it really grips the students and pupils and makes them interested, so that they want to go out and work in those fields”.

Mr Adrian Bailey (in the Chair): The Minister has been asked to respond to an enormous number of points, so I ask the Front-Bench spokespeople to ensure that he is given adequate time to do so. I would also, of course, like to bring in the mover of the motion, Michelle Donelan, for a couple of minutes at the end to sum up.

10.29 am

Carol Monaghan (Glasgow North West) (SNP): I congratulate the hon. Member for Chippenham (Michelle Donelan) on securing this important debate. It has been informative, with many valuable contributions, and there are clear messages coming through. The hon. Lady talked about the need to tailor the curriculum to what business requires and, when looking at school curricula, it is important to consider what we are trying to achieve as the end product.

As a physics teacher, I have been long aware of the growing need for specific professions within the workplace. Engineers, scientists and computer scientists have become key to economic success in this ever more digital world. There is a massive skills gap, and we should be taking positive steps to address it. The hon. Member for Strangford (Jim Shannon) talked about retaining the teachers we have and encouraging more people to take up a career in STEM teaching, and I agree; teachers are key to everything we are discussing this morning. If we cannot get teachers in, how can we possibly encourage our young people to take up these subjects? It is also important that we have an environment that is conducive to people moving into teaching. We need to look at what is happening in schools and the stresses and strains that have been put on teachers.

The hon. Member for South Antrim (Danny Kinahan) talked about working together to produce the best results, and that is important. We want a situation where our young people educated in engineering and science can travel not only throughout the UK but throughout the world. We are producing top-class engineers, but we are just not producing enough of them. We should be able to export these young people worldwide. He also mentioned grammar schools. I taught in a comprehensive school for most of my career, and I do not believe that grammar schools solve all the problems.

Schoolchildren’s awareness of careers in industry has been mentioned, and we need to be careful about some of the language we use. We talk about industry, but for many children that word conjures up images of boiler suits, oil and probably fairly manky toilet facilities. If we are trying to encourage our young people, we need to be careful when we loosely talk about the engineer coming round to fix our central heating boiler or our satellite TV. Important though those workers are, I am pretty sure that most of them do not have a degree in engineering.

Kevin Foster: The hon. Lady is making an interesting and at some points amusing speech. Does she agree that part of the issue is that we perceive engineering in this country as someone fixing a washing machine? In other parts of Europe, “engineer” is a title in itself, almost like having a knighthood.

Carol Monaghan: Absolutely. We of course have chartered engineer status, but that does not filter through to children when they are thinking about careers. The stereotypes are damaging. The hon. Member for Strangford talked about the high-end jobs we have in the UK, but how do we raise awareness? A few weeks ago, I visited Clyde Space, an engineering and manufacturing plant in an office block in the centre of Glasgow that manufactures satellites. It has a lovely open-plan area with computers down one side. Lots of young people were sitting at them, chatting and working away. They were in jeans and some even had make-up on. It is a relaxed, nice environment, and they are all engineers. We need to change our perception of what an engineer is.

The hon. Member for Rochester and Strood (Kelly Tolhurst) talked about raising awareness of STEM careers at a much earlier age, and that is important. My hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown) talked about the STEM outreach in his local area. Things like that start getting children ready for other possible careers.

The hon. Member for Chippenham mentioned the subjects included in the EBacc, but what is the purpose of the EBacc? Is it an attempt at producing a gold-standard qualification, or is it simply for league tables? I spoke to the Minister for Schools last week about the composition of the EBacc—we are becoming great friends across the Chamber—and I talked about the science pillar, which retains the traditional subjects. Although the rhetoric about STEM is positive, such things as the composition of the EBacc should be driven by economic factors, not just by outdated views of what a gold-standard education should be. The hon. Member for Bolton West (Chris Green) talked about the importance of hands-on skills, problem solving and apprenticeships. Those are vital. Problem-solving skills developed at school can be used widely in society, and not just within an engineering situation.

The Scottish picture was touched on by my hon. Friend the Member for Kilmarnock and Loudoun. In response to him, I should say that my son is just about to embark on an engineering degree at university, so
perhaps I was more persuasive. In Scotland, we have redesigned our curriculum not by making a list of the subjects we consider to be core but instead by starting at the end point: looking at what employers need and the skills our young people have to have. Our new curriculum requires children to study a broad general curriculum from age three. It must cover lots of curricular areas, including expressive arts, health and wellbeing, languages, maths, religious education, sciences, social studies and technologies. All those subjects must be covered to age 14, so children in Scotland are getting the exposure that many Members have talked about today. As young people approach their exams, they can choose which strands they wish to progress. Within the technologies curriculum, there are many different subjects—computing science, design and manufacture, design and technology, engineering and science, to name but a few—that allow them to specialise. The beauty of it is that all subject areas have equal status and the markers by which schools are judged encompass all curricular areas.

As our young people progress, they have far wider options in which they can choose to specialise. The hon. Member for South Antrim talked about his difficulties with some of those areas. Not everyone is born to be an engineer, but not everyone is born to be an expert in classics, either. Variety is what makes our society rich. We have a baccalaureate in Scotland, but it happens at a later stage. Students can do four different baccalaureates: languages; expressive arts; social sciences; and science, which includes design and manufacture and engineering science. Those qualifications at a late stage in secondary school are meant to be cross-curricular and include a cross-curricular project.

In conclusion, I totally agree with the hon. Member for Chippenham and the point she raised about the importance of design and technology qualifications. We need to look at a curriculum that is driven by what industry requires, not by what politicians think is needed. We also need curricula that allow for personalisation and choice, so that young people can become experts in particular areas of interest.

10.38 am

Nic Dakin (Scunthorpe) (Lab): It is a pleasure to serve under your chairmanship, Mr Bailey, I think for the first time. I start by congratulating the hon. Member for Chippenham (Michelle Donelan) on setting out her stall so well at the beginning of the debate. She reminded us that engineering and design and technology education are central to our future economic success and underlined the need for skills to match the requirements of our economy. She also talked interestingly about creating an “innovation-hungry economy”. I liked that phrase; it inspired and encouraged me, and that is what we want for young people, is it not? She also spoke with passion and knowledge about the new, improved design and technology GCSE, which I think everyone in the Chamber would commend. It is an exciting move forward with a lot of potential. She also argued that, because it is exciting and has rigour and clear value, it should be given EBacc status. I will come to that later.

The hon. Member for Henley (John Howell) said that he had had words with the Minister about trying to elbow D and T into the EBacc. I can understand why the Minister has difficulties with that, but I will come to that later. The hon. Member for Strangford (Jim Shannon) spoke as always with passion and reminded us that design and technology are even more important than Leicester City’s success this season. The hon. Member for Rochester and Strood (Kelly Tolhurst) highlighted the need for better careers information, advice and guidance, which is something I very much agree with. She also pointed to her personal experience of her own design and technology GCSE and the way in which that helped to prepare her for a career as a marine surveyor.

The hon. Member for Kilmarnock and Loudoun (Alan Brown) worked as an engineer and came out with the perceptive statement that the one-size-fits-all approach will not work in this area. That is at the heart of some of the difficulties that the Government are perhaps getting into with their EBacc approach. The hon. Member for Bolton West (Chris Green) reminded us that a modern economy needs hands-on skills as well as academic skills. I think that is very perceptive. The design and technology curriculum is particularly good at developing practical skills, which he told us were necessary whether making a saucepan or HS2. The hon. Member for South Antrim (Danny Kinahan) drew on his great experience in Northern Ireland and again underlined the importance of practical skills and careers education, among other things.

The hon. Member for Glasgow North West (Carol Monaghan) made a significant contribution to the debate by drawing on her experience as a physics teacher and underlined the fact that there is a massive skills gap that needs to be addressed. She drew attention to how the term “engineer” covers a wide range of disciplines. Frankly, we need the practical hands-on engineering skills of plumbers as well as the high-tech engineering skills of qualified chartered engineers. We need it all; that is why design and technology is so important in our curriculum. The hon. Lady concluded by emphasising the importance of the personalisation of learning, and I think she is correct. Learning that combines rigour and the interests of the learner as well as the destination of the economy is the very best sort of learning because that allows everybody to succeed.

If I glance back to 2010, the curriculum was in many ways in quite a good place. It was not perfect, but we had a highly personalised curriculum with a lot of rigour that was driving up performance and moving people forward. That did not mean it did not need to change, but there were a lot of strengths in that approach. I know that from my own experience in leading a sixth-form college at that time. We saw standards improving in local schools, often driven by curriculum innovation, so we saw the five A* to Cs rising, and a couple of years behind that we saw the five A* to Cs plus maths and English rising. Once someone has a sense of achievement and success, it drives aspiration not only for the youngsters in that community school, but for everybody around them. That is the spiral of success that we had in 2010. Hopefully, we can continue to move forward on that.

When the EBacc was introduced, the Education Committee, on which I served, raised concerns in a critical and challenging report. The concerns were around why a particular set of subjects were chosen. Why was ancient history more important than design and technology? Why was Latin more important than business studies? The evidence base was not clear. The examination of
what the world of work needs and what the world of education should supply was not there. I think we would all agree that a core curriculum is necessary, but the Government knew without asking anybody what the answer was, and, when probed, came up with the thought that the facilitating subjects of the Russell Group universities were the set of subjects that should determine the EBacc’s central purpose. There is no logical reason why that should be so. Indeed, as somebody who has probably sent more students to Russell Group universities than anybody else here, I know that the Russell Group accept a wide range of subjects beyond those facilitating subjects.

To go down such a route is questionable. To extend the EBacc to 90% of students obviously constrains the timetable even more. Again, I know that from having done timetables in which a limited number of resources had to be managed. Concentrating resources on certain things means other things will not fit. So there are big challenges. I recently spoke to the leader of one of the highest performing multi-academy trusts. He said that they might not go down that road. He pointed to the former Labour Government’s diploma activities as something else that they did not follow because, from their views on what is in the best interests of young people, it does not work, so there is a challenge there.

The Edge Foundation’s submission to the EBacc consultation concluded:

“Imposing an arbitrary set of qualifications on students is not supported by a solid evidence base. The 90% EBacc target is neither necessary nor desirable. It will harm, not help, large numbers of students, reduce the uptake of technical and creative subjects and limit choices open to students and their parents. It could exacerbate the country’s growing skills gap, because fewer students will achieve passes in technical and creative subjects linked to the needs of the economy.”

Let us hope that that is wrong, but it is a clarion call from the organisation. The Baker Dearing Educational Trust has been very much behind the movement towards greater skills development and so on.

The Labour party wants to see a broad and balanced curriculum. We welcome the steps towards measuring the progress that children make on progress 8 and attainment 8, because a broader range of subjects are provided. It is important that young people have a core knowledge of the curriculum, including English, maths and sciences. It is all well and good thinking about D and T and the EBacc, but the thing that undermines that the most is not having enough qualified teachers to teach it. Many contributions today have drawn attention to that. The key challenge is to ensure there are enough teachers to teach design and technology, yet at the moment the Government are not getting anywhere near the target they need to achieve this, with just 41% of the target being met, and they are also missing their targets in science and computing.

The fall in the numbers of students taking design and technology is a concern too, given the skills shortages in the economy. Design and technology and engineering are important for delivering the productive high-tech economy that we need to compete in an increasingly globalised world. Forecasts suggest that the UK will need more than a million new engineers and technicians in the next five years. The Conservative Government are failing to deliver the pipeline of talent that we require. It would be a challenge for anybody, so we all need to support the Government in meeting the challenge, but we need to check whether this direction is the right way to meet it.

From manufacturers and construction firms to digital industries and the CBI, businesses in Britain are increasingly warning about the skills shortages that our country is grappling with. I hope the Minister has time to answer the many questions that have been raised in the debate. He is courteous and able and always does his best in that regard.

10.48 am

The Minister for Schools (Mr Nick Gibb): It is a pleasure to serve under your chairmanship, Mr Bailey; I think it is the first time I have done so. I congratulate my hon. Friend the Member for Chippenham (Michelle Donelan) on securing this important debate during British science week. I pay tribute to her for her work on these issues on the Education Committee and elsewhere. I also congratulate her on the powerful and compelling speech that introduced the debate.

Science, technology, engineering and maths are vital subjects in our modern economy. Our manifesto included a commitment to make this country the best place in the world to study maths and STEM subjects in primary, secondary and further education. There is widespread demand for employees with an in-depth knowledge of STEM subjects, and those working in science and technology careers are paid, on average, 19% more than in other professions. Despite those attractive employment prospects, research from organisations such as the Confederation of British Industry shows that companies still have difficulties in recruiting people with technical and professional STEM backgrounds and qualifications.

My hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) referred to the importance of careers advice. The Government have established the Careers & Enterprise Company, and we are also taking steps to improve the quality of careers advice through the development of a new careers strategy that will set out our vision for 2020 and the clear lines of accountability, through Ofsted and the new destination measures, for the quality of careers advice in schools.

We have recognised the importance of STEM subjects to young people’s life chances, and we accept the plea of the hon. Member for South Antrim (Danny Kinahan) that we promote science and technology subjects at school. Our ambitious programme of reform is addressing the historical underperformance in STEM education. Our reforms to the curriculum and to qualifications mean that standards in public qualifications will match the expectations of the best education systems in the world.

We are also reforming vocational qualifications to introduce a small number of technical and professional routes, which will support students’ progress from school into employment. Those routes will be valued by employers to ensure that more students progress into higher-level technical occupations in engineering, science and technology, such as engineering technician, as the hon. Member for Scunthorpe (Nic Dakin) said, high-quality teaching is also essential to tackling the skills shortages, which is why the Government support schools to recruit top graduates into teaching.

Last year, the Prime Minister announced an additional package worth £67 million to recruit and train up to 17,500 maths and physics teachers. The Government
run scholarships and offer bursaries to encourage high-quality maths and physics graduates to train as teachers. We also support schools and existing STEM teachers to improve the quality of teaching through Government-funded programmes such as maths hubs and the network of science learning partnerships.

More than 22,000 more young people are taking A-levels in STEM subjects this year compared with 2010, and the number of STEM apprenticeships is increasing. The percentage of apprentices starting in STEM-sector-related subject areas has increased by 64% since 2010, to more than 90,000. Over the same period, the number of women starting STEM-related apprenticeships has more than doubled to 8,000, and the number starting apprenticeships in engineering and manufacturing technologies has more than trebled to 5,100.

The hon. Member for Strangford (Jim Shannon) emphasised the importance of the apprenticeship programme. We are committed to reaching 3 million apprenticeship starts in England by 2020, an ambition that we are helping to fund to the tune of £2.5 billion with the apprenticeship levy. My hon. Friend the Member for Rochester and Strood highlighted the example of 12 higher-level apprenticeships at the BAE Systems site in Rochester.

My hon. Friend the Member for Bolton West (Chris Green) mentioned schools actively discouraging students from looking into the possibility of becoming an apprentice. The Education Act 2011, introduced by the coalition Government, says that schools should secure independent careers advice, and adds explicitly that that must include information on apprenticeships.

Another issue that the Government are tackling is the gender gap in STEM A-levels and careers. We should celebrate the fact that 12,000 more girls entered mathematics and science at A-level in 2015 than in 2010, but total entries in maths and science were still 36% higher for boys than for girls. The Secretary of State recently announced an ambition to tackle that unjustifiable gender gap by increasing the proportion of girls entering maths and science A-levels by 20% by 2020. My hon. Friend the Member for Chippenham referred to the STEMNET programme. There are now 32,000 STEM ambassador volunteers throughout the country who support their local schools with STEM careers advice, and 40% of them are female—a point also made by the hon. Member for Strangford.

My hon. Friend the Member for Chippenham welcomed the reforms made to the design and technology curriculum and associated qualifications. She is right that design and technology is a valuable subject that prepares young people for further technical study, and it remains compulsory in school from key stage 1 to key stage 3—from ages five to 14. The content of the previous design and technology qualifications did not include the knowledge and skills sought by leading engineering employers, so, as my hon. Friend said, we have worked closely with key organisations in the sector—including the Design and Technology Association, the James Dyson Foundation and the Royal Academy of Engineering—to align the qualification with high-tech industry practice. Industry leaders have been very supportive of our reforms.

The hon. Member for Scunthorpe criticised some of our approaches to design and technology. Under the last Labour Government, between 2007-08 and 2010, the numbers entering design and technology GCSE fell from 311,000 to 238,000. I am optimistic that our reforms to the content of the design and technology GCSE and A-level will result in a rise in the number of students who opt to study them. The decline started before we introduced the EBacc or the Progress 8 measure.

We continue to support design and technology teacher recruitment through bursaries of up to £12,000 and marketing campaigns that feature design and technology. Subject knowledge enhancement courses are available for candidates who need to refresh or boost their subject knowledge. We also provide a specific webpage on the “Get Into Teaching” website for potential design and technology trainee teachers.

My hon. Friend the Member for Chippenham expressed concerns about the impact of the recently introduced accountability measures—such as the EBacc and the Progress 8 measure—on the take-up of design and technology. I share her concern at the declining numbers that I just highlighted. In my view, that decline reflects the declining quality and status of the previous qualification. As I said, I am optimistic that we will see the numbers rise.

The EBacc combination of core academic GCSEs is an important performance measure and the Government are determined that every child should leave school fully literate and fluent in maths, with an understanding of the history and geography of the world they inhabit, its workings as revealed by the findings of science, and a grasp of a language other than their own. Biology, chemistry, physics, computer science—there is nothing old-fashioned in emphasising the importance of those subjects, which was the criticism levelled at us by the hon. Member for Glasgow North West (Carol Monaghan).

I have every hope that the combination of the revised design and technology qualifications and our focus on attracting new specialist teachers will restore the subject’s focus. To give my hon. Friend the Member for Chippenham time to respond, I shall finish by saying that I am enormously grateful for her support for this agenda. She has raised some important issues, and I hope she is happy with the steps that the Government are taking to address them. Over the course of the Parliament, we will continue to build on the progress we have made on this issue.

10.58 am

Michelle Donelan: I thank all colleagues who participated in the debate. Together, we have stressed the importance of promoting the STEM sector and combatting the stereotypical image that has arisen so that we can tackle the skills gap. My hon. Friend the Member for Rochester and Strood (Kelly Tolhurst) summed it up when she said that we need to excite people about the industry. Today’s discussion highlighted the fact that the focus needs to be on the T and E of STEM, not just on the S and M.

My hon. Friend the Member for Bolton West (Chris Green) talked about the need for practical skills and hands-on ability. I echo the comments made by the hon. Member for Glasgow North West (Carol Monaghan), who said that education should be led by industry, not
by politicians. That sums up the progress that we need to make in the sector. I am impressed that I managed to inspire the shadow Minister, the hon. Member for Scunthorpe (Nic Dakin).

I thank my hon. Friend the Minister for his response. I congratulate him on his work in the sector. It is easy to overlook the fact that he is one of the people who dramatically changed the design and technology course we have been discussing, so he understands its value and its long-term potential for progress. I agree with him about the importance of the academic rigour and core focus of the EBacc and stress that that is exactly why we need design and technology to be part of it. It is very much an academic subject, and we can send out that message to students and teachers throughout the country. I urge the Government to listen to businesses and to teachers and help to give students the best shot at life by looking again at making design and technology part of the EBacc.

**Resolved.**

That this House has considered engineering skills and design and technology education.
Throughout the consultation process he raised a number of concerns about the bridge's design with the Highways Agency and the contractors. In his email, he wrote the following:

“Right up until the 11th hour prior to the opening of the bridge I asked and campaigned for the following:...Low level fluorescent lights positioned along the inside of the concrete parapet so as not to contravene the RSPB objections.”

They were never provided. There are no lights on the Sheppey crossing. He asked for

“A safe walkway for stranded motorists to get off the bridge.”

There is no safe walkway on the bridge. Motorists have to sit in their car. He also asked for

“Emergency Telephones to be positioned at regular intervals on the bridge.”

There are no emergency telephones on the Sheppey crossing. He campaigned for

“Matrix warning signs on the approach to the bridge from either side to warn of fog and set speed limits suited to the conditions.”

There are two matrix warning signs, but they are manual ones. He said that there should be

“Gates at either side of the bridge.”

There are no gates on the bridge in case of emergencies.

Mr Denyer went on to claim that he was stalled, ignored and fed misinformation, and that it was only in the month leading up to the opening of the bridge that it was admitted to him in meetings with the contractors and the Highways Agency that his requests were valid and that the bridge had serious safety shortcomings. However, the bridge construction was already considerably over budget, and there was no money left to make any of the alterations that Mr Denyer had requested, but he was told that they might be considered in the future.

Mott MacDonald’s audit statement, which I cited earlier, is very important. It said that the gradient of the bridge,

“combined with the comparatively tight horizontal radius, and reduced stopping sight distances, may result, for example, in a higher than expected rate of nose to tail type collisions.”

On 5 September 2013, there was a massive pile-up on the Sheppey crossing involving 150 vehicles in a succession of nose-to-tail collisions—the largest such accident in Britain’s history. After that crash, I asked that a review be undertaken of safety on the bridge. The Highways Agency said in response that no review was necessary because the police had concluded that driver behaviour was the main contributory factor to the incident, and that they had not called into question any aspect of the bridge’s design or operation. It went on to claim that it supported the view that the bridge, which opened in July 2006, was constructed in accordance with national highway design standards for roads and bridges and was intrinsically safe.

The most charitable way of describing that statement is that it is disingenuous. When I queried it, the police told me in a letter that,

“The parameters of the investigation did not cross over into the design or layout of the Sheppey Bridge in any way, but were focussed on the actions of the drivers involved.”

In other words, there was no need for them to look at the design of the bridge, so it was disingenuous of the Highways Agency to say that the police said that the bridge was intrinsically safe. That is not the case.

In fact, since the bridge opened, there have been a number of other nose-to-tail accidents, including one on 1 July 2014, in which a mother and son were tragically killed. After that accident, I again asked for a review of safety on the crossing, but on that occasion I was told that we would have to wait until after the inquest into the two deaths. I accepted that; it was reasonable.

At the inquest, which has now been held, the coroner made the following comments in a report sent to the chief executive of Highways England:

“During the course of the investigation my inquiries revealed matters giving rise to concern. In my opinion there is a risk that future deaths will occur unless action is taken.

Accident data reveals that in addition to the collision subject of this inquest which resulted in two fatalities, there have been a number of rear end collisions on the Sheppey Bridge associated with stationary vehicles being struck, including a multiple vehicle collision in September 2013. A review of the safety of the Sheppey Bridge published in February 2015 has concluded that a combination of the geometry of the bridge affecting the forward visibility to drivers and the high speeds of vehicles travelling over the bridge, which has a 70 mph limit, impacts on the safety of the bridge. The review recommended a reduction in the speed limit to 50 mph to mitigate the safety concerns.

The speed limit for the bridge remains at 70 mph.”

The coroner went on to say:

“In my opinion urgent action should be taken to prevent future deaths and I believe your organisation has the power to take such action.”

The action that Highways England took was to introduce a temporary 50 mph speed limit. That was eight months ago. The problem is that few drivers comply with the speed limit and, because of the absence of repeater speed signs on the bridge, it is not possible for the police to enforce it on the Sheppey crossing itself, which somewhat defeats the object of a temporary speed limit. I understand that Highways England has commissioned Arup to undertake a review of safety on the Sheppey crossing. I asked for such a report almost three years ago, so although I am pleased that something is now being done, it prompts the question of why a report was not commissioned when I first requested it.

In November 2014, following the two tragic deaths, I made a speech here in Westminster Hall, in which I pointed out that as a result of the 2013 pile-up, as a bare minimum, there should be proper matrix warning signs on the bridge. I also said that even more measures were needed, including average speed cameras to enforce the 70 mph speed limit; CCTV monitoring of the bridge to report breakdowns sooner and to enable the police to close the bridge more quickly; and the installation of emergency telephones and refuge bays, so that people do not have to stay in their cars if they break down.

It is now 2016 and no safety measures have been introduced, except for an unenforceable 50 mph speed limit. That is unacceptable. I plead with the Minister to encourage Highways England to treat the matter with the urgency that my constituents deserve. If action is not taken quickly and there is another major pile-up or, God forbid, another tragic death, then Highways England will have blood on its collective hands.

11.13 am

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): I congratulate my hon. Friend the Member for Sittingbourne and Sheppey (Gordon
Henderson) on securing the debate. It is probably most appropriate to start by saying that I am grateful that it gives me the opportunity to express my sincere condolences to the families of the two people killed on 1 July 2014 on the Sheppey crossing. I also wish for a full recovery for all those injured in the multi-vehicle accident in fog in September 2013.

My hon. Friend has articulated clearly his constituents’ problems with the crossing. He also talked about how local people raised the issues during the planning and construction phase, including those with significant knowledge of the area from an emergency services perspective. I am sure that he is frustrated that the situation is where it is, but we cannot rewrite the past; we have to work to improve the future.

My hon. Friend met my predecessor to seek assurances on the safety of the Sheppey crossing, and I confirm that the Government take road safety very seriously. The target set for Highways England is to reduce the number of people killed or seriously injured on our road network to no more than 1,393 in a year by the end of 2020. That would be a 40% reduction on the 2005 to 2009 average baseline. As we all know, however, that is still too many people, and we will continue to put road safety at the heart of our decisions as we review the strategic road network.

I am most aware and have always been conscious that behind every statistic is a shattered family. That is why I am pleased that we were able to produce our road safety statement for this Parliament in December of last year, articulating a number of actions that we can take across the spectrum of road-safety issues to improve the situation.

To turn directly to the matter of the A249 Sheppey crossing, perhaps it would be helpful to go over some of its recent history. A road safety audit was undertaken after the road had been open for a year, and it concluded that the accident frequency was lower than the predicted national average. I acknowledge that Kent police have expressed concerns since the opening of the crossing and, in particular, have sought a permanent 50 mph speed limit. Following the multi-vehicle collision in September 2013, however, the Kent police’s conclusion was that drivers had not adjusted their driving to take account of the fog. That happens all too frequently and is a constant source of concern for the network.

Following the tragic fatal accident on 1 July 2014, which sadly resulted in two deaths, as my hon. Friend said, an investigation was carried out by the consortium that operates the Sheppey crossing, in addition to the police investigation. A further study by the consortium reported its findings in February 2015, with the conclusion that no evidence was available to support the premise that inappropriate speed was a contributory factor to the fatal collision or any of the other collisions covered in the report, with the exception of the multiple collision in fog.

The report also concluded that the accident rate at the crossing was no higher than for other similar dual carriageways operated by Highways England.

Andrew Jones: My hon. Friend rightly makes an important point. The worst multiple-vehicle collision on record in our country’s history and an accident with two fatalities indicate the severity of the issues in the area.

The report identified a degree of non-compliance with the legal speed limit about one mile south of the collision. On 11 June last year, at a pre-inquest meeting, the coroner asked for urgent action to be taken by Highways England under regulation 28 of the Coroner’s (Investigations) Regulations 2013. Highways England responded and commissioned a road safety study. The initial study, published on 27 July last year, recommended that a temporary 50 mph speed limit should be imposed on the bridge and that it should be monitored. If the monitoring indicated that the speed limit was still being substantially exceeded, the use of average speed enforcement systems and other mitigation should be considered.

The 50 mph speed limit has since been imposed, and Highways England is monitoring the effects of the speed limit with average speed cameras that could be used to enforce the speed limit, but at the moment are not used for such enforcement—they are used for measurement, rather than for enforcement.

Gordon Henderson: With regard to the speed limit and the monitoring of it, the Minister might not be aware from his briefing that the speeds for July and August were monitored. The average speed on the Sheppey crossing—bearing in mind that it is meant to have a 70 mph speed limit anyway—dropped from 80.55 mph to 75.38 mph northbound and from 78.15 mph to 72.71 mph southbound. So even while the 50 mph speed limit has been in place, the average speed has still been higher than the permanent 70 mph speed limit.

Andrew Jones: I was aware of those data and my hon. Friend is correct that speeds are still very high in the area. When I read those data, I was struck by how far above the temporary speed limit the speeds were. He makes a fair point about speed on the crossing.

The average speed cameras will provide Highways England with better information on traffic flows and speed on the Sheppey crossing as they cover a more focused area than the normal journey monitoring system on the A249. With the benefit of such speed and flow data, Highways England and Kent Police will hold discussions about whether the cameras should be used to enforce the speed limit.

I recognise that this is not just a matter of safety: incidents on the crossing have a significant impact on the Isle of Sheppey, both from an economic perspective and on its residents’ quality of life. My hon. Friend has made that point in discussions with me on several occasions prior to the debate.

Gordon Henderson: On the question of enforcement, even with average speed cameras the police cannot enforce the limit unless signs are in place. That is clear in D3.7.19—that is the reference that Highways England uses—which says:

“The police can only enforce speed limits where the speed limit signs are correctly placed”,

and we cannot get those signs on the bridge. Unless there are proper average speed cameras and speed camera signs, which are not in place, the limit cannot be enforced.
Andrew Jones: My hon. Friend and I will be busy agreeing with each other on that point. I am aware of the restrictions in signage and lighting and of the environmental sensitivity of the crossing. I am also aware of the narrowness of the central reservation, the lack of refuges and the constrained nature of the site, which have restricted all the measures he mentioned.

Let me inform my hon. Friend and the House that Highways England recently held a workshop requested by its health and safety board, at which a number of actions were considered, including: removal of the temporary 50 mph speed limit currently in place; enforcement of the national 70 mph speed limit; enhanced road markings and signing; and setting a review period to monitor safety performance. Any permanent speed limit change would be subject to consultation with the police and would also require a statutory traffic regulation order. However, subject to the board’s endorsement, Highways England will develop an action plan for delivering the works, which may span over several months.

Highways England is also carrying out a further study on the whole of the A249 to identify permanent and viable cost-effective safety measures to ensure that drivers recognise that the posted speed limit is there for a reason. The outcome of that study is due to be published in about a month’s time—it is only four weeks away. I have not been able to see that report—it is not ready for publication—but it is clearly important. I suggest that, after it is published, my hon. Friend and I should read it and then meet to discuss its content. I would like to hear from him about local people’s concerns and the acceptability of speed limits. He obviously knows the site, and I do not know it anything like as well, so I would be grateful to hear his views when we get to that point. Perhaps a follow-up of the debate will be such a meeting.

Subject to the recommendations of the study, Highways England will consider a rationalisation of the existing speed limits on the lengths of single carriageway. It will also continue to monitor traffic and speeds, as well as incidents, with a view to bringing forward other measures that may be required.

May I thank my hon. Friend for bringing this matter to the attention of the House? It is clearly a timely issue, given that we are only a few weeks from the publication date of that important report. He raised a number of points. First, he said that urgency is required in dealing with this matter, which is an important point. I am happy to confirm that that is exactly what will happen. Indeed, I have already raised the report and safety on the crossing with the chief executive of Highways England and will continue to do so as an action point from the debate.

Safety is at the heart of our work on road investment. As a Government, we are investing an unprecedented amount in our transport infrastructure and safety is at the heart of the decision-making process. It is one of the key elements that underpins our road investment strategy. I hope that my hon. Friend is reassured that action is being taken to make journeys better and safer for all. He has done a valuable job, speaking up on behalf of his constituents today about a difficult crossing that, as he articulated so clearly, has a chequered history in terms of safety. I look forward to working with him and with Highways England to improve the situation for all his constituents.

Question put and agreed to.

11.25 am

Sitting suspended.
Local Government: Ethical Procurement

[Mr Gary Streeter in the Chair]

2.30 pm

Richard Burden (Birmingham, Northfield) (Lab): I beg to move.

That this House has considered local government and ethical procurement.

I am grateful for the opportunity to have this debate. As I look around, I see right hon. and hon. Members with very different views on Israel and Palestine, and people who disagree about what incentives or pressure should apply to either side to secure equal rights, including the rights of statehood and the right to security for the peoples of both Palestine and Israel.

As chair of the Britain-Palestine all-party parliamentary group, I take a close interest in the situation in the middle east. However, this debate is not primarily about whether any of us takes this view or that view on how to bring peace there; I sought today’s debate to hold Ministers to account and to require them to be clear about what their policy announcements mean and do not mean. This debate is also about the ability of those who are responsible in public institutions to exercise the judgments that they are appointed to exercise within the law when they make decisions. That could be in respect of how local authorities are accountable to their electorates for making decisions or of the ability of pensions trustees to make judgments in line with their fiduciary duties.

I welcome the Minister here today to answer questions about the procurement policy note issued by the Cabinet Office on 17 February entitled “Putting a stop to public procurement boycotts” and about the proposed changes to the rules governing the local government pension scheme’s investments—for which I understand the Cabinet Office is also responsible, for some reason. I look to the Minister to answer what he will be asked clearly and without ambiguity. That is always important, but it is even more important on these matters because the Minister for the Cabinet Office and Paymaster General has volunteered very little about them to the House. That is in stark contrast to the amount of publicity he has sought to generate for his proposals outside the House.

For where this all starts, we need to go back to the Conservative party conference last October. A press release was issued in which the right hon. Gentleman was quoted. It was headlined “Government to stop ‘divisive’ town hall boycotts and sanctions” and said that action was going to be taken against the “growing spread of militant divestment campaigns against UK defence and Israeli firms.”

However, that press release also contained a note to editors, as press releases often do, that suggested that a large number of the local authorities and public institutions that were apparently due to be targeted by the new rules had not resolved to divest from companies on the grounds that they were Israeli or of any other nationality. They had made or were in the course of making procurement or investment decisions on the basis of the behaviour of companies, irrespective of their nationality. In fact, the behaviour most frequently mentioned in the press release was financial involvement with illegal settlements in the west bank, about which local authorities and others were concerned.

I know that in October last year, collective Cabinet responsibility was perhaps expected rather more than it appears to be these days. However, it is rather surprising that the Minister for the Cabinet Office took such exception to public institutions seeking to avoid dealings with companies involved with illegal settlements, given that the Foreign Office’s own website carries very different advice.

Jo Cox (Batley and Spen) (Lab): I congratulate my hon. Friend on securing this vital discussion. As he will be aware, the UK Trade & Investment website, which is sponsored by the Foreign Office, states: “we do not encourage or offer support” to firms that trade with illegal settlements. Does my hon. Friend agree that we find ourselves in a perverse situation? The Foreign Office is warning UK companies and private individuals against trading with the settlements, while the Department for Communities and Local Government and the Cabinet Office are threatening to make it illegal for public bodies to do so.

Richard Burden: My hon. Friend is absolutely right. It is worth quoting directly from that Foreign Office advice, which is there to this day. It says:

“Settlements are illegal under international law, constitute an obstacle to peace” and “threaten” the “two-state solution”. It goes on:

“There are therefore clear risks related to economic and financial activities in the settlements, and”—

as my hon. Friend just said—

“we do not encourage or offer support to such activity. Financial transactions, investments, purchases, procurements as well as other economic activities (including in services like tourism) in Israeli settlements or benefiting Israeli settlements, entail legal and economic risks stemming from the fact that the Israeli settlements, according to international law, are built on occupied land and are not recognised as a legitimate part of Israel’s territory.”

Imran Hussain (Bradford East) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I thank my hon. Friend for securing such an important debate. Does he agree that local authorities are in fact a branch of the state and therefore have a duty to observe our obligations under international human rights law?

Richard Burden: I understand what my hon. Friend says, but this is also about different public institutions making judgments in line with the law and their best belief of what the situation is. I hope that all public institutions would pay due regard to international law.

Andy Slaughter (Hammersmith) (Lab): Will my hon. Friend give way?

Richard Burden: Before giving way, I just want to finish this quote from the Foreign Office advice:

“This may result in disputed titles to the land, water, mineral or other natural resources which might be the subject of purchase or investment. EU citizens and businesses should also be aware of the potential reputational implications of getting involved in economic and financial activities in settlements, as well as possible...”
Parliamentary scrutiny in their own right. In 2014 and 2016, and how many of those have merited procurement policy notes there have been in 2014, merely about the mechanics of parliamentary time. I experience rather mirrors mine and that of a number of just made, the Foreign Office guidance also talks about “possible violations of international humanitarian law and human rights law”. Indeed, the Foreign Office guidance is very clear, whereas the procurement policy note is very unclear. Does my hon. Friend the Member for Birmingham, Northfield (Richard Burden) agree that that may be intentional—that the actual aim is not to change the law, but to discourage and blackmail local authorities into not taking steps that may be perfectly legitimate and that the Foreign Office is encouraging them to take?

Richard Burden: The point that my hon. Friend makes is about the fear that a lot of people have about the agenda behind this procurement policy note.

Stephen Pound (Ealing North) (Lab): My hon. Friend is constructing a very powerful case. Does he agree that this is about not necessarily Israel but a much wider issue? It is about the freedom of people in local government to do as I and five of my fellow councillors—who all subsequently became MPs—did in the London Borough of Ealing in 1982, when we were quite happy to disinvest in Barclays. Will my hon. Friend remind me about what element of parliamentary scrutiny or involvement there was when the statement was made by the Minister for the Cabinet Office in February this year? I do not recall it being mentioned on the Floor of the House at all.

Richard Burden: My hon. Friend is quite right. Parliamentary scrutiny of this matter has come down to a number of us having to ask questions—to which we have had not very detailed replies, I have to say—and to this debate. We had to apply for a debate in Westminster Hall to get any parliamentary scrutiny of this matter at all.

Helen Goodman (Bishop Auckland) (Lab): I am grateful to my hon. Friend for securing this debate and for giving me an opportunity to ask him this question. I asked the Cabinet Office and a number of other Departments whether they had recently met people from the arms industry, the tobacco industry or, indeed, the Israeli embassy who may have lobbied for this measure. I am afraid that I did not get a substantive response from any of the Departments. Has my hon. Friend any answers to questions such as that?

Richard Burden: I am afraid that my hon. Friend’s experience rather mirrors mine and that of a number of other hon. Members.

Chloe Smith (Norwich North) (Con): This point is merely about the mechanics of parliamentary time. I simply wonder whether the hon. Gentleman knows how many procurement policy notes there have been in 2014, 2015 and 2016, and how many of those have merited parliamentary scrutiny in their own right.

Richard Burden: I have no idea about that, but if the hon. Lady thinks this is not a very significant public procurement note that merits parliamentary scrutiny, I wonder why the Minister for the Cabinet Office took the trouble of announcing it in a press conference with the Prime Minister of Israel on 17 February.

On 16 December, I asked the Secretary of State for International Development whether she agreed with the Foreign Office that it was perfectly reasonable for both public and private institutions to pay due regard to that Foreign Office advice when they make their own investment and procurement decisions. Her answer was unequivocal. She said:"They should do that; that is good Foreign Office advice."—[Official Report, 16 December 2015; Vol. 603, c. 1534.]

So my first question to the Minister is this: were civil servants consulted at all before the press release was issued at the Conservative party conference? I am happy to give way to him if he has a reply.

The Parliamentary Secretary, Cabinet Office (John Penrose): I was planning to wait until the end and collect what I am sure will be a whole series of questions. Perhaps that will allow me to wrap them all up together in a series of responses.

Richard Burden: I am very happy for that to happen. I give the Minister notice that there will be six questions on which I am seeking answers.

Did Ministers really take the view that public institutions should not have the same rights and concerns as private institutions when it comes to good business practice and corporate social responsibility? What was it that Ministers were trying to outlaw? The public procurement note published on 17 February appears to suggest much less than the Conservative press release of October; it appears to say that institutions should not impose a blanket ban on contracts with companies on the basis of the nationality of the companies concerned, in line with existing EU and World Trade Organisation rules. We know that the WTO forbids the use of quantitative restrictions, such as a ban on imports—phrased in terms of products originating in the “territory” of another WTO member.

On 9 March, in answer to a question from my hon. Friend the Member for Hammersmith (Andy Slaughter) about whether the occupied territories could be considered part of Israel, the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for Bournemouth East (Mr Ellwood), was absolutely clear: “The World Trade Organisation does not define the territory of its members. The UK does not recognise Israeli sovereignty over the territories occupied by Israel in 1967. We therefore do not consider the Occupied Palestinian Territories to be part of Israel.”

So my second question to the Minister is this: is there anything in this public procurement notice or that is intended by the Government that in any way changes that?

European Union rules are also mentioned in the public procurement notice. They allow public institutions, on a case-by-case basis, to exclude companies from tenders on the basis of their behaviour, specifically where grave misconduct may be involved. What could that mean? Let us turn again to the Government’s own documents—to their 2013 national action plan on...
implementing the UN guiding principles on human rights and business. An extract from that states that the UK Government

“are committed to ensuring that in UK Government procurement, human rights related matters are reflected appropriately when purchasing goods, works and services. Under the public procurement rules public bodies may exclude tenderers from bidding for a contract opportunity in certain circumstances, including where there is information showing grave misconduct by a company in the course of its business or profession. Such misconduct might arise in cases where there are breaches of human rights.”

My third question to the Minister is therefore this: does the February 2016 public procurement note in any way change or add to that advice?

My fourth question is about whether the Minister considers that a breach of the fourth Geneva convention is a breach of human rights. If he does, would the public procurement note restrict a public institution from resolving not to deal with a company that was involved in aiding and abetting breaches of that convention?

If the public procurement note is prompting these and more questions, so, too, are the changes that the Cabinet Office says it is going to introduce in relation to investment decisions of local government pension funds. So my fifth question is this: pension fund trustees are already covered by a fiduciary duty, but will the changes being introduced in any way fetter the judgments that they make in line with that fiduciary duty in relation to, say, not investing in fossil fuels, tobacco or the arms trade?

My sixth question logically follows from that: in order to be clear on these points, will the Minister outline what plans he has for parliamentary scrutiny of these changes to pension fund guidance? Specifically, will he commit to consulting on any draft guidance he intends to issue in respect of local government pension scheme investments before it is published and before Parliament, through whatever procedure, is asked to make any kind of decision on these changes?

**Stephen Timms** (East Ham) (Lab): My hon. Friend is setting out a clear set of questions, and he has made it clear that there is some ambiguity about precisely what the impact of the guidance note is. Is his reading of it that the kind of disinvestment by a local authority pension fund that was referred to earlier—Barclays and activities in South Africa—would be ruled out?

**Richard Burden:** My hon. Friend is absolutely right about that; that could be a seventh question for the Minister.

The Minister no doubt spoke to his right hon. Friend the Minister for the Cabinet Office before this debate, so perhaps he knows why his right hon. Friend decided to launch this public procurement note not in a statement to the House or under any House procedure, but in a press conference alongside the Prime Minister of Israel. If the reason was that he wanted to make a point on the world stage about this Government’s opposition to generalised boycotts of Israel, then okay—if he wants to make that point—but why did he apparently not feel any need to utter a word about other parts of Government policy, such as the fact that settlements in the occupied territories are illegal?

Why was there not a word about the fact that Israel had only recently withdrawn co-operation from an independent delegation of UK lawyers acting on a Foreign Office-supported project, which has found that Israel’s treatment of Palestinian child prisoners breached article 76 of fourth Geneva convention and several articles of the UN convention on the rights of the child? Why did the right hon. Gentleman not find time to mention that in the first six weeks of 2016, over 400 Palestinians have been displaced from their homes? That is over half the total number of Palestinians displaced in the whole of 2015.

I suspect that the Minister for the Cabinet Office’s apparent failure to say a word publicly about those things during his visit illustrates a rather strange set of priorities and a highly selective approach to UK policies on the Israel-Palestine question. He will have to answer for himself about his priorities and inconsistencies, but the Minister here today has an obligation to answer, on behalf of the Government, the specific questions about the procurement policy note and the changes they intend for local authority pension regulations. I have asked this Minister six specific questions and I ask him to do the House the courtesy of giving six clear and unambiguous answers to those questions today.

**Several hon. Members rose—**

**Mr Gary Streeter** (in the Chair): Order. Nine colleagues wish to catch my eye and have roughly 40 minutes in which to do so. Perhaps I could impose a voluntary restraint of four minutes each, and we will see how we get on.

2.50 pm

**Chloe Smith** (Norwich North) (Con): Thank you, Mr Speaker—I mean Mr Streeter—for calling me to speak. Aside from promoting you, I congratulate the hon. Member for Birmingham, Northfield (Richard Burden) on having secured this debate.

I will take as my starting point the wisdom that regularly emerges from the mouth of the hon. Member for Ealing North (Stephen Pound), for whom I have great respect. He said that the issue was not about any one country’s policies but about local government powers. I believe that it is wrong for councils to attempt to use local government pension funds and procurement practices to make their own foreign policy.
First, it is wrong because foreign policy is reserved to Westminster as a matter for national Government. Having policy made in town halls can damage foreign relations, to the detriment of Britain's national and international security.

**Tristram Hunt** (Stoke-on-Trent Central) (Lab): Will the hon. Lady give way?

**Chloe Smith:** Perhaps the hon. Gentleman will be quick because I have only four minutes.

**Tristram Hunt:** Does that principle extend to banning city councils, for example, from giving the freedom of their cities to notable figures from abroad? Would that fall within her ban on a foreign policy for local government?

**Chloe Smith:** If the hon. Gentleman will wait for the rest of my speech, he will hear that I intend my contribution to be about council expenditure of taxpayers' money. I know that Labour Members are not so hot on the expenditure of taxpayers' money, but perhaps he will allow me to make the rest of my comments.

**Mr Andrew Turner** (Isle of Wight) (Con): Will my hon. Friend give way?

**Chloe Smith:** I am sorry, but I must continue because there is so little time left.

My second reason for believing that it is wrong for local government to make their own foreign policy is that local boycotts in and of themselves can damage integration and community cohesion. That is highly unfortunate.

Thirdly, to attempt to hold an item of foreign policy locally is likely to be unlawful. I do not know whether the hon. Gentleman found it impossible to read procurement policy note 01/16, but I took from it very clearly that EU and UK procurement legislation, backed up by the World Trade Organisation, can result in severe penalties against the contracting authority and the Government. That takes me on to my answer to the hon. Member for Stoke-on-Trent Central (Tristram Hunt). It is at the heart of this debate that we should not seek to put taxpayers' business rates or council tax at risk of substantial fines that could arise from unlawful treatment of suppliers. The Government are very clear in the note that they will always involve the relevant contracting authority in these proceedings, so there is nowhere to hide.

Finally, the other reason why such a policy is wrong is that it does not provide taxpayers with value for money. Procurement is quite simply for purposes other than political. It is the act of buying something because taxpayers need it, not because the council leader wants to wear a particular political pin badge that week. I want local taxpayers' money to be used for the goods and services that they need, and only for what they need.

I do not know whether the Labour party really thinks there is any money to spare after they left the cupboard bare, but until public finances are back in order, the job in hand is to get the best deal for taxpayers. What I want in local procurement is the best possible value for money from the total spend, which may amount to tens of billions of pounds; a strategic approach to procurement rather than political whim, which may be ultra vires; reduced procurement bureaucracy, such as the welcome removal of pre-qualification questionnaires for low-value contracts and standardisation for high-value procurements; sound commercial and contract management of that spend; accountability for the services or goods bought; wherever possible, local SMEs benefiting from spending decisions because that value stays in the community and can often provide huge innovation; and prompt payment to contractors. Why do I want those simple goals? Because when budgets are squeezed, local taxpayers should come first. Every public body should do better for the British economy and not be distracted elsewhere.

I want to emphasise some of the questions my hon. Friend asked. Does the guidance on pension investments and procurement change the law in any way? Does it in any way fetter local authorities' decisions on best value in procurement? That is not simply about cheapness. We are not going back to the compulsory competitive tendering days. The last Labour Government brought in best value, which takes account of social and environmental matters, as the Government have confirmed. Does it in any way fetter the discretion of pension trustees to exercise their fiduciary duties, which go far wider than the narrow responsibility for public sector pensions? Will the Government confirm that the guidance for private businesses on their engagement with the settlements, on goods from the settlements, and on trade with the settlements, applies to public bodies as well? Can we have clarity on that?

During the 1980s, some local authorities sought to sever links with firms that traded with South Africa. I think local authorities were right then and I think there is a lot of shame on the Conservative Benches about the action that the then Conservative Government took in defence of the apartheid regime.

There is a story about what happened. Shell took Leicester city council to court because it said that by refusing to allow it to compete for a tender, the council was losing out on a potentially cheaper contract. Shell won in court. Sheffield city council decided not to put Shell on the tender list for a contract because of its dealings with South Africa and justified that because it had wider responsibilities for good race relations and to take account of the views of its citizens. Shell did not take Sheffield city council to court because it was recognised that it had behaved legally in taking those views into account.

The Secretary of State has said that the actions of councils have caused community division. The Minister must say precisely what examples he has of that division. The Government have a responsibility not just for race
relations but, under the Equality Act 2010, for equality impact assessments and public sector equality. The Act requires public authorities to have regard to a number of equality considerations affecting race, and also religion.

The House of Commons Library has produced a good note, which says:

“A Minister must assess the risk and extent of any adverse impact and the ways in which such risk may be eliminated before the adoption of a proposed policy and not merely as a ‘rearguard action’.”

Have the Government done that? Where is the equality impact assessment? Do local authorities not have a duty to have regard to the effect on equality in their area in terms of both race and religion when considering whether to buy goods from the illegal Israeli settlements? Can the Minister explain what he thinks the effect will be on race relations in my constituency, which has a large number of people of Muslim faith from a background of Pakistan, Bangladesh, Yemen, Somalia and Somaliland? What would be the impact on them if they saw their council tax being used to buy goods from the illegal Israeli settlements? How could that possibly be good for community relations? That is where the division is in this argument and the Minister must come clean about the Government’s objectives, how they assessed them and whether they think local authorities have the wider responsibility that I contend they have.

2.59 pm

Dr Matthew Offord (Hendon) (Con): It is a great pity that this has been promoted as a debate about local government when in reality it is just a thinly disguised attack against the legitimate and democratic state of Israel. Why has there been no discussion about the repression in other middle eastern nations such as Saudi Arabia and Iran? Why does the Boycott, Divestment and Sanctions organisation spend all its time demonising Israel and ignoring Hamas and Hezbollah as they pour rocket fire down on Israel? The premise of the debate has more to do with cheap political point scoring than with the lives of individuals. Palestinian workers would risk losing their jobs if such actions by BDS were successful and economic sanctions were directed against Israeli firms that employ them. [Interruption.]

Mr Gary Streeter (in the Chair): Order.

Dr Offord: Indeed, reports of anti-Semitic attacks being perpetrated in Europe can be directly linked with the hateful rhetoric espoused by many BDS campaigners, and BDS founder Omar Barghouti has repeatedly expressed his opposition to Israel’s right to exist as a state of the Jewish people. But most telling of all is that the Palestinian Authority themselves do not support a boycott.

Andy Slaughter: On a point of order, Mr Streeter. [Interruption.]

Dr Offord: No.

Mr Gary Streeter (in the Chair): Order. A point of order from Andy Slaughter. Let us hope it is a point of order.

Andy Slaughter: The subject of this debate is local government and ethical procurement. We have got so far from that subject as to be ridiculous, in my opinion.

Mr Gary Streeter (in the Chair): If the hon. Member for Hendon (Dr Offord) was out of order, I would have called him out of order. It is actually the point that has been raised by the opening speaker, so I call Dr Matthew Offord.

Dr Offord: Thank you, Mr Streeter, for your wise words.

In December 2013, Mahmoud Abbas stated that, with the exception of settlement goods, the Palestinian Authority do not support a boycott on Israel. He said that “we do not ask anyone to boycott Israel itself. We have relations with Israel, we have mutual recognition of Israel.” I and my constituents welcome the Government’s announcement of new rules to curtail silly left-wing town halls and all publicly funded bodies from adopting politically motivated anti-Israel boycott and divestment campaigns.

Stephen Pound: Sorry.

Dr Offord: Apology accepted. The BDS movement says that having such interests makes companies “complicit in war crimes”, as they help to entrench the occupation
and settlements. If that was the case, why did not BDS and its supporters seek a ban on British goods and services when Tony Blair decided to invade Iraq? The simple reason is that British goods and services had no influence over British foreign policy, as indeed academics and universities and goods and services in Israel have no influence over Israeli foreign policy.

What Labour and the Scottish National party failed to achieve in the general election—a majority or coalition Government to decide foreign policy—we will not let them seek to achieve at local level. Such policy is made in this House. There is no place for that in town halls, whose duties are simply to deliver local services and not to make foreign policy.

Mr Gary Streeter (in the Chair): I call Owen Thompson—who is not present. I call John Mc Nally.

3.3 pm

John Mc Nally (Falkirk) (SNP): It is a pleasure to serve under your chairmanship, Mr Streeter. I particularly thank the hon. Member for Birmingham, Northfield (Richard Burden) for securing the debate. Like other hon. Members, I am quite curious as to why the Westminster Government want to censure local government authorities for making ethical decisions on where to invest their own pension funds.

Roger Mullan (Kirkcaldy and Cowdenbeath) (SNP): Does my hon. Friend agree that it is not possible to make any economic decisions that are devoid of ethical impact?

John Mc Nally: I thank my hon. Friend. Friend for that intervention. I agree with him; that is the reason why we are here today—to discuss the ethical decisions that have been made by local authorities. I shall proceed as fast as I can, Mr Streeter.

The whole thing strikes me as not good practice; indeed, it could be called bad practice. I would like the Minister to explain to me the reasons for that interference by the Government with the principles, with the decisions made by trustees on behalf of local communities, who appoint tried and trusted fund managers to look after the pension funds for them. The Government are quite breathtaking in their contradictions. The Chancellor of the Exchequer has stated that he wants to start northern powerhouses; he wants to give local people more say in what is happening in their local communities. Yet he is telling them, “Sorry, you’re not going to get a say in what your pension funds do.” That is an absolute shambles of a policy, and it sounds to me as if he just made it up as he went along—for what reason, I would love to know. It would not be right to deny pension funds the right to direct their fund managers on behalf of local authorities in Scotland. The minister ignores the fact that councils are having to defend the social and environmental investments made by pension fund managers on behalf of local authorities in Scotland. My local authority in Falkirk has £1.8 billion in its fund and at this moment might well be looking at investing with the Green Investment Bank. If that bank moves away from its original purpose—God forbid—of investing in green energy, surely an authority has the right to withdraw funding from that organisation; it will need to alter its investments accordingly. And the same is true for that pension fund with regard to international developments. That statement of investment principles must be honoured.

3.7 pm

Justin Madders (Ellesmere Port and Neston) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I start by declaring an interest: both I and my wife are members of the Cheshire local government pension fund.

I congratulate my hon. Friend the Member for Birmingham, Northfield (Richard Burden) on securing this extremely important and timely debate, but of course it should not have been left to members of the Opposition to drag the Minister into a debate to explain the Government’s policy, so I hope that when he responds, he will, as my hon. Friend said, set out why he thought it was appropriate to announce a change in policy in front of the media in another country rather than in this House, where proper scrutiny could have followed.

As well as the failure to follow any kind of proper process, I am extremely concerned by the tone that Ministers have adopted when addressing this issue. The Secretary of State for Communities and Local Government has accused councils of adopting policies that “undermine good community relations, and harm the economic security of families by pushing up council tax.” Those are very serious allegations, but people will note that no specific examples have been given and no specific authority has been referred to. It is therefore a smear against local government as a whole. I challenge the Minister to name a single authority that has increased its council tax as a direct result of the issues that we are discussing today. If he cannot, he should urge the Secretary of State to retract that totally groundless comment and to start treating local politicians and public servants with the respect that they deserve.

Of course, when making such sweeping statements, the Minister ignores the fact that councils are having to increase council tax this year to address the damage that the Government have caused to local government and, in particular, the social care sector. The Secretary of State for Communities and Local Government has made it clear that councils are having to introduce powerhouses in the north of England to give people more powers, but now they are introducing this policy. I want to hear an answer on that. It sounds like an absolute and total contradiction. There is one rule for the Government and another rule for local authorities. That is absolutely and blatantly wrong.

We can compare the Westminster Government with the Scottish Government, who take a much more considered approach, with proper regard, respect and trust for the social and environmental investments made by pension fund managers on behalf of local authorities in Scotland. My local authority in Falkirk has £1.8 billion in its fund and at this moment might well be looking at investing with the Green Investment Bank. If that bank moves away from its original purpose—God forbid—of investing in green energy, surely an authority has the right to withdraw funding from that organisation; it will need to alter its investments accordingly. And the same is true for that pension fund with regard to international developments. That statement of investment principles must be honoured.
they continue to treat local government. Their policy on devolution can now be summed up in one sentence: “We will give you as much power as you want, as long as we get to choose what those powers are and exactly how they can be used.”

The Government have so far discussed the changes only in terms of so-called boycotts, but there is understandable unease in the sector about the wider implications for ethical procurement, which is vital if councils are to use their purchasing power to deliver wider benefits to their communities and to honour their election pledges.

Local government procures around £12 billion a year of goods and services, much of it from the UK, but some from the global supply chain. Ethical procurement can produce tangible benefits. For example, in my local Labour council, Cheshire West and Chester, the new adult social care contracts adhere to Unison's ethical care charter, which stipulates that 80% of the workforce must be on contracted hours, not zero-hours contracts. In the domiciliary care contract, providers pay at least £7.68 per hour.

**Tristram Hunt:** My hon. Friend is making a very powerful speech, in contrast to Government Members. The point about local government is that democracy is not all focused in this place. Decisions about spending, representation and taxation can also be made at a local level. If we strip that out, it undermines the pluralism and democracy of this country.

**Justin Madders:** Absolutely. That is the central point of what I am trying to say today. Our local authority had all-out elections last May. Ethical procurement was one of the key parts of the manifesto commitment, and it has been delivered. I do not believe that any Member of this House would say that that is not a legitimate practice of the local authority. The council is now looking to see how it can use future procurements to encourage more employers in the area to improve the terms and conditions of their staff.

As a result of the Labour group’s suggestions, the council has decided not to use companies involved in union blacklisting. That is a value judgment by the democratically elected councillors about who they want to do business with. I am struggling to see any rational basis for distinguishing between those sorts of decisions and choices and the sorts of decisions referred to in the draft regulations. That is the nub of the matter. If local government is to have genuine autonomy, there might be occasions when people say, “I do not agree with what you are doing, but I recognise your democratic right to exercise that choice.” So I say to Ministers: resist the temptation to micromanage local government. Show us that the Government are genuine about devolution and withdraw the regulations.

3.11 pm

**Andy Slaughter** (Hammersmith) (Lab): I thank my hon. Friend the Member for Birmingham, Northfield (Richard Burden), who knows more about these matters than possibly any other Member of the House, certainly with regard to Israel and Palestine. He has probably enabled us all to stay within our four-minute limit because he has asked most of the relevant questions. I also thank my hon. Friend the Member for Sheffield South East (Mr Betts), who referred to my declaration in the Register of Members’ Financial Interests. Last month, I was on a visit to the Occupied Palestinian Territories, funded by Medical Aid for Palestinians and organised by the Council for Arab-British Understanding.

When I arrived in Jerusalem, the first thing I got was a call from the BBC to ask me whether I wanted to comment on the arrival of the Minister for the Cabinet Office and Paymaster General, who was due to arrive in Tel Aviv the following day to make an announcement on local government procurement. I was a local authority council leader for quite a few years and I remember lots of procurement directives and announcements, particularly on the issue of compulsory competitive tendering in those dark days of the 1990s. I do not remember any of them being made from Tel Aviv.

I have a great deal of respect for the hon. Member for Norwich North (Chloe Smith), but she presented a rather thin argument—a thin but measured argument, as opposed to a thick and unmeasured argument, which we have also heard from the other side. The idea that, for instance, London—or any local authority, particularly in our great cities—should not be able to take a view on such matters is a thin and transparent argument, especially when the current Mayor of London spends half his life touring the world, quite rightly promoting British trade and matters of that kind. This is a thin and transparent argument, and it comes from the fact that this ridiculous advice note comes out of the Conservative party press notice, as my hon. Friend the Member for Birmingham, Northfield has said.

I will make just three points. First, there is a conflict between the established and well drafted Foreign and Commonwealth Office advice, which has been quoted extensively—it is very clear in its advice to businesses not to get involved in settlement trade—and the obscurity, lack of clarity and, indeed, disingenuous nature of the procurement policy note, which does not appear to say very much but hints at a great deal, mentioning things such as community cohesion and other matters of that kind, and also favouring national suppliers.

Secondly, there does not appear to be in that note—I hope the Minister will clarify this—any breach of the World Trade Organisation or European Union guidance, because there is no discrimination based on nationality, contrary to some of the almost hysterical things that we have heard today. The specific issue being dealt with in this debate and that the Minister is being asked about—it was the one dealt with in the answer to my question—relates to the Occupied Palestinian Territories. We all know that the occupation is unlawful under international law and that they are not recognised by the UK and many other countries as part of Israel.

This issue should not be conflated with BDS. Different people have different views on BDS. The fact that we have labelling guidance, which the Government have maintained, allows people to make individual choices. Some may argue that it is open to public bodies or others to make such choices if they want to, or for Members of Parliament to make statements in relation to such matters, but that is a different matter from illegal settlements. Illegal settlements should not be traded with, and if local authorities wish to make such a decision, that should be open.
Let us remember what we are talking about here: theft of land, occupation, colonisation, and the arbitrary detention of many thousands of Palestinians. Those are crimes in international law as great as anything that happened in South Africa. They are not happening within one country; they are happening in somebody else’s country. That is the reason why action needs to be taken, and it is perfectly reasonable that it is done in this way.

3.16 pm

Robert Jenrick (Newark) (Con): I was not intending to speak in this debate, but it has been very interesting to listen to and I would like to add a few brief remarks.

In respect of the comments made by the hon. Member for Birmingham, Northfield (Richard Burden) about the Minister and the press conference at which the announcement was made—or made at least the second time—in the presence of the Prime Minister of Israel, by coincidence I happened to be at that meeting. [Interruption.] Clearly, it was not by sheer coincidence. I was not with the Minister—was what I meant to say—but with a group of MPs and Members of the House of Lords. A cross-party group was sitting in the room, so there were many witnesses of all parties. The hon. Member for Birmingham, Northfield, who otherwise made a sensible case—I do not agree with it, but it was sensible—was wrong in that respect, because various points that he and those who feel strongly in support of the Palestinians would have wished to be raised were raised at that meeting by those present, including by the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Bournemouth East (Mr Ellwood). I recall important points about the peace process and specific asks about Gaza and fishing rights being raised, so that should be corrected for the record.

I want to make three brief points. First, the genesis of this debate is the BDS movement, and we should acknowledge that. There are differences of opinion. I think that BDS is unlikely to further the peace process. I personally believe that settlements are extremely unhelpful. I support the British Government’s policy in objecting to them and trying to use any opportunity, such as that meeting with the Israeli Prime Minister, to try to change minds and to further that argument, but I do not think the BDS movement is at all likely to further that argument. In fact, it is likely to be totally counterproductive.

My second point builds on one from another hon. Member, which was in respect of community cohesion. That is a consideration for us as Members of Parliament. Indeed, if I were on a local council, I would like to bear that in mind, but it is worth recognising that the BDS movement has an impact on community cohesion, which is a negative one for many, particularly Israelis living in the United Kingdom and the Jewish community. Not everybody, clearly—that would be an outrageous oversimplification—but a number of those involved in the BDS movement are linked to intolerance and to anti-Semitic behaviour, and they make life extremely unpleasant for Jewish people living in our communities.

I checked on Twitter a few minutes before walking into this debate. One only has to type in “BDS” to see some very unpleasant tweets, including one that actually asked whether my right hon. Friend the Minister for the Cabinet Office and Paymaster General was a Jew himself. It said, “Is Hancock an Ashkenazi name, because he would come up with a policy like this?” Such behaviour is totally intolerable and whatever side we on in this debate, we should recognise that and condemn it.

3.19 pm

Simon Danczuk (Rochdale) (Ind): It is a pleasure to serve under your chairmanship, Mr Streeter. I pay tribute to my hon. Friend the Member for Birmingham, Northfield (Richard Burden), who made a fantastic and important speech, as did my hon. Friend the Member for Sheffield South East (Mr Betts). He made a helpful speech. Both of those contrasted starkly with what I found to be one of the most disappointing speeches I have heard in the six years I have been in this place, from the hon. Member for Hendon (Dr Offord). I was disappointed with the content and the delivery.

I have four quick points to make; I will rattle through them as quickly as possible. First, I have concern about where the Minister for the Cabinet Office made the announcement, and I think the Minister should explain the situation. Secondly, ambiguity is an issue for me. The Government have said that the aim of the changes is to stop politically motivated boycott and divestment campaigns by town halls against UK defence companies and Israel. That is despite the Foreign Office advice already outlined—so I will not go into it—but with a group of MPs and Members of the House of Lords. A cross-party group was sitting in the room, so there were many witnesses of all parties. The hon. Member for Birmingham, Northfield, who otherwise made a sensible case—I do not agree with it, but it was sensible—was wrong in that respect, because various points that he and those who feel strongly in support of the Palestinians would have wished to be raised were raised at that meeting by those present, including by the Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for Bournemouth East (Mr Ellwood). I recall important points about the peace process and specific asks about Gaza and fishing rights being raised, so that should be corrected for the record.

The third point I wanted to make is about the World Trade Organisation. The Government appear to suggest that local authorities could be in breach of rules, but in fact they cannot, so perhaps the Minister will provide clarity on that. Fourthly, and finally, I am concerned about local government being treated in such a way. The issue is about local democracy and the need for decisions to be made by elected members, rather than imposed by central Government.

3.21 pm

Naz Shah (Bradford West) (Lab): It is lovely to serve under your chairmanship again, Mr Streeter. I congratulate my hon. Friend the Member for Birmingham, Northfield (Richard Burden).

Spending is inherently political, as we can see when we think about the Chancellor, and austerity and its effect on communities. Waterring down and limiting the impact of local democracy because of disagreement about Government policy is wrong. Only this week a constituent came to see me about divesting from the West Yorkshire pension fund. I will take that up on behalf of my constituent, and it is only fair that councils make their decisions ethically.

If we are to have a nanny state that tells councils where they can and cannot invest, where will the line be drawn for procurement? I am disheartened, because
Conservative Members are trying to skew the debate and turn it into an anti-Israel debate. BDS is about upholding international law. Nobody in the House is saying we should boycott Israel: what we are saying is that councils and people should have a legitimate right to make decisions on procurement.

I will not be on the wrong side of history in this House. It was a shameful patch in our history when this House voted against sanctions on South Africa. That is not how I want to go down in history. I feel that we are moving towards governing in the shadows, with people making bigger and bigger decisions without bringing them to the House and without due democratic process. A smaller and smaller group of people is making decisions that affect bigger and bigger issues. That is surely not acceptable to the House.

To raise the matter of international law again, in 2004 the International Court of Justice ruled that all states have an obligation not to provide aid to Israeli violations of international law. The question is international law, not boycotts. I feel very disheartened that Conservative Members are trying to stifle debate by bringing up the issue of anti-Semitism, and that narrative is playing out while we are trying to have an honest conversation. That is all it is about. In local procurement, should we not go green or buy fair trade? We need to stop what is happening at some point, and here is where it must stop. We cannot endorse the change, and we cannot carry on with it. I certainly will not vote for it.

3.24 pm

Martyn Day (Linlithgow and East Falkirk) (SNP): I, too, should start with a declaration of interest, having recently visited Palestine, courtesy of Fatah UK.

I thank the hon. Member for Birmingham, Northfield (Richard Burden) for securing this timely debate. Thankfully, the latest procurement policy note not does not directly apply to Scotland, where procurement is devolved and the Scottish Government lead on related procurement regulations. Of course, both Scottish regulations and the regulations for the rest of the UK must adhere to the same set of underlying EU directives, and it is those that set out the limits on the situations in which authorities can exclude bidders from a procurement process.

The Scottish Government strongly discourage trade and investment with illegal settlements. Such decisions must be taken in compliance with procurement legislation. For a company to be excluded from competition, it has to have been convicted of a specific offence or committed an act of grave misconduct in the course of its business. One view, supported by the Scottish Government, is that where a company exploits assets in illegal Israeli settlements, it may be guilty of grave professional misconduct, and it may therefore be permissible to exclude it from a procurement process.

It must never be forgotten when engaging in such considerations that local government is always answerable to the interests and wishes of its local communities and electorates. I know from my own mailbag that many local residents in Linlithgow and East Falkirk feel very strongly about this issue. There is a general presumption that decisions taken in their interest should be ethical where possible, and there is particular outrage that the UK Government appear to favour promoting goods from the illegal Israeli settlements. I genuinely fear that if the UK Government’s proposals effectively force local councils and other public bodies to invest unethically in areas such as the Israeli occupation or arms companies, where local opinion would have directed them otherwise, we will be at risk of serious democratic failings.

Rather than attacking local democracy, the Government should take steps to support it. An approach akin to that being taken in Scotland would be good, but at the very least a full clarification from Ministers regarding the recent guidance is essential.

3.26 pm

Richard Burgon (Leeds East) (Lab): I congratulate my hon. Friend the Member for Birmingham, Northfield (Richard Burden) on obtaining the debate, and I thank Martin Linton, the former Member of Parliament for Battersea, for the background work he has done. I declare an interest because I visited Jerusalem and the west bank recently with a Labour delegation funded by the excellent organisation Medical Aid for Palestinians, with which I am proud to be associated. As a Front Bencher, I do not want to speak for long, but I have a particular wish to speak because of my visit to Jerusalem and the west bank.

Like many Opposition Members, I was very concerned about the nature of the announcement that has been made. I was concerned that the Cabinet Office Minister announced the proposals not in the Commons—which was in recess—but at a press conference in Israel, with the Prime Minister of Israel, Benjamin Netanyahu. That announcement coincided with our delegation to illegally occupied Palestine.

People’s attention has already been brought to the statement by the Secretary of State for Communities and Local Government:

“Divisive policies undermine good community relations, and harm the economic security of families by pushing up council tax. We need to challenge and prevent the politics of division.”

I wish to say something about divided communities, after our recent delegation to the illegally occupied territories of Palestine. The experience that we had in the west bank clarified why some councils might want to take some action on illegal settlements. The policies pursued by the Government of Israel in allowing illegal settlements to flourish are a physical and political barrier to peace and a two-state solution.

I want to draw my brief remarks to a conclusion by asking the Minister whether he has been to the west bank and seen the Israeli settlements. Does he agree with UK Government policy that settlements are illegal under international law? Does he see any contradiction in the local authority devolution agenda when they are freezing up policy on business rates while freezing powers on pension investment and procurement decisions? Government regulations threaten councils with “severe penalties” if they fail to reflect foreign policy, but why is it so wrong to impose a ban or boycott with respect to settlements that the Government deem to be illegal?

Peter Dowd (Bootle) (Lab): Does my hon. Friend agree that the point about sanctions and boycotts made by the hon. Member for Hendon (Dr Offord) was quite ridiculous? On that basis, why do we boycott Iran,
Syria, Russia, individuals, Afghanistan, Ukraine and Zimbabwe? It seems to be an illogical position to take that we should not have sanctions or boycotts.

Richard Burgon: I agree with my hon. Friend that we should make democratic choice the key part of this debate but, after hearing some contributions from Government Members, I think that they are not in favour of democratic choice in relation to this matter.

These proposals are a step too far. Britain has a clear position on settlements: they are illegal under international law, constitute an obstacle to peace and threaten to make a two-state solution impossible. This is about democracy, and the proposals are an affront to democracy, choice and local power, and the comments of the hon. Member for Hendon (Dr Offord) are an absolute disgrace.

Dr Offord: Which ones?

Richard Burgon: The hon. Gentleman’s comments from a sedentary position and when he stood up to speak. His comments were an affront to local democracy.

Mr Gary Streeter (in the Chair): As we move towards the Front Benchers’ speeches, may I thank you all for your co-operation in getting us through in time for the wind-ups?

3.30 pm

Tommy Sheppard (Edinburgh East) (SNP): I draw hon. Members attention to the Register of Members’ Financial Interests, as I also had the fortune to go to the west bank on the Fatah UK trip that has been referred to.

When we saw that the topic for the debate was local government and procurement policy, we wondered whether it had much to do with Scotland. As my hon. Friend the Member for Linlithgow and East Falkirk (Martyn Day) noted, those matters are a matter for the Scottish Government—I shall return to that in a moment. However, it quickly became apparent—I think all parties understand it quickly became apparent—that this is a debate not about local government, but about foreign policy. It is interesting that, rather than choosing an English town hall in which to make a pronouncement about the affairs of local authorities, the Minister for the Cabinet Office and Paymaster General, travelled to Tel Aviv to make an announcement alongside the Prime Minister of Israel, and chose to illustrate his announcement by referring to the impact of local authorities’ actions on the settlements in the occupied territories.

Now, if we are to say—as some Government Members have suggested—that local councillors should not be having a foreign policy and should concern themselves with local matters, we might rightly ask ourselves, “What are the Ministers responsible for the UK civil service and English local authorities doing travelling to foreign countries to make pronouncements on foreign policy?” We need to understand whether this is actually a dispute among colleagues in the Cabinet and an attempt by some who disagree with the established position of the Foreign Office to undermine it, or whether it is a genuine confusion that has arisen. Perhaps the Minister will clarify the position in his response.

We should be absolutely clear that what is under discussion here is not the state of Israel, but the activities in the illegal settlements in the Occupied Palestinian Territories. Now, I know that the Israeli Government refuse the fact that the settlements are illegal, but the UN Security Council, the General Assembly of the UN, the European Union, every NGO I can think of, and our own Government regard the settlements as illegal, so I hope that we can at least agree that engagement in those activities is unlawful.

I have witnessed these settlements, and I think that when some people refer to community settlements, they still believe that they are small, little, cutesy villages that are being developed. In fact, these are massive conurbations of thousands—sometimes tens of thousands—of people, with all the infrastructure we would expect from a modern city. Although many of the settlements have been built effectively as dormitories for people working inside Israel proper, it is clear that if they are to continue, they must develop their own economy and, therefore, the capacity to develop trade and production in those areas is vital for their survival.

We need to ask ourselves a question: is it the role of public agencies in the UK to assist in that illegal process or is it right and proper that they should do something about it? I think it is entirely proper that they should do something about it. The advice of the Scottish Government is consistent with that of the Foreign and Commonwealth Office, in saying that there is a general presumption against trade and investment in illegal settlements and telling local councils that they should make a decision on individual matters of procurement according to procurement legislation and take into account the circumstances that apply, but reminding them that when it comes to the term “gross misconduct”, which colleagues have mentioned, it is entirely right and proper to regard the support for an international illegal operation as gross misconduct.

Looking at some of these contracts, people should be advised that they need to understand whether the contract will be secure—whether the agency or company with which they are contracting has the legal right to sign the contract, and to use the resources and occupy the lands and premises that they say they do. If a local authority is being prudent and making a careful judgment about that, it is acting in the interests of the people who elected it, and that is right and proper.

I have a minute or two left, so I want to say to the hon. Member for Hendon (Dr Offord) that in his speech, which I thought he galloped through with rather undue haste—it would have been better for him to have taken some interventions, because it might have demonstrated better confidence in his own arguments—he attempted, as others have, to suggest that this is an attack on Israel. It is not. I believe in the two-state solution. I would like to see a viable state of Palestine and a viable state of Israel, but I firmly believe that the actions of this right-wing Israeli Government and their refusal to take moves to end the military occupation are putting the prospects of a two-state solution in severe jeopardy.

Dr Offord: I am grateful to the hon. Gentleman for his contribution because he is consistent, unlike, unfortunately, the hon. Member for Stoke-on-Trent
Central (Tristram Hunt), who has hurriedly left the Chamber. Does the hon. Member for Edinburgh East (Tommy Sheppard) not agree that the disinvestment strategy promoted by the BDS would actually lead to ending the possibility of a two-state solution, which would mean that there would not be peace in the middle east?

Tommy Sheppard: No, I do not make that connection or draw that conclusion in the slightest. In fact, I have visited the area recently and spoken to many Palestinians who are involved. They are absolutely of one mind in telling us that they want us to call for disinvestment in the illegal settlements in the occupied territories. That is their position and it is incumbent on us to try to understand, respect and advocate that position if we can.

I have limited time, but I very much welcome the fact that we are having this debate, which the hon. Member for Birmingham, Northfield (Richard Burden) secured. I welcome the attendance and the level of contribution. I do think that it is time, following this discussion, that we sought a debate in the main Chamber and devoted rather more time not just to this issue, but to the underlying aspects behind it. It is incumbent on us to do that because the overriding impression that I brought back from my recent trip to the west bank was one of desperation and despair among people who really feel that the world has given up on them. We need to show them that we have not.

3.37 pm

Jonathan Ashworth (Leicester South) (Lab): It is a pleasure to serve under your chairmanship, Mr Streeter. I suppose I will start where the hon. Member for Edinburgh East (Tommy Sheppard) left off—why we are having this debate. Well, we are having the debate because my hon. Friend the Member for Birmingham, Northfield (Richard Burden) asked for it, and I congratulate him on that. He spoke with his typical eloquence and knowledge of the situation—eloquence and knowledge that I have been familiar with since I was a teenager listening to his speeches when he came to the Mechanics Institute in Manchester in the mid-90s.

I have followed my hon. Friend’s career closely ever since. I think I speak for everybody in thanking him for securing the debate, but the reality is that we should not be having the debate in this Chamber; we should be having it in the main Chamber—and not on the initiative of an Opposition Member through the usual processes and channels or as a result of the Backbench Business Committee; I wonder whether the hon. Member for Edinburgh East was hinting at that. We should be having this debate because the Minister for the Cabinet Office and Paymaster General, who announced the policy at the Conservative party conference and then again on a trip to Israel, should have given the House the courtesy of coming to the House, outlining his change in procurement policy and allowing hon. Members to question him.

I entirely appreciate the point made by the hon. Member for Norwich North (Chloe Smith), who said that there had been a number of changes to procurement policies over the years. I do not doubt that she is right: she is a former Cabinet Office Minister and is very experienced, but other experienced Members know that Members on both sides of the argument have sincerely held views and those experienced Members appreciate that the issues are sensitive. Given that, the Paymaster General should have come to the House to announce the shift in Government policy and allowed us all to question him.

The hon. Member for Newark (Robert Jenrick) was lucky enough to be on a delegation with the Paymaster General in Israel. At that time, the Paymaster General may well have been happy to answer questions about what the issue meant for Government policy and for the Palestinians. Well done! We are pleased that the hon. Gentleman got that opportunity, but everybody else in the House should have that opportunity, too. That is why Members on both sides of the Chamber will want to hear the Minister answer a number of questions; it is a pleasure to see him in his place. I will not take up too much time with my remarks, because I know that Members are anxious to hear the Minister’s response. I want to give him ample opportunity to answer satisfactorily the questions of my hon. Friends and colleagues.

Robert Jenrick: When I came back from Israel, I assumed that there might be an urgent question in the House on the issue. Did the shadow Minister request an urgent question?

Jonathan Ashworth: It is not for me to criticise Mr Speaker and his team of Deputy Speakers on the selection of urgent questions. That is not in order—is it, Mr Streeter?

Mr Gary Streeter (in the Chair): Certainly not.

Jonathan Ashworth: But I have a suspicion that Members requested urgent questions.

Robert Jenrick: Did you?

Jonathan Ashworth: It is not in order to criticise Mr Speaker when he grants or does not grant an urgent question, so far as I am aware.

Christopher Pincher (Tamworth) (Con): Would that be a no?

Jonathan Ashworth: The hon. Gentleman makes his usual witty sedentary contribution, but let us get back to the substance of the issue.

As my hon. Friend the Member for Hammersmith (Andy Slaughter) said, there has been a conflation in what the Government are hinting at about our relations with Israel. They seem to be suggesting that we need to clarify the rules on procurement because, according to them as far as we can tell, the procurement rules are not clear and we need better guidance on whether local authorities are allowed to procure and not be in contravention of the various World Trade Organisation rules. Is it the view of the Cabinet Office that the guidelines were vague and that the proceedings were taken to the WTO about local authorities making decisions in contravention of those guidelines? How many proceedings have been taken?
The reality is that this is more about politics. When the Minister for the Cabinet Office and Paymaster General announced the policy at the Conservative party conference, he said that it would prevent “playground politics undermining our international security.”

Yet, as my hon. Friend the Member for Birmingham, Northfield highlighted, in the briefings, the editors’ notes and the suggestions to the newspapers, and so on, councils such as Leicester City Council and Tower Hamlets Borough Council were being highlighted. Those councils were not making decisions about Israel as a nation; they were responding to the illegal settlements in the occupied west bank. It was not about the nation of Israel; it was about illegal settlements, which the Government recognise and accept are illegal settlements.

When the Paymaster General says that this is “playground politics” and that he is taking the decision in order not to undermine international security, why, as Members have said, does guidance on the FCO website talk of the risks of trade with the illegal settlements? The guidance discourages such trade, as the hon. Member for Edinburgh East said. What discussions has the Minister for the Cabinet Office had with the relevant Foreign Office Ministers on this matter? If he really believes that this is undermining international security, how does he sleep at night when he sees that guidance on the FCO’s website?

As the hon. Members for Falkirk (John McNally) and for Edinburgh East, our colleagues from north of the border, told us, the Scottish Government, in procurement notices of last year, or two years ago, “strongly discourages trade and investment from illegal settlements”. Is the Minister for the Cabinet Office saying that the Scottish Government are undermining international security? Is that really the view of the Paymaster General?

Is this not about democracy at local level, as various Opposition colleagues have said, including my hon. Friend the Member for Ellesmere Port and Neston (Justin Madders) and for Leeds East (Richard Burgon)? Is it not ironic that all this comes from the Government who talk of and celebrate localism and from a Prime Minister who told us: “When one-size-fits-all solutions are dispensed from the centre, it’s not surprising they…fail local communities”?

In 2009, the Prime Minister told us that “We’re going to trust local authorities”. How are these decisions trusting of local authorities?

Is it not right that local councils should make such decisions and be accountable to the people who elect them? Leicester City Council, the area I represent, made its decisions in 2014—the Government always quote Leicester City Council in the newspapers—and the councillors who put those decisions to the council chamber stood for election in 2015. They were re-elected with people knowing about those decisions on trade with illegal settlements in the west bank, not trade with Israel. The right hon. Member for Rutland and Melton (Sir Alan Duncan) knows Leicester well.

Mark Durkan (Foyle) (SDLP): My hon. Friend is right; the issue is not just about the content and the context of the decision made by the Minister for the Cabinet Office. The Government seem to be saying that it is completely out of order for local government to have any regard to ethical or valid policy considerations when it comes to procurement or supply. Yet when we passed the Modern Slavery Bill in the last Parliament, this House improved the Bill and the Government, against their first position, accepted the need to include responsibility for supply chains and procurement in the Bill. How can we legislate for that in the private sector and then abolish it for local government?

Jonathan Ashworth: My hon. Friend makes a good point, and I look forward to the Minister’s response. I will speed up, because I know that people want to put points to the Minister and want him to answer. Will he tell us what “severe penalties” he has in mind for local authorities if they do not follow through on the regulations? Given the scepticism about what the regulations actually mean, will he answer my hon. Friend the Member for Sheffield South East (Mr Betts) and tell us whether the guidance actually changes the law in any way? Will he answer the six questions put to him by my hon. Friend the Member for Edinburgh, Northfield?

Will the Minister confirm that the guidance is simply restating existing law that states that public bodies cannot refuse to award contracts to companies purely because of their nationality? Will he confirm whether the Government think it is still lawful for public bodies to refuse to award contracts to companies for reasons other than nationality, such as their human rights record, compliance with international law or connection with trade such as the arms trade or fossil fuels?

The Paymaster General talked about “playground politics.” Well, there are many in this House who take these issues extremely seriously and who have sincerely held views on both sides of the argument. When the Paymaster General talks about playground politics, perhaps he should look a little closer to home.

3.47 pm

The Parliamentary Secretary, Cabinet Office (John Penrose): It is always good to have your sure hand guiding our proceedings, Mr Streeter. I start by joining the chorus of congratulations to the hon. Member for Birmingham, Northfield (Richard Burden) on securing this debate. He is right that this is an important issue. He is also right to say what it is about and what it is not about, and to acknowledge that there are sincerely held views on both sides of the argument. When the Paymaster General talks about playground politics, perhaps he should look a little closer to home.

Sir Alan Duncan (Rutland and Melton) (Con): Will the Minister give way?

John Penrose: Briefly, but I will then have to make progress.

Sir Alan Duncan: At the beginning of his comments, will the Minister clarify an important point of fact, which is the kernel of this issue? Will the Government’s
proposed procurement rules permit a local authority to adopt a policy against investment in, or purchase from, Israeli settlements in the Palestinian west bank?

**John Penrose**: The answer is that it depends; I am sorry to be a little indistinct. I will come on to the details. I hope to give my right hon. Friend a proper answer, rather than just a straightforward yes or no, because there are situations where councils will be able to and situations where they will not.

The overarching principles behind public procurement are twofold. First, public sector procurers are required to seek the very best value for money for the taxpayer. Secondly, public procurement must be delivered through fair and open competition. Public sector procurers have to follow detailed procedural rules laid down in the Public Contracts Regulations 2015, which implement the Government’s domestic procurement policy and wider EU and international rules, including the EU procurement directives and the WTO Government procurement agreement; a number of right hon. and hon. Members have referred to the GPA in this debate.

Under those obligations, our contracting authorities are required to treat all suppliers equally, regardless of their geographic origin. The regulations have recently been updated and modernised, but the basic principles are long-standing and have been in place for many decades. Any breach of the rules puts public authorities and the Government themselves at risk of breaching all sorts of laws. Serious remedies are available to aggrieved suppliers through the courts for breaches of those rules, including damages, fines and what lawyers call “ineffectiveness”, which basically means contract cancellation.

A number of colleagues have mentioned that ethical procurement has a much wider meaning than we have focused on here. We could talk about it in relation to arms firms, defence industry investment or investment in the tobacco industry. However, we have focused, perhaps understandably, on a specific example. The point is that “ethical procurement” is not a defined term—it means different things. There are many examples of how procurers take ethical considerations into account. For example, the rules allow authorities to exclude suppliers that have breached certain international social, environmental or labour laws. In addition, we already have flexibilities in our procurement rules. Some of them are long-standing and have been in place for many decades. Any breach of the rules puts public authorities and the Government themselves at risk of breaching all sorts of laws. Serious remedies are available to aggrieved suppliers through the courts for breaches of those rules, including damages, fines and what lawyers call “ineffectiveness”, which basically means contract cancellation.

**Sir Alan Duncan**: In that case, is there anything in the Minister’s list that includes the illegal origin of the products to be bought?

**John Penrose**: The point is that although we are clear that the settlements themselves are absolutely illegal—I am happy to clarify the Government’s foreign policy—that does not necessarily mean that activities undertaken by firms that happen to be based there are themselves automatically illegal. A separate, case-by-case decision must be made about whether each potential supplier satisfies the rules. I will give more detail about that as I go, if I can.

We have flexibilities in our procurement rules. Some things are explicitly ruled out—

**Mr Betts**: Will the Minister give way?

**John Penrose**: I am running out of time. I will give way very briefly, and then I will have to make progress.

**Mr Betts**: We are back to the point about how to distinguish between one activity of an organisation and another when deciding whether to have a relationship with it. To go back to banks, for example, it was rightly decided not to have any dealings with Barclays back in the 1980s because of its particular link with South Africa. One could not distinguish between the money it lent to South African firms and the money that it lent to other firms. How then does the Minister distinguish between the activities of financial organisations now and their treatment of the settlements?

**John Penrose**: I am explaining how the law is, rather than how the hon. Gentleman might like it to be. As I said, we are clear that the settlements themselves are illegal, but a firm based or trading within one of those settlements may be operating in an entirely whiter-than-white, above-board fashion in how it treats its suppliers, staff and customers. Therefore, I suggest, one cannot assume that absolutely everything done in a particular place is implicitly wrong.

There are flexibilities in our procurement rules. Some things are explicitly ruled out. Discrimination is absolutely ruled out as a matter of law and policy. The problem with boycotts in public procurement is that they may often stray over the line from acceptable ethical procurement within the rules that I have described to become an act of discrimination. The principles of non-discrimination and equal treatment underpin the UK’s whole approach to public procurement policy—we have heard examples of that from other speeches already—and are mandatory under UK, EU and World Trade Organisation procurement rules.

Moreover, public policy that includes decisions on whether to impose Government sanctions on other countries is a matter reserved for central Government. We are devolving a great deal down to local government and other Parliaments within the UK, but foreign policy, particularly sanctions against other countries, is a matter still reserved for central Government. It is therefore the Government’s position that discriminating against any supplier based on geographic location is unacceptable unless formal, legal sanctions, embargoes or restrictions have been put in place by the UK Government here.

Despite those long-standing rules, we have been concerned to learn that some authorities have decided to impose local-level procurement boycotts, which is why on 17 February, as we have heard, the Government published guidance to remind authorities of their obligations in that respect. I hasten to add that it is not an Israel-specific policy, nor is it focused on the Israeli settlements, in line with the initial remarks of the hon. Member for Birmingham, Northfield. It is general guidance about procurement principles, so it does not address directly or in detail any questions about procuring from Israel...
or the illegal settlements. The Minister for the Cabinet Office highlighted the guidance when visiting some technology companies during his trip to Israel to reassure them that the UK Government marketplace is open to overseas bidders, despite what they might have read elsewhere.

Of course, the WTO Government procurement agreement has its limitations. It applies only to countries that have signed up to it. Israel is a party to it, so it clearly applies to Israeli suppliers, whereas the Government do not recognise the illegal settlements as part of Israel.

Imran Hussain: I should have declared an interest earlier: I recently visited the west bank with colleagues and Medical Aid for Palestine. I am grateful to the Minister for his somewhat grey explanation of certain areas, but can he help me with this point, with which I am sure other hon. Members will agree? He has accepted that the settlements are illegal. On what basis, legal or otherwise, is he asserting that the businesses operating within those illegal settlements are operating legally? Can he explain that to me, please?

John Penrose: I believe I already have. Although it is difficult, it is entirely possible for a settlement to be illegal while the businesses operating within it are entirely within the law, treating their staff, suppliers and customers properly and so on. It is possible for both those things to happen at once.

Andy Slaughter: Will the Minister give way?

John Penrose: I must make progress. In spite of those flexibilities, local authorities must still be careful not to make discriminatory policies even where they believe that the GPA does not apply. The rules also provide mechanisms to protect authorities from dealing with risky suppliers.

To answer the question asked by my right hon. Friend the Member for Rutland and Melton (Sir Alan Duncan), I should say that authorities can take into account the legal and economic risks of dealing with particular suppliers. The rules include various grounds on which individual suppliers can be excluded from bidding, such as where the company is guilty of criminal offences, corruption or grave professional misconduct or in breach of environmental, social or labour laws and so forth. This is a key point: the rules must be applied on a case-by-case basis, company by company, rather than on the basis of an entire geographical area, as a blanket ban or boycott would inevitably do—that would make them discriminatory.

Local authorities have significant flexibilities and can exercise pretty wide discretion within the rules—I hope that I am answering my right hon. Friend’s question—but the rules themselves are clearly necessary to protect them by ensuring that they do not take actions that could land them and us in court. Nobody wants to waste public money on costly court cases.

I am running out of time, so I will stop to allow the hon. Member for Birmingham, Northfield time to respond, but I emphasise that on foreign policy, we have clearly not changed our approach to the Palestinian occupied territories or to settlements around the pre-1967 boundaries of Israel. With that, although there are many other things that I would have liked the opportunity to address, I want to leave the hon. Gentleman a chance to respond. I will sit down and leave the floor to him.
Housebuilding: King’s Hill, Coventry

[Mark Pritchard in the Chair]

4 pm

Mr Jim Cunningham (Coventry South) (Lab): I beg to move,

That this House has considered proposals for house-building on King’s Hill, Coventry.

Obviously you and I have known each other for a long time, Mr Pritchard, and this is probably the first time that I have taken part in an Adjournment debate that you are chairing. I know you will chair it in a very fair manner, as you always do. If I can start, Mr Pritchard—[Interruption.]

Mark Pritchard (in the Chair): Order. Members are not to use mobile phones in Westminster Hall and certainly not when other Members are trying to speak in a debate on behalf of their constituents. It is completely unacceptable.

Mr Cunningham: The King’s Hill area of Coventry is obviously causing quite a stir in Coventry at the moment, to say the least. In fact, at the moment the city council is debating a motion in relation to King’s Hill. The Conservative opposition put that motion down and what they are effectively saying is that King’s Hill should not be sold until the proper infrastructure is put in place. Many people will interpret that differently, although it is not for me to interpret what the Conservative motion means.

Having said that, let me take the opportunity to thank Mr Speaker for granting this debate. Over the years, I have tried to secure debates on this matter, so I thank him for granting this debate. I also welcome the Minister to the debate, because he is the Minister responsible and that demonstrates that at least the Government are showing some respect to this debate and about what happens in King’s Hill. I hope he will agree with some of the points I raise today.

The King’s Hill area is located just outside the city boundaries of Coventry, between Finham and Kenilworth, to the south of Coventry. It is designated as a green-belt area—I hope the Minister will pay special attention to that point. The proposals are for thousands of homes on this land; it is my objection to these proposals that I will outline today. For many years, I have spoken in defence of the area and, in particular, about its beauty and history. I have probably been campaigning for it to retain its present status for a good five or six years, so I have not come late to this issue; I have been involved with it for a very long time.

Over the years, Coventry City Council has come to know my views about King’s Hill. Only recently, I had some correspondence with the council about its plans for the area. My view is that the council should think again about selling the land to Warwick District Council. Essentially, that is where I differ from what the Conservative motion in the council seems to be suggesting. King’s Hill needs to remain free from development. These sentiments are not just my own; they have been echoed by local residents and by anybody who takes an interest in the history and environment of Coventry. I am disappointed that these plans have been allowed to progress; I am equally disappointed that I now must take my opposition to them to the Commons and to the Minister who is responding to this debate.

I will now detail my concerns about these plans. First, King’s Hill is green-belt land, and that is not a designation applied to land without reason. The land around King’s Hill is of environmental importance, as I have said, but it is also important historically. In addition, it helps to define the city boundaries of Coventry. Most importantly, it is a welcome patch of countryside on the edge of a city that over the years has lost a lot of its green space.

My next concern is about the proximity of the proposed development to Coventry itself. It is a large development of 4,000 homes. I am not opposed to the growth of Coventry, but the current situation makes no sense and is a reflection of poorly thought-out plans, which would increase the pressure on Coventry council tax payers. These plans would deprive them of green space. Coventry residents would lose out on every level with these plans and the council could find itself further overstretched. It is already suffering as a result of huge budget cuts by central Government; I have yet to see anything to suggest that that will not be the case. I believe that the alternative brownfield sites in Coventry and Warwickshire would help to resolve the housing problems.

I will now briefly detail some other aspects of the plan. A small percentage of the land at King’s Hill is owned by Coventry City Council and that would be sold to Warwick District Council if the development plans are approved. It amounts to 190 acres of the 665-acre site, or roughly 28% of the land, but only around half of those 190 acres could be developed because of Wainbody Wood and plots that are subject to agreed long leases. That makes Coventry City Council’s holding roughly 15% of the site.

The decision to sell the land is ultimately the responsibility of the council, and I have already urged it to reconsider its decision and not sell that land. I will not hide my preference that the land should not be used for development, especially when the council tax from it will be sent to Warwickshire and while it is green-belt land.

However, that is only part of the story. Over two thirds of the land located at the King’s Hill site is owned not by Coventry City Council, but by Warwick District Council, which will give or refuse the planning permission for development. Even if Coventry Council land was not sold, over two thirds of the site would still be developed if Warwick District Council gave its approval, causing the same problems that I have already described.

These plans must be viewed as a whole; to divide them up into who-owns-what misses the point. The point is to object to the plans in principle to save King’s Hill, and that is why I have called on Warwick District Council to scrap these development proposals. If Warwick District Council refused planning permission, then the rug would be pulled out from beneath the entire plan.

I want to prevent all large-scale development on the King’s Hill site and not just on part of it. There is a national shortage of housing and more homes need to be built in Coventry and Warwickshire, but poorly thought-out proposals are not the answer. There are alternative sites that should be used instead of King’s Hill. They are better placed to deal with the impact of such large developments and they already have the necessary infrastructure in place to deal with thousands
of new homes. Using those sites would be more beneficial to Coventry and Warwickshire—they are sites where council tax would be used to provide services to the residents who pay it—and these sites are not designated as green-belt land.

I have to question whether the green-belt safeguards are fit for purpose, and I also question whether Warwick District Council has fully considered the wider impact of these proposals, which aim to hit Government quotas on housing.

In conclusion, this planning decision belongs to Warwick District Council, but it will impact directly on the people of Coventry. I urge Warwick District Council to take on board the views of local residents and other stakeholders; to explore the impact of these proposals on the local area; and to speak with Coventry City Council about the issue of council tax, which I believe would be used to subsidise the development. The best option for Warwick District Council is to reconsider these proposals and to refuse planning permission for this development—an action that would stop it completely.

4.9 pm

The Minister for Housing and Planning (Brandon Lewis): It is a pleasure to serve under your chairmanship, Mr Pritchard.

I congratulate the hon. Member for Coventry South (Mr Cunningham) on securing the debate. I appreciate that he has concerns about the proposals for development in the King’s Hill area, and that the issue is of considerable importance to him and the local communities he represents.

I understand the hon. Gentleman’s concerns about the proposals, in particular about their impact on surrounding areas. There is a fundamental disagreement between us, however. He may not have registered the fact that the Government have reformed the planning system over the past year. He noted that local authorities are looking to match housing numbers, under housing requirements, to Government quotas, but we have got rid of those quotas. The previous Labour Government had centrally run quotas through the regional spatial strategies, but there are no Government quotas or targets for housing now. The process is worked out entirely locally. The hon. Gentleman might, therefore, want to speak to his local authority to get a full understanding of that.

I note that Warwick District Council is proposing modifications to its local plan. It is right that the process is locally led. I am sure that the hon. Gentleman will appreciate that, as a Minister with a quasi-judicial role in the planning system, I cannot comment on the detail of specific proposals or on specific local plans, but I can give more general feedback on some of the issues he has raised. Our policy rightly asks that “local planning authorities should use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the National Planning Policy framework.”

So the numbers are worked out by the local authority based on local need—they are locally derived.

The local plans play a key role in building the houses we need. As the hon. Gentleman said, there is a need to build more houses—we have not done enough housebuilding for the past 40 years—and we have ensured that local plans will have some ease in the future by asking an independent group of experts to look at how we can streamline and improve the process of producing them. I look forward to seeing their recommendations soon. I have also made clear, publicly, our determination to intervene where local plans have not been produced by early 2017, and that will help to speed up the production of the plans. The Housing and Planning Bill also makes it clear that we are sharpening the Secretary of State’s powers to intervene in local plans, and the hon. Gentleman might be interested to know that we have recently issued a consultation document to consider the criteria we will use in that intervention process.

The national planning policy framework—the NPPF—makes it clear that the purpose of planning is to deliver sustainable development, but that is not development at any cost or development anywhere. National policy sets out that planning must take account of the different roles and characters of different areas, recognise the intrinsic character and beauty of the countryside, and take into account all the benefits that an area has. In respect of the historic environment, for example, local planning authorities should set out in their local plans a positive strategy for its conservation and enjoyment. Similarly, in preparing plans to meet development needs, the aim should be to minimise adverse effects on the local and natural environment.

Local plans do far more than set housing numbers; they establish areas that it is necessary to protect and set out how development will be supported by appropriate infrastructure. The NPPF emphasises that development must be sustainable and that local authorities have a responsibility to make plans to provide the necessary infrastructure to meet the needs generated by new development. Our planning guidance also underscores the importance of ensuring that infrastructure is provided to support new development and notes how infrastructure constraints should be considered when assessing the suitability of sites for development. Local authorities can use section 106 agreements and community infrastructure levies to guarantee that, and we are carrying out some reviews to ensure that we keep the process as streamlined and efficient as possible.

Mr Jim Cunningham: Can the Minister tell me exactly how the infrastructure levy would work?

Brandon Lewis: A community infrastructure levy is much more transparent than a section 106 agreement. Once a local area has adopted such a levy, any developer looking to build there knows what the cost will be. It has that information up front; the cost is pre-set by the local authority. When the developer builds, it pays the money to the local authority, and the latter spends it on infrastructure as it sees fit. The difference with a section 106 agreement is that it is negotiated on a site-by-site basis, and there is no transparency or up-front knowledge. There is a negotiation that can often take a very, very long time, and we will speed that up with the Housing and Planning Bill. Also, whatever is agreed in a section 106 agreement is normally site-specific, whereas the community infrastructure levy is money that the council itself can use how and where it sees fit.
There is also a duty to co-operate, which requires local planning authorities to make every effort to secure co-operation on strategic cross-boundary matters before they submit their local plans for examination. We expect local planning authorities to explore all available options for delivering their planning within their planning area. It is only when that is not possible that they should approach other authorities with whom it would be sensible to work through a cross-boundary strategic planning process. Ultimately, working with neighbouring councils and working together across parties and across boundaries can enable development needs that cannot wholly be met within one area to be covered. That can be an important way forward and it can beneficial for the authorities, if they work together cohesively. The requirements of the duty provide a clear approach to enable local authorities to discuss strategic planning issues with their neighbouring authorities, to achieve positive outcomes.

The hon. Gentleman also mentioned the green belt. We are clear—and the NPPF makes it clear—that the green belt is a legitimate constraint on development. In the Chamber, my hon. Friends have often talked about how the green belt is important to our country, and I think that you, Mr Pritchard, may have also commented on it.

Mark Pritchard (in the Chair): Order. I am grateful for the Minister’s compliment but, for the record, while I am in the Chair I am completely neutral on all things, including the green belt.

Brandon Lewis: Well noted, Mr Pritchard. I take your comments on board, as obviously the record will.

I am sure that the hon. Gentleman will have heard this, and if he looks back at the record, he will see that we have regularly made the point that the green belt is a legitimate constraint. It is an important part of the country’s infrastructure and the Government attach the highest importance to its protection. In fact, over the past few years we have increased it. The NPPF makes it clear that green belt boundaries should be established in local plans and can be altered only in exceptional circumstances, using the local plan’s process of consultation and independent examination. The Government do not specify what constitutes exceptional circumstances, as it is for each local authority to determine that and how much weight to attach to those circumstances.

When I visit local areas, I hear widespread support for the fact that we need to build more houses—the hon. Gentleman touched on that in his remarks—but areas often swiftly follow that with concerns about where the houses will be built. It is a credit to local authorities that they are grabbing the baton and doing the right thing to ensure the homes they need for their communities. I congratulate those that are taking clear leadership, making what can sometimes be tough decisions to deliver the housing that their local areas need.

We have given local councils the responsibility of planning to meet their own needs locally and working with local residents and neighbouring communities and authorities to meet the needs across the housing market areas. How communities have informed the strategy in a local plan will be an important consideration in the examination of that plan.

With Warwick District Council currently consulting on its proposed modifications to the submitted plan, I am sure that the hon. Gentleman and his constituents will continue to make strong representations to the council on the proposals and that he will express his views, as he has done today.

Mr Jim Cunningham: May I reassure the Minister that I am certainly taking the matter up with Warwick District Council? I have written to it, raising my objections. It has not yet responded, but I am sure it will at some point.

Brandon Lewis: I am glad that the hon. Gentleman has done that. That is the right place to pick up the discussion and debate; it is right to make the case locally. Ultimately, we have devolved powers to local authorities, and we trust them and local people to make the right decisions for their areas and to provide the housing for their areas in the future. I have absolute faith that they will continue to do a good job in delivering that. After all, a record number of homes—more than 253,000—have been given planning permission over the last 12-month recording period. That is a really good step forward. Also, approval of development from local people has roughly doubled since 2010 because of our trusting local people to work out what is right for them in building the homes that we need in the places we need them and with the tenures we need, in a locally driven way, and that is certainly the way to continue.

Question put and agreed to.

Mark Pritchard (in the Chair): We could proceed early to the next debate, which will give it additional time, but out of courtesy we need to wait for the shadow Minister. As soon as the shadow Minister turns up, we will proceed straight away to the debate.

4.20 pm

Sitting suspended.
Transport Infrastructure: Lancashire

4.30 pm

Seema Kennedy (South Ribble) (Con): I beg to move, That this House has considered transport infrastructure in Lancashire.

It is a pleasure to serve under your chairmanship, Mr Pritchard.

The Government have quite rightly made a commitment to rebalancing the nation’s economy. For many years, under Governments of different political persuasions, our economy has been too focused and over-reliant on the service sector and too focused on London and the south-east. Of course, that was not always the case. We in Lancashire are very proud of our place in the nation’s industrial history. I pay tribute to the Friends of Real Lancashire for promoting the historical borders of real Lancashire—I am pleased to see the hon. Member for Southport (John Pugh) present—which boasted the two great northern cities of Manchester and Liverpool. Those two conurbations have changed beyond all recognition in the past half century and are forging ahead. Within its current borders, Lancashire also has a role to play in the important task of balancing the economy and strengthening our industrial base. I, for one, do not want to see Lancashire lose out at the expense of our larger urban neighbours—and certainly not to those “white rose” residents to the east.

The Lancashire city deal was signed by Preston City Council, South Ribble Borough Council and Lancashire County Council in September 2013. It is the second biggest city deal outside London and promises to create 17,000 homes and 20,000 jobs over its first decade. It is crucial to the whole county, and I pay tribute to all those involved in its preparation, particularly Councillor Margaret Smith, the visionary leader of South Ribble Borough Council. Some important pieces of road infrastructure were started immediately under the auspices of the city deal, including the Broughton bypass and the M55 junction. At this point I must pay tribute to my hon. Friend the Member for Morecambe and Lunesdale (David Morris), who worked so persistently on securing that infrastructure over the previous Parliament. The Preston western distributor road will improve access to the BAE site at Warton. In my constituency, work on the A582 is ongoing, with much of it already finished. The Penwortham bypass, for which people have been hoping for 30 or 40 years, will be finished by 2019-20. That will take a great deal of pressure off the A59 and will be a key connecting route between the motorway and local roads—a welcome development.

The key piece of infrastructure that has not yet been built but would link all the roads in the city deal region is the proposed new Ribble bridge. The most westerly and most recent bridge over the Ribble was completed more than 30 years ago. It links what is now the city of Preston with access routes to Penwortham, Leyland and the villages of west Lancashire. It becomes extremely clogged up at rush hour, and there have been terrible congestion problems when accidents or breakdowns have occurred on the bridge itself. The city deal makes provision for scoping works for the bridge. Indeed, the infrastructure plan states that it will “define the general alignment and connections to a new bridge crossing of the River Ribble linking with the Preston Western Distributor”. The local enterprise partnership’s report, “Lancashire as part of an Interconnected and Productive Northern Powerhouse”, envisages the bridge as the final link in the ring road.

There are compelling economic reasons for building the new bridge. It will complete the ring road and help to connect the two parts of the Lancashire enterprise zone at Samlesbury and Warton. It will pave the way for many more homes to be built. It is an important piece of infrastructure for not only the western part of Lancashire but the whole county and wider region. The “Central Lancashire Highways and Transport Masterplan” proposes that the bridge should be built post 2026, but that is another decade into the future and a good six or seven years after the Penwortham bypass will be finished. The delivery of the other road schemes has been accelerated through the city deal. Can the Minister say whether it is possible for the bridge to be assessed as a nationally significant infrastructure project and the build time brought forward from 2026?

David Morris (Morecambe and Lunesdale) (Con): It is no big secret that Lancashire County Council has upwards of £430 million in reserves. Does my hon. Friend agree that releasing some of those reserves would speed up the process and facilitate the bridge being built quicker?

Seema Kennedy: Lancashire County Council is aware of the great desire for the bridge in the area. I have been having ongoing discussions with the council, and that is one of the things about which I have spoken to its representatives.

The Ribble bridge is clearly a regionally significant piece of transport infrastructure. I shall now touch on a project that, although much smaller, would bring enormous benefits to two villages in my constituency, if it were completed. For those who do not know South Ribble, the western part of the constituency comprises the flood plain of the Ribble. Thirty-two per cent. of land in the constituency is grade 1 and 9% is grade 2 agricultural land, making it the seventh highest-ranked constituency in England in terms of the proportion of such land within its boundaries. Hundreds of people are involved in the vegetable and salad industry, which is growing and reckoned to be worth hundreds of millions of pounds to the area.

During the winter there is the traditional farming of brassicas and potatoes, as well as some salads under glass. Such work has been going on for centuries. The vegetables used to be carried on small wagons or tractors, but of course this growing industry is now year round. Foods such as prepared vegetables and stuffed mushrooms—hard-pressed Members of Parliament might be familiar with such comestibles—are assembled. Salads, which of course cannot be grown in our country during the winter, are imported from Spain and Portugal and cannot be grown in our country during the winter, are imported from Spain and Portugal and course cannot be grown in our country during the winter, are imported from Spain and Portugal. The two small villages of Tarleton and Hesketh Bank in my constituency are now overrun with gargantuan heavy goods vehicles from Spain and Portugal that bring salads to the growers and take the assembled bagged items to the supermarkets.

Supermarkets demand a 24-hour service, which means that the HGV drivers cannot avoid peak times such as rush hour or school runs. The main B road through the
two villages sees domestic and commuter traffic competing with large tractors—they are much bigger than they used to be—and HGVs. Road surfaces and pavements are under constant stress. There have been several near misses in which HGVs have overturned. It is only by the grace of God that nobody has been killed in one of these accidents. The solution to the traffic tribulation in Tarleton and Hesketh Bank is the proposed Green Lane link, which would take traffic out of the main roads through the villages and on to the A59. The link is in the West Lancashire highways and transport masterplan.

At this point I should pay particular tribute to Tarleton and North Meols parish councils, which commissioned an excellent report outlining the safety and environmental benefits that the Green Lane link would bring to those villages. I am happy to provide a copy of the report to the Minister. I must also mention a tireless local champion of the link, County Councillor Malcolm Barron, who has assisted me greatly over the past two years in understanding not only the safety and environmental imperative for the link but its absolute economic necessity in supporting our local agricultural industry.

I want to speak briefly about rail links in Lancashire. The north-south links have improved greatly in the more than 20 years that I have regularly been using the line between Euston and Preston. There is one service that takes only two hours, compared with three hours in the early 1990s. I politely suggest to the Minister that Preston is the natural next staging point for HS2. We would be happy to begin the works in the north, rather than the south.

The Library briefing tells me that by 2033 the journey time should be a mere 77 minutes using HS2, which will be another boost for investment. However, before that can happen, Preston station, which currently has only six platforms, will need considerable modernisation and expansion. I will be grateful if the Minister can expand on any plans to do such work. Although north-south connections are improving, the links between Lancashire towns and Manchester are still poor.

Chris Green (Bolton West) (Con): The electrification of the rail line between Manchester and Preston is very welcome, but does my hon. Friend share my concerns about the one-year delay? The line is very congested at the moment, so we need additional carriages and services on the track over the coming year until the electrification process is finished and the upgrades are completed.

Seema Kennedy: I thank my hon. Friend, who is from Bolton in the real Lancashire—the extended Lancashire area—for that intervention. Many of us have spent a bone-shaking hour travelling from Preston to Manchester. I understand that there were complications in the tunnelling works at Farnworth. The sooner the situation is improved, the better.

Such rail links result in more people taking to their cars. The A59 used to be the main road between Liverpool and York. It is my constituency’s main artery. In days gone by, there were two branch lines—one from Preston to Southport, and the other from Preston to Ormskirk. The first line was sadly completely dismantled and built over, but the second is intact. I pay tribute to the Ormskirk, Preston and Southport Travellers’ Association for helping me with my research.

At the moment, my constituents in Rufford and Croston who wish to carry on to Liverpool have to take a diesel train to Ormskirk and then get on an electric train to continue their journey because the line is broken. That train line also goes through the village of Midge Hall, whose station was closed in the 1960s. At Midge Hall, one witnesses a scene straight out of “Thomas the Tank Engine”: the driver gets off the train and exchanges a token to drive down the rest of the line. Although it is picturesque, it is inefficient, prolongs the journey time and persuades more of my constituents into their cars. There are compelling reasons to reopen the Midge Hall station. It is estimated that if it were reopened, 80% of Leyland residents—Leyland is a town that will expand as a result of the city deal—would be within walking distance of a railway station.

Although I have concentrated my comments on schemes in my constituency, they are relevant to the surrounding areas and the whole of Lancashire. Connectivity is crucial to the idea of the northern powerhouse—the notion that northern towns and cities can conglomorate to compete with London. If that is missing in Lancashire, we will be left out of what I believe can be a great northern renaissance.

4.43 pm

John Pugh (Southport) (LD): I congratulate the hon. Member for South Ribble (Seema Kennedy) on securing this debate. I often travel through her constituency, paying particular attention to the speed cameras in Penwortham that regularly trap an awful lot of my constituents.

The hon. Lady and I represent the same corner of Lancs. I am tempted to call it a forgotten corner because its priorities are masked by the greater priorities of and the vocabulary surrounding the city regions—Manchester, Liverpool and so on, which are part of the northern powerhouse. Laudable though such a city-focused agenda is, it risks neglecting the periphery—the areas that are not plumb centre in the city regions.

I question the use of the word “periphery” in referring to this area, particularly when it is applied to the hon. Lady’s constituency and mine. A recent report pointed out that, although there are a number of thriving city regions in Lancashire—the triangle of Manchester, Liverpool and Preston—their connectivity has an important missing piece, which is a good direct rail link between Preston and Liverpool. Such a link would go through Southport, of course. It is a relatively small part of Lancashire, and its omission is to be regretted. That certainly was not the case before Beeching.

Why has that area been omitted? I have an explanation, which I hope the Minister will take in the spirit in which it is intended. There are several transport authorities in the area. Manchester has a very big, powerful one—the Transport for Greater Manchester Committee; Liverpool has the Merseytravel Committee; and then there is Lancashire, which is the problem. It is a two-tier system, and Lancashire is a very diffuse authority—it is broken and fragmented with many priorities lying elsewhere—and things get strangely omitted.

Take, for example, the Burscough curves, which I have spoken about in Westminster Hall previously. Outside the hon. Lady’s constituency and mine, there are two stations in the thriving and expanding town of Burscough
that are literally half a mile apart. They could be joined together by a piece of track, and there is certainly the capacity to do that. That proposal, which is supported by the Ormkirk, Preston and Southport Travellers Association, the organisation that the hon. Lady said helped her prepare for the debate, would link Manchester with Wigan, Bolton and Preston, and connect the Merseyrail network to the wider rail network. It would be an easy, very quick win and could be funded from the tea money from Crossrail or another big project. If those stations were anywhere but that particular corner of the north west, it would have been done. Were they in London, it would have been done 50 or 60 years ago, but it has not happened. It is a project that could be completed for a very small sum of money. It is, incidentally, going to be looked into as a feasibility prospect by the new franchiser for the northern franchise, Arriva.

There has been a lot of rhetoric about connectivity in connection with the northern powerhouse, but my constituency is very unfortunate because it will lose a connection to Manchester airport and the south Manchester business district, where many of my constituents are employed; yet paradoxically we are in the city region. There is clear evidence that the city regions of Manchester and Liverpool will be worse connected. The bit that will be worst connected is the northernmost tip of the Merseyside city region. /Interruption. / The Minister is looking at his map carefully—it is Southport.

I have another example of how things can be overlooked. There was an electrification taskforce, which the Minister served very creditably and chaired. Using objective evidence, it came up with a number of proposals, and I was delighted to see that one of them was electrification of the Southport line. It is hard to fathom what will come out of that report. I am very unsure about what action will be taken on it.

Not a lot happens in that area, although there is a lot that could be done, which would benefit communities and be relatively low-cost, compared with some of the larger projects that seem to please the Government more. Part of the problem is that the boundaries of the various transport regions are not situated in a way that helps either the hon. Lady’s constituency or mine. We are at the intersection of a number of different transport authority areas. Part of the problem is that, particularly in Lancashire, we are grappling with a two-tier system. The priorities identified by the districts are not necessarily priorities for the transport authorities.

There is a forgotten Lancashire. This area is forgotten in the vocabulary and rhetoric surrounding the city regions. I suspect that there are forgotten areas of many counties right across the country. I am grateful to the hon. Lady for giving me the opportunity to ensure that this forgotten area is forefront in the Minister’s mind, if only for the fleeting 10 minutes that he takes to reply.

4.49 pm

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to serve under your chairmanship, Mr Pritchard.

I congratulate my hon. Friend the Member for South Ribble (Seema Kennedy) on securing the debate. I have never been known to miss an opportunity to talk about transport in Lancashire and, if she set us all the challenge of how often we can use the phrase “northern powerhouse” in the course of the hour, I will try to beat her.

In recent weeks, I have had multiple calls to visit the constabulary headquarters in Preston, because I am on the police parliamentary scheme, and I am delighted to hear that Penwortham will get a bypass, because I have become acquainted with the long traffic jam that snakes through it at peak hours. I would be even more delighted about the Ribble bridge, if that ever comes about, because it would speed my journey still more. However, I am conscious of wanting to avoid, even if only for the Minister’s sake, my personal wish list for Blackpool—I have only 40 minutes until the end of the debate and that would not be long enough for me to go through every bus shelter, pothole and road improvement that can possibly be dreamed up.

The point I want to draw on was made by my hon. Friend and the hon. Member for Southport (John Pugh): Liverpool and Manchester are forging ahead, but I am not quite certain that Lancashire has yet seen the train arrive in the station, let alone boarded it or even known its destination. A fortnight ago, we received a glossy and colourful brochure from the county council. Such brochures always worry me, because the content rarely matches the presentation. It was the council’s transport infrastructure plan and full of wonderful projects, all of which I am sure are good in and of themselves, but I still cannot get to the bottom of how in Lancashire transport projects are assessed against each other—and I have been an MP for six years.

I have scoured the documents for benefit-cost ratios and I have submitted freedom of information requests to the local enterprise partnership, to the county council and, frankly, to anyone who moves and breathes in Lancashire, trying to work out how they assess the worthiness of all those competing projects. In six years, answer I have none. The Department for Transport has developed many tools that allow projects to be appraised, but Lancashire does not seem to be able to get its act together.

I recognise that benefit-cost ratios are not the answer to everything. We cannot compare the BCR for High Speed 2 with that for a local road in my area, but we can compare apples with apples. In a county with so many competing road schemes, for example, it strikes me that the tool deployed by the county council is to listen to who is shouting loudest, and then to ensure that everyone gets something, just so no MP shouts too loudly when they deign to come down to Westminster to brief us. That, to me, is not a transport strategy, but a back-covering strategy, which does nothing for systematic economic development.

I urge the Minister to use his response to explain, if possible, how he sees the systematic appraisal of schemes flowing from Transport for the North down to that local level. The first ever oral question I asked as a Member of Parliament was when we were going to get something such as Transport for the North, so the Minister deserves great credit for bringing that organisation to fruition. It will make a positive difference, but it needs to exert pressure on that median level in Lancashire, when the projects to run with are being selected—frankly, they cannot all get prizes, so not everyone will get what they want. It should not be about who shouts loudest.
John Pugh: I concur with the hon. Gentleman’s views about Transport for the North, but is not the danger that the best prepared local authorities—by that I mean Manchester and Liverpool—knowing that they are going to do, will have disproportionate influence compared with other areas?

Paul Maynard: I thank the hon. Gentleman for that, because that is largely my point—Lancashire risks being left behind. Equally, the challenge of devolution is that the responsibility of local government in Lancashire is not to get left behind. It is hard for central Government to yank Lancashire into line; they need to enthuse and equip Lancashire, certainly, but the onus is on local government to ensure that it is playing its part.

I also want to touch briefly on another aspect of public transport infrastructure in Lancashire. The last time that I faced the Minister, it was on this point—I wanted to give him some good news for once, which is that thanks to his personal intervention, I suspect, Lancashire County Council performed a U-turn. My constituents who are residents of Cleveleys, who had lost their free access to the trams, have had it restored to them. Everyone in Cleveleys is absolutely delighted. Now, of course, we have the bun fight about who claims the credit. I hope that the shadow Minister, the hon. Member for Cambridge (Daniel Zeichner), will forgive me if I make a slightly partisan point, which I do not normally like to do in Westminster Hall, because it is often better to be edified here. It amuses me, however, to see the Labour party seeking to claim credit for the U-turn on a decision that it originally implemented.

Labour does not want to say that the price of the U-turn appears to have been a decimation of local bus services. My constituents might have had their NoWcard restored for use on the trams, but they do not have many buses left to get on. That is a real concern in Lancashire and, frankly, I am disappointed that more Members are not present to shout about it—not least because the county council itself does not seem to have a clue what is happening.

Every month, we get a helpful email with a little leaflet attached as a PDF document, announcing this month’s bus changes. It was a fascinating read this month, because it was saying, “We don’t really know what’s going on.” I read it and I had no idea what was going on; they have no idea what is going on. I have involved the county council’s chief executive. She has forwarded my email on somewhere deep into the bureaucracy of the county council and denies all knowledge of it—no one in Lancashire seems to have a clue about it—not least because the county council itself does not seem to have a clue what is happening.

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Finally, I re-emphasise that we could all come here with long lists of desirable transport projects. I am grateful that the A585 will be improved at some future date—I hope that 2019 will be the start date—and for some of the other investments, not least the electrification of the main line into Blackpool. I could spend a whole separate debate discussing rail services from Blackpool, but I will spare hon. Members. However, I also urge that when we are comparing apples with apples, the new, devolved transport authorities need to ensure that they present further information to allow us to compare the relative benefits of different projects, all of which are highly appealing, but need to be judged against each other, like for like. That would aid the decision-making process and might also help to clarify what exactly Lancashire thinks its economic strategy might be in the future.

4.57 pm

Daniel Zeichner (Cambridge) (Lab): It is a pleasure to serve under your chairmanship, Mr Pritchard.

I congratulate the hon. Member for South Ribble (Seema Kennedy) on securing the debate. She made a series of detailed points well, and I am sure that the Minister was listening closely. The hon. Lady also referred to city deals and, as a Member with a city deal in my part of the world, I cannot help but reflect that they are sometimes similar to the candyfloss that I used to buy on Blackpool seafront when I was at the Labour party conference—they look magnificent and sound wonderful, but a bit further down the line they can seem a touch insubstantial. That is a word of caution.

Seema Kennedy: I thank the hon. Gentleman for attending, because shadow Ministers do not always have to come to 60-minute debates. I appreciate that. As I said in my speech, however, in the first three years of the Lancashire city deal, substantial infrastructure projects have already taken place and are making a real on-the-ground difference to road times. So our city deal is going very well.

Mark Pritchard (in the Chair): I do not like to correct the hon. Lady, because she is rarely wrong, but shadow Ministers do have to attend 60-minute debates; they do not have to attend 30-minute debates. I just to ensure that we get that on the record. They may attend whatever debate they wish.

Daniel Zeichner: Thank you, Mr Pritchard. I am here very happily.

I have also listened closely to the other contributions to the debate, and I have consulted colleagues who know a little more about Lancashire than I do—I come from the east of England. I have heard worries from colleagues about cuts to bus services, as we have heard this afternoon, and about old recycled trains trundling along through east Lancashire. I must say that I have also heard talk of Chorley being given insufficient mention in transport plans, but my source will have to remain anonymous.

In January this year, the Lancashire enterprise partnership argued that connectivity, in Lancashire as elsewhere, is fundamental to maximising our growth potential. Sadly, however, Lancashire’s average economic performance is more than 20% below the national average, in terms of gross value added per resident. Clearly, in order to unlock and harness the economic power of Lancashire, we need far greater and more efficient delivery of promised projects to improve transport connectivity in the region than we have had so far—delivery, not just announcements.

The Secretary of State for Transport told us last week:

“I do not think I need to encourage the Chancellor on infrastructure spending. I have been incredibly successful in securing funding for infrastructure from the Chancellor, who certainly gets the importance
of infrastructure investment, not least in the north. Indeed, it is his policy to pursue the northern powerhouse and to take forward transport for the north. That will have a transformative effect on transport between our northern cities and is something other parts of the country are looking to follow.”—[Official Report, 10 March 2016; Vol. 607; c. 424.]

The rhetoric is good, but the record is not so good. Despite the claims, the Government have a poor record on transport infrastructure. In 2010, they cut a huge £4 billion from the strategic road network, which created major uncertainty and saw existing schemes scrapped and delayed. Road maintenance budgets have fallen in real terms and we discovered recently that the much vaunted permanent pothole fund is yet to fill a pothole. We have bus passes preserved, but in too many cases there are no buses on which to use them, and manifesto promises to electrify key rail lines have been broken. Those are hardly the actions of a Government that certainly gets the importance of infrastructure investment.

Indeed, Britain is lagging behind other countries when it comes to delivering major projects. Embarrassingly, we are now 28th in the World Economic Forum rankings for infrastructure quality. We should be trailblazing for transport infrastructure, not trailing behind. The Government’s sluggish delivery of infrastructure projects in Lancashire aptly illustrates that failure.

In December 2014, nine new schemes to improve major roads in the north-west were announced, worth around £800 million. However, just one of those schemes has an updated cost estimate and that cost iscareer out of control. Latest estimates on the Highways England website suggest that the M6 junction 19 improvements will cost between £192 million and £274 million, but in the “Road investment strategy: investment plan”, they were estimated to cost between just £25 million and £50 million. That single scheme is now projected to cost ten times as much as initially predicted. What of the other eight schemes? When my hon. Friend the Member for Birmingham, Northfield (Richard Burden) asked a question last week requesting the latest cost estimates for schemes announced in 2014, the question—as so often—was ducked. Will the Minister give us an update on the delivery and projected cost of those schemes now? We worry that those announcements were little more than part of a pre-election stunt. Also, the numbers keep changing. A £15.2 billion road investment strategy was announced in December 2014, yet in the Office of Road and Rail’s first “Highways England Monitor”, a different figure of £11 billion emerged. We suggest that the Government have been announcing those road plans since July 2013 and we need some action to accompany the announcements.

Transport Focus has identified that, in the north-west, car and van drivers’ top priorities for major road improvements are improved quality of road surfaces, safer design and upkeep of roads and better management of roadworks. While in both 2013 and 2015 the Government committed £6 billion “to resurface 80% of the SRN and keep our network in top condition”, it was reported last month that Highways England will not meet that target. Will the Minister now tell us where the billions have vanished and which projects have had to be scrapped?

On rail, too, Lancashire and the north-west is being let down. Labour supports the extension of high-speed rail services. The Secretary of State for Transport has said of HS2:

“... When we start the service from Birmingham, it will be possible to link with conventional rail routes, rather as high-speed trains currently run from St Pancras to Ashford and then beyond. I hope that the northern parts of the United Kingdom will be served by HS2 straightaway.”—[Official Report, 28 January 2016; Vol. 605, c. 394.]

Indeed, Lancashire local enterprise partnership is planning to modernise Preston station as part of its HS2 growth strategy in order to accommodate HS2 trains and to reduce journey times between Preston and London from the current 128 minutes to 77 minutes by 2033 after phase 2 of HS2 is complete, but, unfortunately, we are still waiting for Ministers to confirm the route and the station locations for HS2 north of Birmingham. We were told that the route for phase 2 of HS2 would be confirmed by the end of 2014, but the target has now been deferred for at least another two years. That lack of certainty is damaging for residents, damaging for potential investment and damaging for the Government’s credibility when they profess their commitment to HS2 in the north.

We are full of questions today and we have some more. How can Lancashire and other areas in the north-west plan to benefit from HS2 when its route and station locations have not yet been confirmed? Why has that confirmation been kicked into the long grass and why are the Government letting down the north by dragging their heels?

**John Pugh:** Does the hon. Gentleman accept that for many people who live in Lancashire—I know he does not, so he cannot be expected to know this—HS2 is a distant dream? The improvements they would most like are some ease of getting by train from, say, Preston to Liverpool, or anywhere in east Lancashire from the coast.

**Daniel Zeichner:** While I recognise that it may seem like a distant dream, as far as we are concerned it is certainly an improvement on the current situation and that is why we will continue to support it.

The Government also paused the trans-Pennine electrification last year; pausing seems to be a characteristic of this Government when what we actually need is fast-forward. Furthermore, after recommencing in September, completion of the whole Manchester to Leeds and York corridor was pushed back from 2019 to 2022. Transport infrastructure improvements in the north, including in Lancashire and the wider north-west, have too often been characterised by dithering and delay. There is still no official estimate of the cost of the trans-Pennine electrification outside the initial funding commitment of £300 million and the £92 million that has been spent so far on contracts.

In addition to delays in infrastructural improvement, Lancashire has also suffered severe cuts to its funding from central Government. Lancashire County Council has had to reduce funding of bus services from £7 million to £2 million to make £85 million in budget savings next year. The hon. Member for Blackpool North and Cleveleys (Paul Maynard) has already referred to bus issues, but I have said it before and I will say it again: the Government...
are devolving cuts, not power. They are putting local authorities in impossible positions and keeping their own hands clean.

Paul Maynard: As the shadow Front-Bench spokesman, might the hon. Gentleman be able to help me by encouraging his colleagues in Lancashire to explain to us what the £400 million in reserves at county hall are being kept back for? When will it rain to such an extent that we need the rainy day fund? That is our key question to the Labour party.

Daniel Zeichner: Ah, reserves—they are always quoted on all sides as the answer to every question. Of course it is for every authority to decide responsibly how to use its resources appropriately, and I do not think that Government Members can really deny that there has been a squeeze on resources.

Lancashire County Council has said that in the next five years it will need to make savings of £262 million on top of those agreed in previous budgets. It describes that as “an unprecedented financial challenge due to continued cuts in Government funding, rising costs and increasing demand for key services.”

It states that by April 2018 it will not have sufficient financial resources to meet its statutory obligations even if it does not deliver any of the non-statutory services.

In the comprehensive spending review, the Government announced a reduction of 24% in central Government funding for local government over the spending review period. The Local Government Association tells us: “Even if councils stopped filling in potholes, maintaining parks, closed all children’s centres, libraries, museums, leisure centres and turned off every street light, they will not have saved enough money to plug the financial black hole they face by 2020.”

In conclusion, those cuts alongside the uncosted deferment of major transport infrastructure projects is preventing Lancashire—and other areas—from reaching its full potential. Lancashire is rightly ambitious to unlock the potential for economic growth, but that will happen only when the Government move from their current practice of recycling announcements and actually start to deliver.

5.7 pm

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): It is a pleasure to serve under your chairmanship, Mr Pritchard. May I start by congratulating my hon. Friend the Member for South Ribble (Seema Kennedy) on securing the debate? I will be replying as my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) frequently mentions, although he did not do so today. Lancashire’s four enterprise zones are also at the forefront of propelling Lancashire’s future growth as part of the northern powerhouse.

We cannot create the northern powerhouse unless we have good transport and connectivity at its heart; those are key to Lancashire’s future growth. The M6 and west coast main line are vital north-south arteries. The M65 and M55 support key growth corridors both east and west, and the proximity of the great northern conurbations of Leeds, Manchester and Liverpool to much of Lancashire’s population mean that improved connectivity can further strengthen Lancashire’s growth. We have recognised the importance of Lancashire’s transport infrastructure and are investing in it on a scale not seen in that part of the world for some time.

On the strategic road network, we have delivered a number of key improvements, such as unblocking pinch points at junction 32 of the M6 and junction 1 of the M55, at the A585 at Windy Harbour and at junction 5 of the M65. Our road investment strategy includes a commitment to significant further investment on the A585 to improve connectivity to Fleetwood and the Hillhouse enterprise zone and to the construction of what is sometimes called the “missing” junction 2 on the M55 linking to the Preston western distributor.
road, which we are funding through the Preston city deal and the Lancashire growth deal. The route strategy process, which will inform RIS2—our second road investment strategy—will commence in the near future, enabling Highways England to work with local partners to determine future investment priorities for the strategic road network in Lancashire.

Many colleagues have mentioned rail, and it is therefore appropriate to highlight how we are significantly improving rail in Lancashire through investment. As of last year, electric services are operating between Preston and Liverpool, and we are currently upgrading the line between Preston and Manchester to deliver faster, more frequent and less crowded journeys for passengers by December 2017. We are building the foundations for better journeys across the north.

The Farnworth tunnel, which was mentioned earlier, is a significant project. Network Rail has enlarged the railway tunnel in order to accommodate the new wires that will soon be installed for electrification of the line. The tunnel boring machine used by Network Rail was made in Oldham and is larger than the machines used to build Crossrail. Around 120 people worked on the project 24/7, moving 30,000 tonnes of material from a 270-metre long tunnel. I wanted to go and see it, but I am afraid to say that the Secretary of State, who has an interest in tunnelling, decided that that would be his particular priority. That progress is a sign of our commitment to the people of the north. We are already well under way with works on the line from Manchester to Blackpool via Chorley, due to be completed to Preston in December 2017 and to Blackpool by spring 2018.

John Pugh: I am interested in what the Minister says about the Todmorden curve, because it shows that small-scale curve reinstallation—as I outlined in the case of Burscough—can pay dividends. He mentioned his commitment to connectivity, which I think we all share. As part of that commitment, will he look into the mooted change to the Southport to Manchester line? Under those new arrangements, my residents will have no chance of getting to south Manchester and the airport; we are actually losing connectivity, rather than gaining it. That has not been finally decided, but will he look into what is happening?

Andrew Jones: I will indeed look into the matter that the hon. Gentleman raises, as well as all other matters that colleagues have raised. I am aware of the issue of the Burscough curves because he has explained them to me on previous occasions. As a comparison, we used the local growth fund to reinstate the Halton curve elsewhere in the Liverpool city region, as he knows. That key project shows that where local areas prioritise, we are able to provide support. I simply urge the hon. Gentleman to ensure that his LEP continues to prioritise rail investment, including that particular project.

Lancashire will benefit significantly from our plans for HS2. Phase 2a to Crewe, which will bring the project forward by six years, will result in the benefits from classic compatible services arriving in Lancashire by 2027. The completion of phase 2 will bring journey times between London and Preston down from the current 128 minutes to 77 minutes by 2033. HS2 is not being delayed, as the shadow Minister said. We are doing all we can to accelerate HS2, and later this year we will announce the potential route from Birmingham up into Manchester and Leeds. HS2 is a critical part of rebalancing our economy.

We are supporting a significant investment programme in Lancashire’s local transport infrastructure through the city deal process, which vitally puts Lancashire partners at the forefront of determining the transport investment that they need to grow and support the Lancashire economy. The Preston, South Ribble and Lancashire city deal, which is key to the constituency of my hon. Friend the Member for South Ribble, was signed in 2013 and is worth more than £430 million to the local economy. The road infrastructure that the deal will deliver, including the Preston western distributor and the Broughton bypass, will support significant housing growth and the advanced manufacturing enterprise zone and will make Preston one of the most commercially dynamic locations in the UK.

The Lancashire growth deal, signed in 2014, is supporting a truly significant investment programme, with a local growth fund of more than £250 million allocated to the LEP to deliver its programme. That programme includes 14 local transport schemes that will see new roads in and around Preston and to St Anne’s; key maintenance projects in Burnley and Blackpool; rail improvements in Blackburn; a new tramway in Blackpool; cycling networks in east Lancashire; and improvements to the M65 growth corridor.

We are funding schemes that have been on the waiting list for years. For example, work started in January on a bypass for Broughton after years of plans that had all come to nothing. Perhaps the best example is the Heysham link road, linking the port of Heysham to junction 34 of the M6 and providing congestion relief to the centre of Lancashire. After 60 years of waiting, it should open later this year, following £111 million of support from the Government towards the total £123 million cost. I hope that time allows me to mention the near £32 million...
that we have invested in the Pennine Reach bus scheme for east Lancashire, significantly improving east-west bus linkages in the area.

Looking ahead, Transport for Lancashire, on behalf of the LEP, has produced its strategic transport prospectus setting out the transport infrastructure that it believes is needed to deliver Lancashire’s potential. My hon. Friend the Member for Blackpool North and Cleveleys had some reservations about the nature of that document, and particularly its print type—it is a very glossy document—but I think we should welcome the idea that local areas are taking responsibility, showing aspiration for those areas and determining what they need. That is at the heart of what Transport for the North is all about.

The document helpfully sets out interventions that have a potentially pan-northern impact and are therefore of particular interest to Transport for the North, as well as key local schemes, such as the South Ribble crossing, which are vital to local growth. I urge Lancashire partners to take full advantage of the opportunities provided by Transport for the North, devolution and growth deals to move their proposals forward.

We are seeing a significant change in the way that we handle transport. My hon. Friend mentioned that he had called for Transport for the North a long time before it was actually created. We are seeing a partnership that has brought together 29 partners locally to determine what they think is required. Transport for the North will be running the franchises on our rail network in the north, in partnership with the Department for Transport. It is from the north, for the north. We will have better decisions when they are taken as near as possible to where a service is delivered. This is a significant development in transport. The Bill to put it on a statutory basis received Royal Assent at the end of January, and we are working towards Transport for the North being set up on a statutory basis within a year.

I have been asked many questions, which I shall try to answer as quickly as I can. Let me start with those asked by my hon. Friend. How are schemes appraised? All schemes appraised and promoted by the LEP should be assessed in accordance with its assurance framework. That has to be WebTAG compliant and all results should be published—he is looking sceptical. If he would like any kind of technical briefing on the WebTAG process, I am happy for that to be arranged for him—he should just let me know afterwards.

My hon. Friend highlighted the importance of bus services, and I agree; bus services are critical for local growth. I urge Lancashire partners to take full advantage of the opportunities provided by Transport for the North, devolution and growth deals to move their proposals forward.

I turn to the points raised by the hon. Member for Blackpool North and Cleveleys. He is absolutely right that this is a significant change in the way that we handle transport. The impatience for transport delivery is obviously fair—we are all impatient. I could perhaps highlight that, after 10 miles of electrification were delivered in 13 years of Labour government, all the good schemes that we have referred to have been welcomed in the north. We need to remember that many of the councils in the north are run by the Labour party, and what we hear locally from Labour and what we hear nationally from Labour are utterly disconnected.

The idea that the transport inheritance that this Government took on from the Labour party is strong is, I am afraid, not borne out by facts. The shadow Minister mentioned the World Economic Forum’s infrastructure league table. During the Labour years, our performance fell from seventh to 33rd in that league table. It was a
shocking record, and we are now recovering that position. The Labour party has a poor record and it should start to get behind the programme, as some of its local members have.

I hope that I have managed to convince Members that this is not a forgotten corner of the north—very far from it. It clearly has strong and powerful advocates who have developed a good reputation for championing it already. It is not a forgotten corner; it is a key part of our northern powerhouse. We cannot deliver a strong northern powerhouse without a strong Lancashire—and I say that as a proud Yorkshireman.

Transport is at the heart of what we are delivering. That is clear across all the modes of transport that we have been talking about today—bus, road and rail. We have not talked about aviation connections, but many residents of Lancashire will be using the growth that we are seeing and the improved access into Manchester airport. We have a strong record, as we work with partners to transform transport in the north of England.

5.28 pm

Seema Kennedy: I thank the Minister, the shadow Minister and hon. Members on both sides of the House for their excellent contributions today, particularly those from the wider real Lancashire area. We in the red rose county are proud of our industrial heritage. However, we do not want to stay in the past; we want to forge ahead and be part of a strong northern renaissance. Good transport infrastructure is key to that, and I am grateful that we have had an opportunity to debate road, rail, potholes and buses so fully—[Interruption.] And trams, of course—I had forgotten about trams. I did not touch on aviation but, for most of our residents, it is their daily commute that will be key to their success in the future.

Question put and agreed to.

Resolved,

That this House has considered transport infrastructure in Lancashire.

5.29 pm

Sitting adjourned.
UNHCR: Admission Pathways for Syrian Refugees

Wednesday 16 March 2016

[Mr David Crausby in the Chair]

9.30 am

Caroline Lucas (Brighton, Pavilion) (Green): I beg to move,

That this House has considered the UNHCR and pathways for admission of Syrian refugees.

It is a pleasure to serve under your chairship, Mr Crausby. I am pleased to have secured this debate ahead of the high-level meeting on 30 March in Geneva, which was called for by the United Nations High Commissioner for Refugees. The purpose of that meeting is to secure pledges for increased opportunities for admission of Syrian refugees, and I want to urge the Government to play their full part in that process.

This week marks the fifth anniversary of the Syrian conflict. On this day five years ago, the Assad regime arrested dozens of Syrians who had defied a ban on demonstrations and had protested in Damascus. The Arab spring had reached Syria and so had half a decade of violence that precipitated the rise of Daesh. The sheer scale of the human cost of the conflict is almost beyond comprehension. More than a quarter of a million Syrians have been killed, the majority of whom have lost their lives at the hands of Assad. As a result of that violence, 4.8 million Syrians have fled their country seeking refuge elsewhere. A further 6.5 million are displaced within Syria, many living in absolutely desperate conditions.

The Syrian refugee crisis must be considered in the context of the wider situation. It is often said that, with almost 20 million refugees worldwide, the world is currently facing the worst global refugee crisis since the second world war. The impact of that crisis, however, is distinctly un-global. Figures from the UNHCR show that 86% of the world’s refugees are hosted by developing countries. That the responsibility for supporting refugees currently rests on a minority is evident when looking at where Syrian refugees are being supported. The vast majority are being hosted by countries in the region.

Turkey alone is home to 2.5 million Syrian refugees, with more people seeking to cross the border each day. Lebanon, a country half the size of Wales, is host to more than 1 million Syrian refugees, meaning that one in four of the population of Lebanon is Syrian. Our country should be humbled by the way in which Lebanon continues to welcome Syrian refugees, particularly given that the Lebanese also host 450,000 Palestinian refugees.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Lady on securing the debate. She talks about neighbouring countries, a number of which have been exceptionally generous with their land, people and resources in taking in refugees. Does she agree that the one stark exception to that has been Saudi Arabia—a considerably large country with a relatively small population—which has taken a grand total of no refugees?

Caroline Lucas: I agree with the hon. Gentleman. It is shameful that a country with such a huge amount of resources locally is not taking its fair share of refugees. Elsewhere, in comparison, Jordan is hosting more than 600,000 Syrians, while Iraq and Egypt are supporting 245,000 and 118,000 refugees from the conflict respectively.

Jim Shannon (Strangford) (DUP): As a member of the Select Committee on Defence, I have had the opportunity in the last few months to go to Jordan, which has an interesting system of integrating people. They are not in refugee camps; they are integrated into society. Jordan should be an example to the rest of the world of how to look after refugees.

Caroline Lucas: That sounds like an interesting model. I am grateful to the hon. Gentleman for interjecting that into the debate, and I would be interested to look at it in more detail.

The point is that, despite the continuing hospitality of those countries and the considerable financial support that has been provided by other countries—and, to be fair, that does include the UK—as the conflict has escalated and the number of people fleeing has increased, the living conditions for refugees have come under ever more pressure. As a result, as we know, some Syrians are seeking safety in Europe. About half of the 1.1 million people who put their lives in the hands of smugglers attempting to cross the Mediterranean last year were Syrian.

The high-level meeting on 30 March has been arranged at the request of Ban Ki-moon, the Secretary-General of the UN, with the aim of securing pledges from countries around the world to create so-called pathways for admission—safe and legal routes—for Syrian refugees. The creation of those safe and legal routes for refugees to reach safety is a vital part of the response to the Syrian crisis. It is precisely the lack of such routes that forces refugees to risk their lives trying to reach Europe and that creates the demand for the unscrupulous people smugglers.

I believe that the answer categorically does not lie in attempts to contain the crisis in those countries that are already providing some kind of refuge to refugees, the vast majority of whom are Syrians. Yet, sadly, I would say that that is exactly what is being attempted through the proposed EU-Turkey deal. The apparent one in, one out element of that deal has been described by the European Council on Refugees and Exiles as being “as Kafkaesque as it is legally and morally wrong”. I agree with that assessment.

Mr Alistair Carmichael (Orkney and Shetland) (LD): I agree with the hon. Lady about the design flaws that are baked into the EU-Turkey deal. Beyond that, does she share my concern that there is evidence from Human Rights Watch and other organisations that there has been a programme of returns from Turkey to Syria, so Turkey cannot be regarded as a safe place to be sending people back to?

Caroline Lucas: The right hon. Gentleman is absolutely right. The evidence he has cited underlines the real flaws and dangers to human life in that programme. That is what makes it morally right that the UK should take greater responsibility for those fleeing the Syrian conflict.
Mark Field (Cities of London and Westminster) (Con): I am glad that the hon. Lady has given the UK Government some credit. Our aid contribution and our leadership should be admired to a great degree. The one thing she has not touched on—maybe she will do so later in her speech—is where she sees the medium term for Syria. Does she see it as being a united state—which I know is still the position of Her Majesty’s Government—or does she see it as being divided? In other words, does she see the displacement of huge numbers of Syrians as a medium to long-term phenomenon, or can it be solved more quickly, if the international community has the will and can provide safe havens within the country that we currently call Syria?

Caroline Lucas: Well, if anybody knew the answer to that question, they would be a very much wiser person than many of us here, and certainly very much wiser than I am. I would love to think that there is a solution in the shorter term. All countries need to redouble their efforts on the peace process. In reality, a solution is more likely in the medium term. I do not know whether that will be through splitting the country or keeping it coherent. I would certainly favour the latter, if it could be done in a safe way. Essentially, that decision needs to be made by the Syrian people. They need to make that decision in a democratic way, and we need to ensure that they are able to come to that kind of decision-making process in a safe and legal way.

Mark Field: It is important that we give some consideration to that. I accept that it is not our decision to make here in the UK: it will be a decision of the international community. To be brutally honest, if large numbers of Syrians are relocated—maybe hundreds of thousands, or millions—the danger is that they will tend to be the more educated people. It will be the very people who could make a real difference to Syria’s future who will essentially have no stake in it if they end up living in the United States, Canada or western Europe, yet they are the very people who would be needed to provide the backbone for a future sustainable Syria into the decades ahead.

Caroline Lucas: I agree with the right hon. Gentleman’s point, but the priority right now—the overwhelming priority for all of us—must be ensuring that those people are kept safe so that they can go back, and I think the vast majority will want to go back: it is their home, where they have their roots, histories and cultures.

Seema Kennedy (South Ribble) (Con): Will the hon. Lady give way?

Caroline Lucas: Let me make a little more progress, if I may.

I have paid tribute to the Government regarding the finance, as the right hon. Member for Cities of London and Westminster (Mark Field) acknowledged, but I do want to make some criticism, I am afraid, of the numbers that the UK is taking responsibility for. The UK should be taking a greater responsibility for those fleeing the Syria conflict. Despite what some people would have us believe, the number of Syrians being protected by the UK is pitiful. Since the conflict began, just over 7,000 Syrians have either been granted asylum in the UK or have been resettled here under the vulnerable persons relocation scheme—that is, 7,000 out of nearly 5 million Syrian refugees—which means that the UK has provided protection to just 0.15% of all those who have fled Syria due to the violence.

The UK’s response to the Syrian conflict should have been to provide routes for Syrians to reach safety, but what has actually happened is that the UK has taken active steps to prevent Syrians from claiming asylum here, with the success rate for visa applications plummeting and the introduction of new restrictions on transiting through the UK. The aim of those changes is clear. When the Government introduced new restrictions on Syrians transiting through the UK on their way to the US, they did so without the usual 21 days’ notice. The reason for that lack of notice, according to the statement of changes, was precisely to prevent the potential for a significant influx of Syrian citizens and nationals travelling to the UK during the notice period to claim asylum.

Claiming asylum is a right, and we should not be trying to prevent people from doing so. The UK Government are rightly praised for their leadership in providing humanitarian aid to countries affected by the Syrian conflict. This morning we are calling for that same level of leadership on providing sanctuary to refugees fleeing the violence.

Paul Blomfield (Sheffield Central) (Lab): I congratulate the hon. Lady on securing this important debate. She has been generous with her time. I represent the city of Sheffield, which was the country’s first city of sanctuary, making a positive statement that we welcome those fleeing persecution and war. That network has now spread across many towns and cities. Does she accept that the Government are out of sync with public opinion on this issue? Although there are genuine concerns about migration that need to be addressed, the public are in a different place on the refugee crisis caused by the Syrian civil war. We should be increasing the numbers currently settled under the vulnerable persons relocation scheme. Although the Prime Minister is right to focus on those on the frontline to avoid the necessity for them to make terrible journeys across Europe, we should also bear some responsibility for all those who have already made that journey.

Caroline Lucas: I wholeheartedly agree with the hon. Gentleman. There is a discrepancy between the compassion being shown by the British public and the way in which the Government have responded so far—they are underestimating people’s willingness to make room for more refugees in their homes and communities. I salute what Sheffield has done. I am happy to say that Brighton and Hove is also a city of sanctuary, which demonstrates the willingness and commitment of ordinary people to welcome people into their homes.

The meeting on 30 March offers an opportunity for Ministers to step up a gear. Among the pathways being called for by the UNHCR is an increase in the number of refugees being resettled, and the Government reluctantly agreed to settle 20,000 Syrian refugees via the vulnerable persons relocation scheme by the end of this Parliament. The Minister with responsibility for Syrian refugees should be congratulated on managing to secure the resettlement of 1,000 refugees through the programme by the end of 2015, but the current commitment is equal to each parliamentary constituency providing a
home to just six Syrians each year. We can and must do better. Twenty-thousand refugees should just be a starting point. There has to be much more urgency: the crisis is happening now; people are risking their lives now; the need for safety is now.

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): There are an estimated 26,000 unaccompanied child refugees in Europe. Although it is welcome that the Prime Minister has said that the UK will accept some of those children, it goes nowhere near what is needed. Will the hon. Lady join me in calling on the UK Government to be a responsible global citizen and proactively seek out refugee children in Europe with family connections in the UK so as to speed up the process of reunification?

Caroline Lucas: I agree with the hon. Lady that the problems of unaccompanied children are particularly urgent. If those children are offered status here, we must also make it possible for them to sponsor their parents, if they are later found, or other family members to come and join them. Right now, the UK is one of the few countries that do not let that happen.

Let me put the numbers in context. During the Hungarian revolution of 1956, Britain, to its credit, welcomed 20,000 Hungarian refugees over just one winter. We need a co-ordinated and increased resettlement programme that works in solidarity with EU member states and our global partners. Like the British Government, I agree that people should not be making dangerous journeys to get to the UK, but our agreement departs at that point. It is not enough to say that people should not be making such journeys; we must ensure that they do not need to make those journeys.

If the Government take on board and implement the UNHCR’s suggestions, we could provide legitimate and safe access to the UK across international borders. For example, the UNHCR is calling for the flexible use of refugee family reunion rules. The current rules mean that refugee families are kept apart. For example, the rules mean that a Syrian father granted asylum in the UK would be allowed to bring his wife and younger children, who may have previously been sleeping several families to a house in Lebanon, to join him, yet his eldest child, if she happens to be over 18, would not ordinarily be allowed to come. We are arbitrarily splitting up such families. Her parents would be faced with the choice of either leaving her behind or seeking to pay smugglers to bring her to the UK. She would be at huge risk in either scenario, and it simply makes no sense under any definition of compassion or humanitarianism to be deliberately splitting up families.

I saw that at our border with France just last week, when I visited the camps at Calais and Dunkirk with the wonderful Brighton-based Hummingbird Project. I would need another whole debate to discuss how deeply the British and French authorities have failed the refugees at those camps, but I note that one of the things that came over in all our discussions with the refugees is how many of them have relatives already here in the UK. I spoke to a 22-year-old man whose wife is a British citizen. He has been at the Calais camp for five months, and he cannot join her. Similarly, another young man had half his family, including his father and brother, living in Birmingham, but again he is stuck in the limbo of the camps. Under the Government’s current rules, neither can apply for family reunification. Instead, they face an indefinite period of trying to navigate the complexities of the British and French asylum systems, often without financial or legal support.

The criteria for refugee family reunion should be extended to allow refugees in the UK to be reunited with their parents, siblings, adult children, grandparents and other family members where there is a dependency relationship. The rules should also be expanded to allow British citizens, and those with indefinite leave to remain, to sponsor relatives abroad. We now have a crazy situation where someone who becomes naturalised, who becomes a British citizen, has fewer rights to access the rest of their family. That has been a concern in my constituency, where I have spoken to several Syrian refugees who no longer have the right to family reunification, as they have now become British citizens, yet who have family who remain in desperate situations.

While we are discussing family reunification, let me quickly address, as the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) did, the 3,000 unaccompanied refugee children. The UK is one of the very few EU countries that do not allow unaccompanied refugee children to sponsor their parents in order to be safely and finally reunited. The UK has opted out of EU directive 2003/86/EC, which allows unaccompanied refugee children to sponsor applications. I cannot see in whose interest that opt-out is operating. The Government need to rectify that as a matter of urgency. It is surely in the best interest of child refugees to be reunited with family members. I hope the Minister will specifically address that point.

Finally, the UK should also heed the UNHCR’s call to introduce humanitarian visas, following in the footsteps of Argentina, Brazil, France, Italy and Switzerland. The UK Government have never before implemented a humanitarian visa programme, but such a programme would allow Syrians and others with valid asylum claims to travel to the UK to claim asylum without having to take dangerous journeys to get here. On a wider point, the meeting on 30 March is one of a number of initiatives aimed at addressing the Syrian crisis, but we must not forget that it will also allow us to develop efficient and safe processes for any other large-scale movements of refugees. Oxfam has noted that 400 people have already died or gone missing trying to reach Europe this year.

Many refugees, including children, continue to be vulnerable as they embark on what can only be described as a march of misery through Europe. Unless European Governments offer refugees safe and legal routes to travel, we will continue to see the death toll rising and people left with little choice but to put their lives in the hands of smugglers and traffickers, which puts women and children at particular risk of exploitation, trafficking and abuse. We need to ensure that we are providing refugees with real solutions, rather than barriers. There is no simple, easy solution to this humanitarian crisis—there are no silver bullets—but we cannot continue to watch over a crisis of this magnitude without sharing a greater sense of responsibility.

Can the Minister assure us that the Government will take a strong leadership role at the meeting on 30 March? Will the Government ensure that we play our full part in providing safe and legal routes of access for refugees? I have outlined three particular demands. It is about
[Caroline Lucas]
giving refugee children the same right as adult refugees to be with their family; it is about widening the rules to allow adult refugees to be reunited with their parents, siblings and adult children in the UK; and it is about affording British citizens and those with indefinite leave to remain the right to bring to the UK their family members with international protection needs. The Government pride themselves on standing up for the family, but that has to be all families, not just some. I look forward to the Minister's response.

Several hon. Members rose—

Mr David Crausby (in the Chair): Order. I intend to call the three Front-Bench spokespersons at about 10.30 am. If Members can keep their contributions to around six or seven minutes, we should get everyone in.

9.49 am
Liz Saville Roberts (Dwyfor Meirionnydd) (PC): Diolch yn fawr iawn Mr Cadeirydd; it is a pleasure to serve under your chairship, Mr Crausby. I thank the hon. Member for Brighton, Pavilion (Caroline Lucas) for securing this timely debate, given, of course, that the meeting she referred to is due to be held at the end of this month. I will speak briefly, because a number of people want to contribute to the debate.

As I am sure everyone in the Chamber would agree, the increasing number of refugees and migrants requires a global and high-level response. This is the most serious challenge of our time—it is a moral, practical and political challenge. It is deceptively simple in debate but it is immense in its implications for those millions of people who have been cast adrift.

First, I will mark my respect for Cefnogi Ffaddoniaid Meirionnydd Dwyfor, or Refugee Solidarity, which has urged me to draw attention to the situation whereby refugees with family members in the UK—that is, people who would be accepted on this side of the channel—are in no way enabled to travel from Calais. The hon. Member for Brighton, Pavilion described many such incidents, which is the reality of many migrants' experience. As I say, these are people who would be accepted if they were to arrive in these islands.

There is a grim irony in people having to take such risks to arrive in a country where asylum will be granted to them, but only if they run a dangerous gauntlet before arrival. The channel may be a convenient barrier, but it cannot be acceptable to condone quietly the risks associated with an illegitimate sea crossing by boat, container or tunnel as a matter of policy. We are fortunate to be an island, but that does not absolve us of moral responsibilities.

Secondly, I take this opportunity to draw attention to the ongoing plight of the Yazidi community in Syria. The world noticed them—briefly—two years ago, when Daesh attacked the region and city of Shingal. Over 60,000 Yazidis were stranded in a state of siege on the mountains as they attempted to flee. They had been given the option by Daesh of converting to Islam or the men would be killed and the women sold as chattel—as sex slaves. The Yazidis' status as a minority is particularly vulnerable as they are not Muslims and in Daesh's world view it is not considered rape to force Yazidi women to have sex.

In total, 35 mass graves have been identified in the Shingal region. It is believed that 3,100 Yazidis, mostly women and children, were kidnapped by Daesh in 2014. Some of those women will not return because they have been sold on again, sometimes to Saudi Arabia, or have borne children with Daesh fathers, but it is estimated that 2,000 could be rescued relatively easily by means of being “bought back”. I understand that the average cost of buying a woman her freedom is around $7,000.

Yazidi survivors such as Salwa Khalaf Rasho have recently travelled to London to tell their stories. Many of them have come from Germany, where the state of Baden-Württemberg is providing a two-year programme of therapy for the survivors of Daesh kidnapping and abuse. The community is seeking international support for redress to the atrocity—it verges on genocide—that they suffered in August 2014 and in the years since. Yazidi leaders and supporters have come to Britain with a list of 11 recommendations, which warrant an international response.

I understand that the 2012 recommendations by the United Nations High Commissioner included the need to do more to protect refugee and migrant women, and that members of the Council of Europe should sign and adopt its convention on preventing and combating violence against women and domestic violence. I further note that the convention has been signed but not ratified by the UK.

Of course, I support the calls that the hon. Member for Brighton, Pavilion has made to the Government and I take this opportunity to request that the Under-Secretary of State for Refugees agrees to meet Salwa Khalaf Rasho to hear her story. Individual voices, particularly women's voices, are drowned out in the cacophony of war. I urge him to play a part by at least listening to her experience.

9.54 am
Mrs Caroline Spelman (Meriden) (Con): It is a pleasure to serve under your chairmanship, Mr Crausby, and I congratulate the hon. Member for Brighton, Pavilion (Caroline Lucas) on securing this debate.

I commend the work of the United Nations High Commissioner for Refugees. As with other aid and relief organisations that are working in this most troubled region, the UNHCR has an incredibly difficult task. Its work is invaluable and I fear that the current crisis would be much worse if the UNHCR were not on the ground trying to co-ordinate the agencies' relief efforts in very difficult circumstances.

One particular issue that is being a bit neglected within this humanitarian response is that of religion. I speak in my capacity as the Second Church Estates Commissioner. This conflict is one in which issues of religion are central, and religion is also central to how we deal with the crisis. There is evidence that suggests religious minorities may be avoiding the refugee camps in Jordan, Lebanon or Turkey. I do not understand in any way the incredible efforts that those host countries have made in trying to protect the vulnerable, but it is the members of religious minorities who often do not find their way to the camps. Consequently, the camps
may fail to house the full demographic of vulnerable Syrian refugees and therefore they may not truly represent the percentage of the vulnerable minorities in the wider population of Syria. We do not see in the camps a balance of the Syrian population similar to the one that existed in Syria before the crisis began.

It is hard to determine exactly why that is the case. It may be because of fear of persecution in the refugee camps, or that individuals do not wish to stop in the camps but wish to progress further, due to a fear that the persecution they faced in Syria will spread to other parts of the region. There is anecdotal evidence from those who are travelling towards Europe that that is one of the reasons why members of religious minorities do not want to go to the camps.

Mr David Burrowes (Enfield, Southgate) (Con): I thank the hon. Member for Brighton, Pavilion (Caroline Lucas) for raising the concerns that some religious groups, particularly Christians, have not entered the registration process with the UNHCR—the International Development Committee has also raised those concerns. I welcomed the Minister's commitment at the last debate we had on this subject, when he said that efforts would be made to ensure that there was appropriate registration, so I look forward to hearing from him an update on the progress in that regard.

Mrs Spelman: My right hon. Friend makes an incredibly important point. A number of us have challenged a number of Ministers about this issue, asking, first, what is the cause of the under-registration of religious minorities in the camps and, secondly, how do we go out and find the people who are not in the camps? That is the exam question.

I am not in any way knocking what I think was an inspired decision by the Prime Minister to focus on the safe retrieval of people from refugee camps to deter people from making the very dangerous journey across the Mediterranean. That was a very good initiative, but it is not sufficient to deal with some of the most vulnerable refugees.

I call on the Government to work with their partners in the region to promote a strategy whereby we are not content to allow groups fleeing from persecution to slip through the net of the humanitarian effort. Aid must reach all groups, and we must not, even inadvertently, let one religious group be privileged over another.

Mark Field: I am not for one moment suggesting that we should go down the route that is prevalent in places such as Hungary or Poland, whereby we would look to give preferential treatment to Christians. However, my right hon. Friend makes an incredibly important point about religion and the fact that religious minorities and Christian minorities in the region are perhaps being under-reported.

To be absolutely candid, I also think that a policy of helping refugees would get broader support—beyond central London, Brighton and Hove, and Sheffield—if the case were being made that there are significant numbers of fellow religionists, as well as others, who are being brought here. As I say, that is not to give preferential treatment to any group. None the less, it would be good if the British public were made well aware of the depth of this problem for Christian communities, some of whom have been in the region since the very birth of Christianity.

Mrs Spelman: My right hon. Friend makes a very important point. My very last remark before his intervention was to say that we must be careful that one religious group is not privileged over another.

Religious literacy is incredibly important in this discussion. In a moment, I will speak about another minority—a non-Christian minority, the Yazidis—as the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) did before me.

In addition, it is crucial that we refrain from considering the refugee crisis just in terms of the immediate political response. Alongside considering the humanitarian action and the most effective way that it can be delivered, the Government must consider the long-term stability and prosperity of the middle east, and work hard to find the short to medium-term solution for Syria itself.

Freedom of religion or belief is enshrined in article 18 of the universal declaration of human rights. It is a fundamental right and one that is integral to the good functioning of any society. Evidence suggests that there is a correlation between freedom of religion or belief and security and economic prosperity. The freedom to practice one's belief or religion in openness and safety is the hallmark of a society where there is understanding and tolerance between individuals and communities, and with that comes stability, community cohesion and an environment in which civil society, business and all other facets of a free society can flourish.

In conjunction with a number of other parliamentarians, I, too, met with the young Yazidi lady who came to Parliament yesterday. Her first-hand account was harrowing. As a female and a mother, I was concerned about the mental cost to this young woman of having to retell her story to us and other MPs over and over again. It is a disturbing story. She explained how she had been studying peacefully alongside other Arab groups in the city where she lived when suddenly her whole community was forced to flee into the mountains. She did not make it, however, and together with hundreds of women, she was turned back, kidnapped and taken by Daesh to Mosul, where she was sold into slavery and horrifically abused. She escaped only through chance. One member of the group had a mobile phone. In a brief moment of opportunity, she was able to give her father a call. He essentially paid the ransom to the people who smuggled her out of the country.

It is an appalling tale, and another 2,000 Yazidi women are still stuck in that position. They are the most vulnerable of the vulnerable in the region, and they are not on any pathway out of it. Sadly, they are not on the pathway that we have already commended the Government for creating, and the exam question for the Government is: how do we reach the most vulnerable women? That is a most urgent question. As we stand here, those young women are being beaten, raped and abused. Some are taking their own lives because of the misery that they are having to endure.

That is a difficult question, and I do not underestimate that, but one suggestion has been made on finding a way to get them out. The German Government made a commitment to do that and saved 1,000 of those young
women. We have to try to think collectively of a way to achieve that together with UNHCR. It has a number of recommendations, and I urge the Minister to take them back to the Government. We need to gain recognition at the UN level for the genocide that the Yazidis have suffered, so that the criminals eventually can be brought to the International Criminal Court for their war crimes. As a civilised nation, we should be willing to support that perfectly reasonable request. Finding ways to repatriate these families—ultimately, it is what remains of their families, as so many have died—is going to be crucial in the recovery of the victims of the terrible genocide of their community. There is no doubt that this is a crisis of extreme complexity—no one would wish to oversimplify it—but as a lack of freedom of religion or belief is part of the problem, it must also be seen and considered as part of the solution.

10.3 am

Mr Alistair Carmichael (Orkney and Shetland) (LD): I congratulate the hon. Member for Brighton, Pavilion (Caroline Lucas) on securing this most important debate, which is timely given the meetings that are coming up at the end of the month. I hope that the debate, in its own small way, will help inform the Government’s thinking on their approach to the international discussions.

Like others, I commend the Government for the work they are doing in the region. They have shown commendable leadership, and I would like to see more countries follow that example. What pains me is that we seem to insist that that work is an alternative to helping people inside our own country. I see no reason why the two should be regarded as mutually exclusive. In fact, the efforts to bring people here and to offer them humanitarian, safe and legal routes to the United Kingdom would if anything strengthen the arguments that we must be making to other countries that they should be doing the same as us in the region.

The hon. Lady made reference to the countries in the region, particularly Lebanon, which has a long history of offering help and shelter to refugees. The Palestinian refugee camps in Lebanon have been running for decades. In fact, when we go to the refugee camps in Lebanon or Gaza or elsewhere, we realise that to call them refugee camps is something of a misnomer. They are neighbourhoods and housing estates that are built with permanency that is depressing to see.

Other countries—Turkey, Jordan, Iraq and Egypt—have all stood up to the plate, sometimes under very difficult circumstances. I certainly take the point about the failure of Saudi Arabia to contribute to the effort. Saudi Arabia is a country with which we have warmer relations than I sometimes feel comfortable with, if I can put it like that, but we should be taking advantage of that to make it contribute. The point is—this picks up on the last point made by the hon. Member for Meriden (Mrs Spelman)—that the situation is immensely complex, nuanced and difficult.

I was struck by the response from the hon. Member for Brighton, Pavilion to the right hon. Member for Cities of London and Westminster (Mark Field) about what will happen in the medium term. We would all love to know that. The only thing that I can say with certainty is that, looking at how these sectarian conflicts have developed in other parts of the world, it will be at least 20 to 25 years before we see anything like stability in Syria. We should not think that it will be a problem this year and next year, and then we will be able to move on; we may have to deal with it for a generation.

The question of the EU-Turkey deal and how that develops causes me significant concern. The lack of leadership shown in reaching that deal is significant and severely disappointing. One in, one out is no basis on which to approach a subject as morally and politically challenging as this. The impression that it leaves is of a man trying to bale water out of a boat without first stopping it coming in. It makes me feel that we and the EU are engaging not because we necessarily care for the suffering of these people, but simply because we care more about the potential impact the issue will have on our own countries.

We have spoken a lot about leadership, and I place on record my appreciation for the leadership given by a number of people outside Parliament and in particular the Refugee Council, which does tremendous work every day. I think it may have significantly informed the speech of the hon. Member for Brighton, Pavilion, and there was little in her contribution that I disagreed with.

10.10 am

Mr David Burrowes (Enfield, Southgate) (Con): It is a pleasure to take part in this debate, Mr Crausby. I welcome the Minister and his commitment and work in this area, and indeed his response to my parliamentary question to confirm his attendance on 30 March.

There is a widespread scheme that leads to the deliberate relocation of thousands of migrants and refugees. It involves thousands of adults and hundreds of children. The arrangements are made for relocation, and the promise is a home in the United Kingdom, where it is
safe. Many will have a family relation in the United Kingdom. Europol informed the Home Affairs Committee that at least 90% use this particular scheme. It is not operated by the UNHCR, by the Government’s VPR scheme or by the European Union; it is run by people smugglers and it is exploited by traffickers. The people smugglers are the main beneficiaries of the flight and plight of individuals fleeing conflict and persecution. We in the international community who will meet under the auspices of the UNHCR on 30 March must do better.

Children are the most vulnerable. The independent anti-slavery commissioner told me that in the camps, such as those in Lebanon, they know about 80% of the unaccompanied children and 20% are effectively missing. As soon as they make that perilous journey into Europe, the stats switch to 20% known and 80% unknown—missing. In Europe we have perhaps 10,000 unaccompanied children who are missing, as Europol has said, and 5,000 are missing in Italy, despite the so-called hotspot for processing refugees, which is at risk of becoming a hotspot for trafficking. We must do better.

I saw a snapshot of the desperate situation facing these people when I visited Calais and Dunkirk a couple of weeks ago. It shamed and appalled me that on our European doorstep families were living in deplorable, inhumane conditions that were far worse than those I have seen in other camps, not least in the border areas of Kachin state in brutal Burma. We have a brutal situation on our doorstep in France. What I saw is repeated in Macedonia in the Idomeni camp, and it is even worse now with the bad weather.

Kurdish families from Iraq told me that they were smuggled by lorries via Turkey and that they paid to come to the UK. “Why the UK?”, I asked. “Because that’s where it is safe.” Such a view is only firmed up by French riot police, tear gas, rubber bullets and the like. The dispersal of people will lead to some going through a formal asylum process, which is welcome, in the new so-called reflection centres across France, but others going into the hands of people smugglers and traffickers, particularly when the last bus has already gone and the riot police are still doing their work. We simply must do better.

As Europe puts up its fences and borders, the migrants and refugees get more desperate, their journeys get more irregular, and the price for being smuggled goes up. Sadly, European countries are in a race to the bottom to be as unwelcoming as possible so that an application for asylum is not made in their country. It is sad that Denmark, for example, which has a proud history of providing refuge for Jewish people, is now trying to pass laws to seize refugees’ assets to pay for the costs of their refuge. Those who find their way to Calais or Dunkirk will try and hold out for the smugglers to get them into the UK before they eventually claim asylum. We really must do better than that.

So there is a market for refugees seeking sanctuary, but it is the smugglers and traffickers on the frontline who are the beneficiaries and who are doing the main trade. Rather than refugees or smugglers choosing their destination, host countries should have to do the choosing—we all need to step up—before they get to Europe. That is the point we are putting on 30 March. We need safe and legal routes as the only legal game in the region, rather than the current game of either obstacle courses set by European Union countries or snakes and ladders, as it could be described, full of smuggler vipers and few ladders, which become a matter of life or death. Sadly, for many risking their lives trying to cross the Aegean, it is more like Russian roulette.

Therefore, I very much welcome the opportunity of the UNHCR meeting for countries to take the initiative and take it away from the people smugglers and traffickers.

Peter Kyle (Hove) (Lab): From my experience, albeit dated, of working in the field as an aid worker, I found the UNHCR to be under-resourced and overstretched. Does the hon. Gentleman agree that we need the Government to make sure that the UNHCR, which we are asking to do an awful lot on behalf of this country, has the right resources to do the job?

Mr Burrowes: I agree. We will hear from the Minister directly on that. The international community has accepted a responsibility in relation to involvement in the conflicts that have contributed to the current situation. We must accept a financial responsibility. Our great leading role in international aid must also involve the proper resourcing of the UNHCR.

Responsible nations, including our own, need to set out clearly in advance their likely threshold for refugees and their safe and legal routes. I say that we must do better, but in many ways this country has. Our international aid is the second highest, and other European countries need to step up to the plate in that regard. The VPR scheme, which is welcome, has increased to 20,000, which I see as a minimum. It should still be based on vulnerability rather than an arbitrary number. Whether it is one that comes from a campaign group or from the Government’s response to campaigns, it should be based on vulnerability.

I welcome the Government’s commitment on 28 January to provide safety for unaccompanied minors—Save the Children has said it could involve thousands of children, whether in the region, in the camps or in Europe—and to increase family reunions. The Government have made that commitment and I look forward to further details on it. We have resettled 1,337 Syrians in the United Kingdom. That is welcome, and it is far more than the European Union has managed to do, despite their being committed to a relocation scheme. The Government should take credit for that, but they should also see that as the minimum. It is important to recognise that these relocations are taking place not only in camps, but around the region. I look forward to the Minister’s response in relation to how particularly vulnerable people, such as Christians and Yazidis, are getting the help and processing they need.

It is important to recognise that there are other safe and legal routes. The humanitarian visa approach from Argentina, Brazil, France, Italy and Switzerland has a role to play. It is also worth recognising organisations such as the Barnabas Fund and Operation Safe Havens, which are working with churches, not least in eastern Europe, to provide relocation for vulnerable Christians. We should look at how we can work to facilitate and support that, in other countries as well as in our own, where there are churches and communities willing to provide sponsorship and support.

Whether it is VPR, humanitarian visas, family reunion, or a combination of all three, it is important that we and other countries set out up front those safe legal routes and provide incentives to use them. We should
give priority to the most vulnerable: the children, the unaccompanied, and groups such as the young women referred to by my right hon. Friend the Member for Meriden (Mrs Spelman).

As the hon. Member for Brighton, Pavilion (Caroline Lucas) mentioned, we should also look at the criteria for refugee family reunion. We should look at extending the criteria and focus, in particular, on the dependency relationship—whatever the dependency relationship is, there needs to be an extension around it—as well as allowing children with refugee status in the United Kingdom to sponsor their parents to join them. The ability to reunite with family members must be a fundamental right of a refugee. As a matter of urgency, the Home Office needs to amend the rules for unaccompanied children so that they are in line with adults who are granted refugee status or humanitarian protection.

We must focus on vulnerability when providing refuge. That is where we need to go. Our Parliament should take a role in providing the appropriate authorisation for the threshold for safe and legal routes so that we can reduce the demand for smuggling and trafficking and increase our confidence in accepting refugees and providing managed integration.

10.19 am

Stuart Blair Donaldson (West Aberdeenshire and Kincardine) (SNP): It is a pleasure to serve under your chairship, Mr Crausby. I congratulate the hon. Member for Brighton, Pavilion (Caroline Lucas) on securing this debate. She has spoken in detail about the excellent work of the UNHCR with regard to the resettlement of Syrian refugees and why the high-level meeting later this month on pathways to resettlement will be important for refocusing states on both the short-term humanitarian needs of refugees and their long-term integration. It is also important to recognise, as hon. Members have mentioned, the vital work that the UNHCR is doing on the ground in Syria, in utterly chaotic and hugely distressing circumstances. It is doing all it can in terrible conditions to ensure that victims of conflict have access to shelter, food and safety.

Family reunification will clearly be a prominent topic at the upcoming meeting. As my hon. Friend said, it is hugely important that refugees are welcomed into the UK and helped to integrate into our society and culture. Will he join me in congratulating the Scottish Government and the Scottish Book Trust on donating children's books and toys to refugee families throughout Scotland, and in congratulating any similar initiatives throughout the UK as a whole?

Margaret Ferrier: As my hon. Friend said, it is hugely important that refugees are welcomed into the UK and helped to integrate into our society and culture. Will he join me in congratulating the Scottish Government and the Scottish Book Trust on donating children's books and toys to refugee families throughout Scotland, and in congratulating any similar initiatives throughout the UK as a whole?

Stuart Blair Donaldson: I will. My hon. Friend is completely right. Many groups are doing fantastic work like that. Charities in Scotland have been overwhelmed with offers of support from the public. If my email inbox is anything to go by, thousands of people across Scotland have offered their time and friendship to men, women and children who are desperately in need of compassion and solidarity.

10.23 am

Jim Shannon (Strangford) (DUP): It is a pleasure to speak in this debate, Mr Crausby. I thank the hon. Member for Brighton, Pavilion (Caroline Lucas) for securing this timely and important debate. What with Russia withdrawing her troops just yesterday, on the fifth anniversary of the first unrest in Syria, massive gains for the anti-immigration Alternative für Deutschland in Germany off the back of Angela Merkel's asylum policy, and thousands of people still stranded at borders throughout Europe, it is most appropriate that we have the opportunity to discuss these issues today in Westminster Hall.

The Syrian refugee crisis was without doubt one of the defining issues of 2015, and it continues to dominate the news in 2016. As the right hon. Member for Orkney and Shetland (Mr Carmichael) said, it will dominate the agenda for the next 20-odd years, whether we like it
or not. Even with the peace talks and the Russian withdrawal, the abhorrent Islamic State, al-Nusra and other jihadist groups have no regard for such a process and continue their genocidal campaigns. Just yesterday, the US House of Representatives voted to condemn ISIL’s campaign of genocide by 392 votes to zero. I think that sums up the feelings of many of us.

We need to find the best way of getting a peaceful resolution between the Syrian Government and opposition. However, although desirable, even that would not stabilise the region. If we want a peaceful solution, it has to be found in Syria. Peace must come from there, for the sake of the refugees. We have all seen the images of what ISIS do: they behead, rape, murder and pillage. It is not hard to understand why any human being would want to get as far away as possible from such abhorrent things. More than 14 million Syrians in the country are in need of help, 7 million of whom are internally displaced. Nearly 5 million have fled abroad, including the hundreds of thousands making their way across Europe. Six-hundred thousand Christians have left Syria because of the “convert or die” ultimatum they have been given. Christians are clearly an ethnic and religious minority that has been targeted by Daesh, and that concerns us greatly. It would be remiss of me not to come to this Chamber and make the plea for my Christian brothers and sisters in Syria.

The hon. Member for Brighton, Pavilion referred in her speech to Lebanon and Jordan, which, as I have said, I had the opportunity to visit as a member of the Defence Committee. With a few exceptions, Jordan has managed to integrate some 1.5 million refugees. Lebanon has taken in 1.2 million, on top of the Palestinians who are already in camps there. The pressure is on those countries, so we need an internal solution to come very clearly out of Syria.

The right hon. Member for Meriden (Mrs Spelman) and the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) mentioned the Yazidis in their speeches. All those who met the Yazidi woman yesterday could not fail to be physically and emotionally moved by the incredible stories we heard. Daesh kill all the men and young boys. They kill some of the children. They kidnap and imprison the ladies and young girls and use them as—there is no other way to say it—sexual slaves. They pass them around. We could not see any of the physical scars on the Yazidi woman who told her story yesterday, but we could feel the emotional scars.

I make a plea to the Minister. As those of us who sat through those stories yesterday will know, we need to do two things. The only people who helped the Yazidis when they were in trouble were the Kurds. They gave them physical help, food, medical help and aid, while we in the west—I say this of us all—did nothing. So, first, we need to ensure that the aid that goes into the Kurdish camps and areas under Kurdish control gets to the Yazidis. Turkey has to play its part in that as well. Secondly, as the right hon. Member for Meriden said, we need to follow the example set by Germany when it saved 1,000 Yazidi women.

In January the European Commission’s chief spokesman stated that some 60% of those arriving in the EU as part of the movement of people were indeed economic migrants. We have to recognise that some are economic migrants and some are genuine refugees. I want to put on the record that a leading NATO commander in Europe stated that more than 8,000 ISIL fighters are in the EU. We need to develop a system that can root out the potential criminal elements. If we do not, I am afraid that we have seen what can happen in today’s news about events in Brussels.

As serious as the concerns I have mentioned are, there are success stories. In Northern Ireland we have offered free English lessons to help vulnerable people. The Northern Ireland Assembly has set aside some £20,000 a year for that. In Sweden there are what are referred to as social instruction classes, which educate refugees and help them to understand better what is taking place. That might go some way towards improving integration and ensuring that we do not have another Cologne. It is important that we differentiate between economic migrants and asylum seekers.

We have to help as best we can. We have to look after the Christians and ethnic minorities. We have to look into settling the real problem in Syria, because that is where the solution is. There are examples of where the resettling and integration of refugees has taken place and been done really well, such as in Jordan. I pay tribute to the United Kingdom Government, who, through the Department for International Development and the Minister, have tried very hard to address these issues.

Immanuel Kant said:

“All our knowledge begins with the senses, proceeds then to the understanding, and ends with reason. There is nothing higher than reason.”

Let us do our best to help those who need help.

10.30 am

Stuart C. McDonald (Cumbernauld, Kilsyth and Kirkintilloch East) (SNP): It is a pleasure to serve under your chairship, Mr Crausby, and to follow the hon. Member for Strangford (Jim Shannon). I, too, congratulate the hon. Member for Brighton, Pavilion (Caroline Lucas) on securing this debate, to which there have been lots of excellent contributions. Like others, I was pleased to co-sponsor her early-day motion, the text of which powerfully explains the case for expanding safe, legal routes and makes a series of points about what we all agree is the greatest refugee crisis since the end of the second world war.

As the hon. Lady said, there is no silver bullet to this crisis, but key measures can make a significant difference. As other hon. Members said, it is beyond dispute that the UK Government have led the way in Europe in providing financial contributions to tackle the crisis in the region. They deserve credit for that, but it is regrettable that their leadership on funding is sometimes portrayed as a silver bullet, as the right hon. Member for Orkney and Shetland (Mr Carmichael) said, as though providing aid to the region means that we have done our bit and there is nothing more that the UK can and should do. Providing aid is simply not enough.

As the right hon. Member for Meriden (Mrs Spelman) said, although the countries neighbouring Syria deserve great credit for their efforts in sheltering refugees, life for refugees in Jordan, Lebanon and Syria is incredibly difficult. That applies not only to religious minorities—a number of hon. Members spoke about the challenges they face. Ninety per cent of Syrians in those countries...
are outside UN camps. The UN reports that they are more vulnerable than ever and have to take increased risks to survive and resort to dangerous survival strategies, such as child labour, early marriage or sexual exploitation.

As Filippo Grandi, the UN high commissioner for refugees, said yesterday:

“A tragedy of this scale demands solidarity beyond funding. Put simply, we need more countries to share the load by taking a greater share of refugees from what has become the biggest displacement crisis of a generation.”

Solidarity beyond funding and sharing the load is precisely what the EDM tabled by the hon. Member for Brighton, Pavilion demands and what several hon. Members have spoken about today.

We have argued repeatedly that the UK should share the load by taking part in an EU relocation scheme, which would mean sharing the responsibility for refugees who have already made it to Europe fairly around the continent. The hon. Member for Sheffield Central (Paul Blomfield) made a similar, if not identical, point. We stand by that call. The disaster that is unfolding in Greece as we speak illustrates exactly why it is absolutely essential. Greece needs solidarity from its European allies, and not in the form of unilateral border closures.

Those refugees have already had to make horrendous journeys. However, relocation saves many of them from horrendous journeys within Europe, including to the dreadful camps at Calais and Dunkirk, which the hon. Member for Enfield, Southgate (Mr Burrowes) spoke about. My hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) spoke powerfully on behalf of the children. Taking those two strands together, I want to dwell for a second on a recent decision of the Immigration and Asylum Tribunal, which ordered the UK Government to allow a small group of teenagers who have family here but were suffering in those dreadful camps to enter the UK. The Government appealed the principle behind that decision so that they do not have to admit others in the same situation. Citizens UK estimates that only about 150 teenagers would benefit if the Government simply abided by the principle behind that decision. It is outrageous that the Government have not done that. Rather than spending money on legal fees, they could send out a team to find those 150 children. It will be useful to hear how the Minister justifies the Government’s position.

This debate is about how we can help as many people as possible to avoid making journeys, including into Europe, and provide safe, legal routes or pathways. Those pathways, as the hon. Member for Brighton, Pavilion said, are principally in the form of resettlement, or expanded family reunion or humanitarian visas.

We welcome the expansion of the vulnerable persons resettlement scheme to accommodate 20,000 refugees during this Parliament. Good progress has been made, and I am always keen to praise the Minister for his work on ensuring that the scheme proceeds as smoothly as possible. The lives of the people resettled will be transformed, and they will not have to make hazardous journeys. My hon. Friend the Member for West Aberdeenshire and Kincardine (Stuart Blair Donaldson) gave examples of schemes that are helping to transform people’s lives.

We share the concern, which was raised by a number of hon. Members, that 20,000 over five years is just not a fair share. As the hon. Member for Brighton, Pavilion remarked, it is pitiful. An Oxfam analysis shows that if just 10% of the refugees currently registered in the countries neighbouring Syria were resettled or offered other forms of admission to developed nations, the United Kingdom would receive about 24,000 refugees each year. The Government’s commitment is to less than a quarter of that. We will continue to push for the resettlement of greater numbers. That can be through alternative pathways, which I have referred to briefly.

We have heard a little about family reunion. Everybody would agree that those with family members in the UK will be determined to get to here, regardless of the route. As the hon. Member for Enfield, Southgate said, we have a choice: will we make them go through people smugglers or will we give them a safe, legal route?

The restrictive family reunion rules that the Government apply mean that even a 19-year-old young woman living alone in Lebanon or stranded in Turkey would not be able to apply to reunite with, for example, a father who had managed to make it to the United Kingdom. I think everybody would agree that that is not a sensible solution. Will the Government look again at how the family reunion rules have been applied during this crisis? That argument has been made forcefully by the Refugee Council, the Scottish Refugee Council, the Red Cross and so many others.

The hon. Member for Brighton, Pavilion made some strong points about citizenship, which can reduce people’s family reunion rights, and about the lack of rights for unaccompanied asylum-seeking children. It will be interesting to hear the Minister respond to those points. The right hon. Member for Orkney and Shetland and the hon. Member for Enfield, Southgate spoke about humanitarian visas, which other countries such as Argentina, Brazil, France, Italy and Switzerland have introduced. It would be good to hear whether the United Kingdom Government are interested in exploring that option.

We also need to look at what further steps can be taken to provide practical support for those who make family reunion applications, even under the currently restrictive scheme. When I speak to solicitors and non-governmental organisations that work for families here, they regularly speak of the impossible bureaucracy that those who approach UK embassies face, and the problems that families have here, such as a lack of basic support and the financial costs.

The hon. Member for Brighton, Pavilion and the right hon. Member for Orkney and Shetland both highlighted huge flaws in the proposed EU deal with Turkey. The refugee convention for Syrians is little applied in Turkey, and it does not apply at all to Eritreans. It is utterly bizarre that there can be a safe, legal route for some Syrian refugees only if other Syrian refugees take a completely unsafe, irregular route to Europe.

Just as the London conference aimed to deliver a step change in funding to tackle the crisis, the Geneva conference on 30 March is a pivotal opportunity to deliver a step change in the provision of safe, legal routes and pathways to safety. We ask the Government to show the leadership there that they did in London to ensure solidarity beyond funding.
10.38 am

Keir Starmer (Holborn and St Pancras) (Lab): It is a pleasure to serve under you, Mr Craswy. I also thank the hon. Member for Brighton, Pavilion (Caroline Lucas) for bringing this issue before Westminster Hall. She spoke powerfully in support of the motion, as did many other Members. I pay tribute to those who contributed to this debate. Not all debates in Westminster Hall are of high quality, but the contributions today really were—particularly the points about the plight of the Yazidi women. Like others, I hope the points made today will influence the approach the Minister takes in the meeting in two weeks’ time. That would be the best outcome of this debate.

The nature of the challenge is clear. Many hon. Members have already spoken of the figures, but it is worth reminding ourselves that 13.5 million Syrians are in need of help in-country, 6.6 million are internally displaced and 4.6 million or so have fled abroad. These are huge numbers and the UNHCR has made clear asks in response to them. Initially, it asked states to help 30,000 and to be relocated by the end of 2014. Then it asked for an additional 100,000 to be helped by the end of 2016, and in two weeks, the number is likely to go up, not down. Furthermore, to be clear, the UNHCR is asking for help with those individuals for whom there is no durable solution—those for whom voluntary repatriation and local integration are not possible: the most vulnerable, with nowhere else to go.

Against the scale of that challenge, the UK response has been slow, reluctant and limited. Just to remind ourselves, back in 2013 and 2014 the initial response of the UK was simply to provide aid to Syria’s neighbours, not to take any refugees ourselves. That was our starting position: assistance, but not receiving refugees.

Mrs Spelman: Unfortunately, the hon. Member for Hove (Peter Kyle), who was an aid worker, is no longer present to support this point, but professional aid agencies will always say that in the first instance it is better to give aid in the region where the disaster has occurred, because people are then more likely to go back to their homes and to help to rebuild their country. I am sure that was the rationale that drove the Government’s initial response.

Keir Starmer: I accept that proposition—that has been the UNHCR position for many years—but I am now plotting the response to the UNHCR ask. It was asking specifically about individuals who cannot be repatriated or locally integrated. I made that point before I came to the response, because it is only one thing to assist in-region, in the way the UNHCR has suggested; what we are discussing today is the response to the ask for countries to do something about those who cannot be dealt with in that way.

That was the initial response; early in 2014, the Syrian vulnerable person resettlement programme was set up, but it was limited and focused only on victims of sexual violence and torture. It was only extended in 2015—that was the next step—when the Government agreed to take 20,000 Syrians over five years, but none of them from Europe. There was another extension earlier this year, in January, when the Government agreed to look more carefully at unaccompanied children, but again not from Europe.

That is why I say that the UK response has been slow, reluctant and limited. We have been around this block before. I know that the Minister will say, “Well, that shows we’re listening,” but when we look back, we see that the changes in response have usually been a reaction to pressure inside and outside this House on particular issues.

Mr Burrowes: I do not want to limit the Government’s commitment of 20 January. It was a commitment to unaccompanied children in the region in conflict zones, but also in Europe, to provide safety, whether in the camp areas or through resettlement in this country.

Keir Starmer: I looked carefully at what was said in January, and I have followed it up since. I think it is fair to say that at the moment no scheme or plan is in place for taking unaccompanied children from Europe. I hope that is the next development and, if it is, I would welcome it.

Having criticised the Government’s response for being too slow, too reluctant and too limited, may I add this? Two weeks ago, I was up in Glasgow, where I met Paul Morrison, who heads up the Syrian resettlement programme, and two of the Syrian families who have been relocated. The work going on in Glasgow under the resettlement scheme is first class. The Government are to be praised for the scheme as far as those who have been relocated here are concerned. It is well run, children have been integrated into schools, the families have been found doctors, they have proper support in the community and the people of Glasgow have been welcoming and supportive. Where the scheme is operating, it operates well, and I pay tribute to the Minister and those working with him for that.

Margaret Ferrier: Does the hon. and learned Gentleman share my concern, however, about reports of substandard housing and inhumane treatment of asylum seekers in Glasgow? Will he join me in urging the Home Office to commission an urgent, independent inquiry into that?

Keir Starmer: I am grateful for that intervention, which anticipates my next point. Of growing concern is the sense of that there is a two-tier system. Those who are being relocated under the voluntary Syrian resettlement programme are being treated well and properly, and I commend that. On the other hand, I have met unaccompanied children, again in Glasgow, who had made their own way to this country and surfaced in unaccompanied children in the region in conflict zones, commitment of 20 January. It was a commitment to the future for the Government. The scheme itself is working well, but there is a two-tier system, because the conditions that others coming here to seek asylum have to endure are very different. That is worthy of another debate in due course.

On a separate visit, to Oldham, I met a 26-year-old Syrian woman architect who had made her own way to this country. Although she has refugee status, she was struggling to get support for housing, so this is one for the future for the Government. The scheme itself is working well, but there is a two-tier system, because the conditions that others coming here to seek asylum have to endure are very different. That is worthy of another debate in due course.
March obviously offers an opportunity for the Government to go further. Of course the long-term solution is a reduction in the conflict in Syria—we must never lose sight of that. Today, we are debating what we do about the consequences of that conflict. In March, the Government can go further in four particular areas. First, there is growing pressure for us to take more than the 20,000 pledged so far. I agree with the comments about the Government being out of sync with the public mood on that. The public accept that we should be doing more for vulnerable refugees.

While we are on the subject of numbers, I also think it is wrong to have a fixed 20,000 over five years, because that does not allow flexibility for a changing situation. There is already a need to take more, and the position should be reviewed year on year, rather than committing to a five-year programme, which simply does not fit with the nature of a conflict such as that in Syria.

Secondly, it is time to move on the almost universal bar against anyone having reached Europe. The idea that if refugees reach Europe, they are a problem for Europe and we should not take them as refugees is wrong in principle. We must review that. There should not be a hard block on anyone who has reached Europe.

Thirdly, much more work is needed to reunite families. That has been touched on by a number of hon. Members in the debate. I, too, have been to Calais and to Dunkirk, and Dunkirk is even more distressing than Calais. The implementation of family reunification rules, even if theoretically available under international law, is simply not working on the ground. I have made the point before, and I will continue to make it. In Calais and Dunkirk I saw volunteers trying their level best to keep people alive, safe and well in trying conditions. By their own admission, they were unable to help with the reunification process, which is complicated and difficult, so it is not working on the ground and needs to be looked at again urgently.

The fourth area is of course unaccompanied children. In Calais, the volunteers have a sense of the number of unaccompanied children, but in Dunkirk the volunteers told me that they cannot even count them, because they do not have the resources to work out who the children are. Children there desperately need help. More work needs to be done on unaccompanied children in Europe.

Finally, there is the bigger picture, which is about safe and legal routes. I join with those saying that there is an exam question in relation to certain groups—the Yazidi women would be one. How do we provide safe and legal passage for very vulnerable people to find safety in Europe?

I hope that the Minister takes everything in the right spirit. The debate is intended to influence the position that he may take—it is a nudge, pull and influence situation. The Government have made moves; more would be very welcome.

10.49 am

The Parliamentary Under-Secretary of State for Refugees (Richard Harrington): It is a pleasure to serve under your chairmanship, Mr Crausby. I commend the hon. Member for Brighton, Pavilion (Caroline Lucas) for bringing about the debate and everyone for their contributions. I appreciate the compliments about what the Government have done, and I listened to every single item said about what more the Government should do.

Those hon. Members who know me will know that, since I took on this job last September, we have been trying carefully to listen to everybody. Clearly, there is not a person in the country, let alone in the House, who could not fail to be moved by the plight of Syrians, both those trapped in the appalling conditions there and those who have been forced to leave home. That is not just clichés and platitudes; that is so obvious. For those of us involved in politics, if that is not part of why we are involved, we should not be in it.

I am proud of what the Government have done. In the same spirit as the comments were made, which was not negative, I will criticise hon. Members’ comments that the Government have done all of this stuff reluctantly because we were forced to. I will say, as everyone would expect, that that is not the case. I also stress that this cannot be viewed in any way other than in the round. Hon. Members have said, “It is one thing giving money—fine, thank you very much and well done UK Government—but there is a lot more to it than that: it is what we do here.”

Hon. Members talk about camps, but comparatively few people are in camps. The point has been made that people are in everything from what I would describe as the top-end, which are basically large corrugated iron buildings, down to tents in fields and cramped into rooms in apartments and houses. They are registered with UNHCR, which is how we make our distinction rather than the accommodation.

It is not just a question of giving money and the UK has done a lot more than that. We see a number of British non-governmental organisations working there, and young people who in their civil service careers probably could have chosen a comfortable job sitting in Whitehall are there, living in very difficult situations and doing a great job. The commitment of the Government and of the British people is very much more than just the financial side.

The resettlement bit—the narrowest part of the programme—for the most vulnerable families is important and I would not underestimate it. It is important, but it must be viewed as just part of the whole programme. Local authorities in England, Scotland, Wales and Northern Ireland have been excellent. That is a good example of us working with the Scottish Government, the Home Office and Scottish local authorities—no one is playing political games. The hon. Member for West Aberdeenshire and Kincardine (Stuart Blair Donaldson) made a good point. His area is a good example, but so are Brighton, Sheffield and all of the other places. The Government have done a lot of work on the voluntary scheme to try to persuade local authorities, some of which do not have the experience of those places of taking refugees, to take them. Many communities are doing it for the first time.

I will try to make progress—I realise I have little time—and try to answer some of the specific questions raised. My right hon. Friend the Member for Meriden (Mrs Spelman) and my hon. Friend the Member for Enfield, Southgate (Mr Burrowes) talked about the Yazidis. In answer to the hon. Member for Dwyfor
Meirionnydd (Liz Saville Roberts), I will be happy to meet with Salwa Khalaf Rasho—I hope she will excuse my pronunciation of the name and of the Welsh. However, I would like to put on record and make it clear that the UK has not done nothing about the Yazidis. Our aid has been reaching a lot of vulnerable women and girls across Iraq, including many Yazidis. For example, we funded the establishment of three centres in the Kurdistan region of Iraq that provide psychosocial and legal support for Yazidis and, through the Iraq humanitarian pooled fund, of which we are leaders, we are providing life-saving healthcare for women and children, child protection services and specialist support for those victims of Daesh terror. I will be happy to meet with Members to go into detail on that, but I did not want them to think that we were doing absolutely nothing. The Yazidi community are internally displaced people, so, unlike all the other refugees we are involved with, that work is not through UNHCR.

As far as the Christian and other minority communities are concerned, I say to my right hon. Friend the Member for Meriden that I have spoken to the Archbishop of Canterbury, the Bishop of Durham, the Catholic bishop and the Coptic bishop. We want examples. I have asked them and I will ask hon. Members to come to us with examples of communities that UNHCR cannot reach, because we will fund the UNHCR to go out to those people. I made that point to the Bishop of Durham last week. There is a lot of talk of stories that I am sure are valid, but we need to find those people. I would however like to say that Patrick Lynch, the representative of the Catholic community in this field, noted recently that there has been some improvement in the amount of registration of Christians in Jordan.

Mrs Spelman: Will the Minister give way?

Richard Harrington: I am very sorry but I cannot because I have a very short period and lots to say. I will be happy to discuss this at any time, as my right hon. Friend knows.

I will move on to points made about unaccompanied children. The Government made a statement through the Minister for Immigration on 28 January that we are considering how best to provide protection for them. We have asked UNHCR for a comprehensive report on that. As far as UNHCR is concerned, the hon. Member for Hove (Peter Kyle), who is not in his place, said that, from his experience it was under-resourced. We are making it our business to ensure that it is not under-resourced for this project—I hope that things have moved on since his time. We have had roundtables with the Refugee Council and others, but we cannot have a knee-jerk reaction on these children. As hon. Members have mentioned, UNHCR’s main policy is to resettle unaccompanied children in the region with greater families, because it feels that that is better for them.

The Government are providing further resources to the European Asylum Support Office at border hotspots to help to identify and register children at risk when they first come into the EU. Kevin Hyland, the Children’s Commissioner, is going on behalf of the Home Secretary to investigate the position.

Caroline Lucas: Will the Minister give way on that point?

Richard Harrington: I am so sorry but I cannot. I have only two minutes to go and I have things I would like to cover. Again, I am very happy to discuss that on any other occasion.

On the children in France who have been spoken about, there have been many representations to the Government to expand the family reunification scheme. Children can be resettled here under family reunification in different ways. The UNHCR vulnerability criteria, which are one of the seven parts of the Syrian resettlement scheme, are one such way.

The Dublin convention allows for children to be given asylum. The example of France was given, and we are shortening the time between children getting advice on and applying for asylum and coming here under family reunification. I was advised by officials yesterday that that is down to four weeks—four weeks from registering in France, with proof of family reunion, they can come here. Things are happening on that.

I accept that many valid points were made and the Government are always looking at ways of improving the situation. What we cannot do is provide a vehicle for the people smugglers and traffickers to get children as far as France, then into this country as unaccompanied children and then produce parents. The people who produce those children are ruthless, and the refugees are vulnerable and desperate. I am sure hon. Members will agree that we cannot allow children to be used as a way of getting families here when we do have good schemes in place to get families over here.

Community sponsorship has been mentioned and we are finalising the details of that. The Government are focused on providing a wide response. We know that there are people who cannot be supported sufficiently in the region and it is those vulnerable people whom we are bringing to the UK.

Question put and agreed to.

Resolved.

That this House has considered the UNHCR and pathways for admission of Syrian refugees.
EU Referendum: Northern Ireland

11 am

Ms Margaret Ritchie (South Down) (SDLP): I beg to move,

That this House has considered the effect of the UK leaving the EU on Northern Ireland.

I am glad to serve under your chairmanship today, Mr Crausby, and pleased to see the Minister in his place. I am grateful to have this opportunity to highlight in brief the effect that the UK’s leaving the EU would have on Northern Ireland. I believe that all of Britain and Northern Ireland benefit from being part of the EU, but there are special circumstances in Northern Ireland that require thorough consideration before the vote in June. To put it simply, Northern Ireland uniquely benefits from our membership of the EU, and would be uniquely hurt by leaving.

The most obvious issue, for which there is no parallel in Britain, is the land border that we share with the south of Ireland. Anyone who lives in a border county will know for themselves that talk of a hard border in Ireland is not an abstract, scary story, but a living memory. I was reminded of that last week when I attended the launch of the Irish4Europe campaign in London. It is a campaign group set up to encourage Irish people living in Britain to engage with the referendum. During the questions and answers, someone told us about growing up in Quigley’s Point in Donegal, and an attempt to smuggle 4 lb of Northern Irish butter into Donegal. It was foiled by the honesty of his grandmother, who when asked by the guard whether there was anything to declare lifted her coat off the back seat and revealed the 4 lb of butter. We laughed but the story is less funny in the light of an official report from the Cabinet Office that says:

“Northern Ireland would be confronted with difficult issues about the relationship with Ireland. Outside the EU’s Customs Union, it would be necessary to impose customs checks on the movement of goods across the border.”

To be clear, that warning comes not from me or my party but directly from the Cabinet Office. The same report says:

“Questions would also need to be answered about the Common Travel Area which covers the movement of people.”

Jim Shannon (Strangford) (DUP): I thank the hon. Lady for giving way. She will understand that I come from a different point of view. The Stormont Public Accounts Committee recently concluded that Brexit would have little effect or impact on the Northern Ireland economy. Secondly, the hon. Lady will know that the fishing industry in Portavogie, Ardglass and Kilkeel is clear that it wants a viable fishing industry free from EU red tape, the quota system, days at sea and EU legislation. They want to be able to fish the seas round their area—

Mr David Crausby (in the Chair): Order. Mr Shannon, interventions should be short.

Jim Shannon: I just ask the hon. Lady whether she accepts that.

Ms Ritchie: Needless to say, I do not accept that proposition—for a simple reason. I understand and appreciate people in the fishing industry because I represent fishermen from two of those ports, but I also understand that it would be possible to argue better for reform of the common fisheries policy by continued membership of the EU. There are people in the fishing industry, and senior people particularly, who have told me that fishermen have asked public representatives to be particularly cautious. Many of the regulations about discards and the landing ban originated in London, in Whitehall, and not in Brussels. People must be careful about that point.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Will the hon. Lady give way?

Ms Ritchie: I will, and then I want to make progress.

Tom Blenkinsop: The hon. Lady is making excellent progress in her prosecution of the argument for remaining in the European Union. Upstairs, the Select Committee on Northern Ireland Affairs is conducting an investigation of Brexit. We have just heard from the Ulster Farmers Union about why, for them, the case for Brexit has not been made. Its members have worries about the potential for 40% of their trade to the continental European beef and dairy market to be damaged by a Brexit scenario.

Ms Ritchie: That was a very helpful intervention, and that story has been articulated to me by farmers, and the farming community and its representatives, including the Ulster Farmers Union. They are concerned about the free movement of products, produce and people across the island of Ireland. The north’s greatest export market is the south of Ireland. It is also here in Britain, and the wider common market of the 27 countries. We all know how long it takes for an export certification to be processed. It can take several years. Just look what has happened in China. We are still awaiting a certificate in respect of Taiwan. As for the export of poultry products to China, that has not yet been resolved. The nonsense being perpetrated by the no campaign should stop, because it is scaremongering to farmers, farming communities, and particularly those whom I represent.

To go back to the Cabinet Office report, I stress that it does not say that either the British or Irish Government would want to impose custom points. It simply says that it would become necessary. It highlights how, outside the European Union, managing the border could quickly fall outside either Government’s control. No matter what the wishes of the two Governments were, the border would become a victim of differing policies between the Common Market and the exited UK.

Mark Durkan (Foyle) (SDLP): My hon. Friend touches on an important point, because borderism would become inevitable. We are not free of it at the minute, even within the current EU context, as wedding car businesses in my constituency can testify. Once those pressures or issues arise, border controls and border differences are emphasised, and that has an impact on trade.

Ms Ritchie: I thank my hon. Friend for a helpful and informed intervention. His constituency has a clear border with County Donegal, and he articulates a particular fear: our concern that customs posts will immediately be put up, and will carry with them a major impediment to and restrictions on trade and people’s betterment. Far from improving control of our borders, leaving the
Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Lady on obtaining what is obviously a timely debate. She talked about reform being necessary, and I have heard her and her colleagues mention that before. Does she agree that, whatever negotiations the Prime Minister has done, and whatever reforms have been agreed, the deal will be that we have got what we have got and will have to accept it, with all its problems and faults, or else leave? She cannot have her cake and eat it—talking about reform after the debate has concluded and the referendum has been held.

Ms Ritchie (Strangford) (DUP): I thank the hon. Lady for her helpful intervention. All the moneys that have come out of the peace programme have brought people together, right across communities; they helped to build that peace and political process and that delicate, intricate network of relationships.

The same has happened with the Interreg programme. I look at those cross-border programmes. I look at what has happened up in the north-west, in the constituency of my hon. Friend the Member for Foyle (Mark Durkan), with district councils along the border there between Derry and Donegal; down between Fermanagh, Cavan and Monaghan; and also in my own area—the east border region—with the constituency of the hon. Member for Strangford (Jim Shannon), my own constituency, Armagh, Banbridge and Craigavon, with Louth and Monaghan. Those relationships have borne money for many types of cross-border project and have allowed people to grow together in mutual understanding, through many types of cross-border project and have allowed people to grow together in mutual understanding, through many types of cross-border project. I wish others who think differently would stop being naysayers in this debate.

Much has been said about the impact on farm subsidies. It is an area where our economy is hugely reliant on our ability to export to and work with the south. Farming makes up a bigger proportion of our economy in Northern Ireland than it does in England, Scotland or Wales, and our smaller population means that we have no other option but to export. That means Northern Irish farmers are especially reliant on access to EU markets, including the south, and farmers in Northern Ireland receive more than £230 million a year in support from the European Union.

The Ulster Farmers Union has made it clear—it has probably already said so this morning in the Northern Ireland Affairs Committee—that that support has been vital in keeping our sector sustainable through tough times. I am certain that £230 million a year is more support than we would ever be able to secure from the British Government, should we vote to leave the EU. My certainty on that comes from the years that I and my colleagues before me have spent fighting for the interests of farmers in South Down and other constituencies.

Stephen Pound (Ealing North) (Lab) rose—
with the British Government will enable them to secure even more support for Northern Ireland should we leave the EU. I ask those politicians: where have you been for the past five years, as we have seen cut after cut to services in Northern Ireland?

The damage to agriculture will come not only from the loss of subsidies, but from the instability and confusion that transitioning away from the common agricultural policy would cause. One need only look at the massive problems caused for farmers by the ongoing delays in getting payments out in the basic payment scheme. Delays in the payment of European support have pushed many farmers into debt and hugely undermined the sector. Imagine how much greater damage would be caused by the wholesale loss of European support. In contrast to the instability and uncertainty we would face outside the EU, if we work with our neighbours in the south and with the greater Common Market—to which we can export our products, and which could be fractured if there were an exit—we can build an outward-looking, sustainable agricultural sector.

I would like to conclude with a few words on the founding purpose of the European Union and what it means to us in the north. The European Union was founded to bring peace to a continent that had been torn apart by war and conflict, and to enshrine respect for human rights throughout the continent. The duty to build a lasting peace may seem far removed in the UK-wide debate, where the memories and sacrifices of the second world war grow more distant by the year, but it is something that we in Northern Ireland understand all too well. For us in Northern Ireland, the EU’s principles of co-operation, integration and reconciliation are as relevant today as they were 40 years ago.

The EU has been a practical as well as a symbolic partner for us. We should not take for granted the money that comes to us when we look at the peace programme and at the funding from Interreg. Our membership of the European Union also helps to guarantee the protection of the Good Friday agreement possible. Those protections have since been further embedded, post-Lisbon, through the EU charter of fundamental rights, made binding on all member states since 2009. I therefore regret the decision of the British Government to scrap the Human Rights Act.

The EU might not be perfect, and we do not claim it is. We want more democracy, more accountability and more engagement, but voting leave will not get us any of that. Ultimately, voting leave would send a message to the world that we are more interested in looking inward than engaging with our neighbours. It would send a message that we have lost faith in building a better Europe and a better Northern Ireland within an island of Ireland. That would be a disaster for us. I still believe that dialogue, openness and integration are the only means to a better society, both in Northern Ireland and throughout Europe. Those, for me, are the principles of the European Union. That is why I will be voting to remain this June and why my party and I will be encouraging others to do the same—not out of fear, but out of hope and anticipation for the future that we can build together.

[Ms Ritchie]

The Parliamentary Under-Secretary of State for Northern Ireland (Mr Ben Wallace): It is a pleasure to serve under your chairmanship, Mr Crausby. I congratulate the hon. Member for South Down (Ms Ritchie) on securing this important debate. We can probably all agree that this will be a once-in-a-lifetime referendum. I certainly welcome the chance for the people of the United Kingdom hopefully to reaffirm their commitment to this country being a member of the European Union. I have always supported our membership, and the Government’s efforts and the reforms we have achieved mean that we can make a strong case for remaining within the European Union.

Since the general election last May, the Government have pursued an agenda of reform and re-negotiation to deliver change in our relationship with the European Union. Following months of negotiations, we ended up with a new settlement that gives the UK a special status within the EU, as well as setting the EU as a whole on the path to long-term reform. We have protected the UK’s rights as a country within the single market but outside the eurozone to keep our economy and financial system secure and to protect UK businesses from unfair discrimination.

Our new settlement confirms that the regulatory burden on businesses, and particularly small businesses, will be reduced and there will be a new focus on extending the single market to bring down the remaining barriers to trade within the EU. We have secured agreement that the treaties will be changed in future, so that the UK is carved out of ever closer union, and we have established a mechanism for decision making to return from Brussels to the UK. We have secured new powers to tackle the abuse of free movement and to reduce the unnatural draw of our benefits system in order to meet our aim of reducing immigration by creating fairer rules, while protecting our open economy. Our new settlement resets the balance in our relationship with the EU. It reinforces the clear economic and security benefits of EU membership, while making it clear that we cannot be required to take part in any further political integration.

The UK is stronger, safer and better off in the EU. It is better off, because Northern Ireland and its businesses need access to 500 million consumers to which they can sell their goods; consumers who can afford to buy our goods and who can trade their business or supply our businesses in Northern Ireland. It is better off because being part of the European Union puts us in pole position to negotiate free trade agreements around the world with other large trading blocs and other large economies.

I am probably one of the few people in this House who took part in the negotiations for the UK-US defence trade co-operation treaty back in 2006—it is an individual treaty between the UK and the US—which involved very long graft. Ask anyone in aerospace what actual concessions we got from the United States and they will say it was a bare minimum. I was also part of the EU-US trade treaty negotiations in the early part of the previous Government, when I worked for the then Lord Chancellor. It was clear at that stage that the United States was only interested in a free trade agreement with the European Union. That is where the game is;
that is where free trade agreements are made. We are therefore better off being part of the EU, so that we can collectively negotiate at that position.

Deidre Brock (Edinburgh North and Leith) (SNP): Does the Minister agree that the EU is about not just economic union, but social union? It is a Union that has delivered many valuable social and employment protections across Europe for its members.

Mr Wallace: The EU is a whole range of things, but I think that at its heart it is about trade. The freedom to trade is the greatest driver of reform and of other people’s freedoms and rights across the world. Originally, the concept of the European Union, or its predecessors, revolved around trade. I believe that for Northern Ireland businesses, access to regulation-free, tariff-free trade with its neighbour in the Republic of Ireland or elsewhere in Europe is absolutely one of the benefits and is at the heart of why we should remain members of the European Union.

Jim Shannon: When the Prime Minister went to secure concessions from the European Union, he was unable to secure anything for the fishing industry or the agricultural sector directly. Remembering that we put some £19.7 billion into the EU and receive £15 billion in return, we are better off out of the Union; the fishermen will have control of their industry, as will the farmers, and the extra £4 billion that we will have can be used directly for those sectors.

Mr Wallace: I am afraid that I do not agree with the hon. Gentleman, and nor do many in the Ulster Farmers Union whom I have met to discuss the issue. In this modern world our farmers need access to markets and access to consumers. One reason why farmers in the Republic have a higher milk price is the efforts of the Irish Government to forge new export markets for their milk products. That is not about leaving the European Union; it is about helping our farmers, whether in England or Northern Ireland, to access new markets and new consumers. We have to remember that the consumers have to be able to afford the products. It is all very well trying to push products outside the European Union, but how many people in the rest of the world will be able to afford European products? There are a few in developing countries, but the idea that our farmers will get easier access to markets if we leave the European Union is just pie in the sky.

Mark Durkan: We have heard a number of interventions this morning, and clearly some people seem to believe that if the UK leaves the EU suddenly all the money that the UK sends into Europe will make its way to Northern Ireland instead, for the benefit of farmers and fishermen there. Does the Minister’s right hon. Friend the Secretary of State share the belief that there is a crock of gold for Northern Ireland at the end of the Brexit rainbow?

Mr Wallace: We are all grown-ups. I hope, in this House. We all know the pressures that every Department across Whitehall gets on an annual basis from Treasury Ministers and other Ministers alike. Our farmers, with their direct payments from Europe, are often in a position to resist pressures from other Whitehall Departments. Take the idea, for example, that we would have let previous Labour Secretaries of State responsible for agriculture to get hold of that money en route to farmers. How long would it have lasted? This Government will continue to support our farmers, but I cannot guarantee that that would happen if Members from other parties in this House got into government.

The Government believe that being a member of the European Union makes us safer. Co-operation on security is at the heart of a successful security policy. We all remember the days of wrangling with Irish courts about deportation and bringing people back to the United Kingdom for trial. Not so long ago I recalled someone under licence, and they will be brought back under a European arrest warrant. It was straightforward. There is no more of the long wrangling that often saw people walk free. The co-operation that we have around the table in Europe on security issues creates trust, and at the heart of a good security policy is trust. I believe that remaining part of the European Union will allow us to develop that trust and build on it, and I also believe that we will be stronger. We are part of the European Union, and we are part of NATO, the G8 and the G20. All those organisations—all those unions and groupings—allow the United Kingdom to amplify its voice across the world stage. They allow us not to stand alone on many issues, which is very important.

The hon. Member for South Down mentioned the border. It is a fact that if we vote to leave the European Union, we will be outside the customs union. If we are outside it, the EU will require the remaining member states to make sure that there are safeguards to protect that customs union. That will inevitably be some form of barrier to trade, to small and large businesses in Northern Ireland. I met some small businesses in north Belfast only a few days ago. They effortlessly trade and grow their business across the border, and they effortlessly make sure that they have new markets in the Republic of Ireland. I do not think that the whole border will be shut if we leave, but I certainly believe that there will be extra barriers to trade that we do not need or that are unhelpful.

I will make a final point. People will hear the debate about guaranteeing our borders and sovereignty. It is obviously true that within the European Union we have arrangements with regard to our borders, but let us not forget that we are members of the UN. We have obligations under a succession of treaties—the 1951 Geneva convention relating to the status of refugees, the 1967 protocol relating to the status of refugees, the 1948 universal declaration of human rights, the 1984 UN convention against torture, which prevents us from deporting people to countries where torture or harsh punishment exist, and the 1989 UN convention on the rights of the child. All that means that we were to leave the European Union, we would still be obliged to take into this country a huge range of people under our UN obligations. That is an example of where our sovereignty does not 100% lie. Are we saying that we will then leave the UN? Is that the next thing—“Stop the world, we want to get off”? We should remember that were we to leave the European Union, our borders would not be as easy for trade as we may like, and they would not be as open to the hundreds of thousands of tourists that come to Northern Ireland every year. Our borders would also not be so easy for
our air flights to and from Northern Ireland, so that people can arrive in the south, travel up through for tourism and fly out of Northern Ireland. All that is incredibly important to remember.

I have to say to the hon. Members for Strangford (Jim Shannon) and for Edinburgh North and Leith (Deidre Brock) that I am a Unionist. Many of the reasons for belonging to the United Kingdom are the same as the reasons for belonging to the European Union. I do not say that the reasons are all the same, but the freedom to trade, the shared culture and the removal of barriers are things that, in my heart, make me a Unionist. I do not understand the Democratic Unionist party’s view that by putting in a new border we will somehow guarantee ourselves all those investments and good trade practices that are important, and also the ability to be stronger in Europe, rather than weaker on the outside.

Ms Ritchie: Does the Minister agree that there has been so much financial benefit in terms of tourism, economic development and investment, and that we must not imperil those by an exit?

Mr Wallace rose—

Mr David Crausby (in the Chair): Order.

Motion lapsed (Standing Order No. 10(6)).

11.30 am

Sitting suspended.
the practicalities. We hear a lot about 24 trains a day running through Thameslink and to the north, which is a wonderful aspiration, but if these practices continue, I do not know how practical it will be to achieve that.

Many constituents believe that trains are cancelled to meet punctuality targets. I do not know whether that is true, but it is shocking that over the past year one in 20 of all Thameslink, Southern and Great Northern trains were either 30 minutes late or cancelled. It is a regular refrain for all of us to hear about constituents stranded on trains for long waits to complete their journey home. I will return to that theme, but I note that passenger satisfaction with how delays are handled was the worst in the country when measured last autumn.

I have tracked specific action points set out by the operators and Network Rail to improve the service since May 2015 and identified 40 individual points. In discussion with the operators and Network Rail, it seems that 31 have been achieved and a further five are in progress and getting there. It is bewildering that, despite a 90% success rate, there has apparently been so little impact on customer experience on the ground. I know that 84 drivers were recruited for Southern and 38 for Thameslink in 2015. I know that 286 drivers are to be recruited across GTR in 2016 and that 251 are currently in training. I know that the class 700 is coming in, which I am sure will be a great success. I know that engineering work continues on the line and that London Bridge station is being rebuilt, at a cost of £6 billion, which is all good news. What I do not know, and what none of us knows, is when all this positive activity will be recruited across GTR in 2016 and that 251 are currently in training. I know that the class 700 is coming in, which I am sure will be a great success. I know that engineering work continues on the line and that London Bridge station is being rebuilt, at a cost of £6 billion, which is all good news. What I do not know, and what none of us knows, is when all this positive activity will ever improve the service that our constituents experience.

Sir Nicholas Soames (Mid Sussex) (Con): I congratulate my hon. Friend on securing this debate. Does he agree that despite the great efforts of the company and Network Rail to carry out improvements—we all know how complex they are—there remains a real industrial relations problem? In some depots, the standards of modern manpower management are not nearly good enough. Does my hon. Friend also agree that the company needs to confront these issues and deal with them? If very highly paid drivers will not act in the interests of passengers, that is another reason why the company needs to get its act together.

Jeremy Quin: It is always a pleasure to be pre-empted by my hon. Friend the Member for Tonbridge and Malling (Tom Tugendhat). He raises a valuable point that I hope the Minister will respond to, particularly in the context of delay repay. There must be a simpler way in this modern age for people to get their money back for journeys for which they bought a service but did not receive it. I am sure my hon. Friend is well ahead of me with the technical means for dealing with such things. There must be better ways of delivering that service.

I speak for a number of hon. Members here when asking those responsible for ticket offices to think again long and hard before proceeding with these closures, which I believe should not take place. In particular, I ask them, in the current environment of huge uncertainty faced by passengers and a poor service, how on earth reducing customer interface can possibly be in the interests of either passengers or the companies.

I will mention another sense of wonderment shared by my constituents. They look at the performance of our operators and Network Rail. They experience at first hand the chaos of what is the first step in a number of improvements that need to be made to the lines. They all too often stand cheek by jowl with other passengers on trains going through the deepest cutting anywhere in western Europe on their way to London. And they ask themselves in what parallel universe anyone could believe that the public infrastructure laid out in the 19th century to serve rural towns and commuters could possibly be improved by developing an airport the size of Gatwick in size with a new runway to take the same number of passengers as Heathrow and were a far greater number of workers forced to commute from far afield to service the new
facility. In fairness, I do not expect the Minister to respond to that point today, but I raise it to share with the Government the frustrations felt by my constituents. If anyone imagines that the existing infrastructure could cope with a minimum of an extra 90,000 passenger journeys a day, that shows a complete failure to understand the sheer inadequacy of the current service.

Henry Smith (Crawley) (Con): My hon. Friend makes a powerful point. With regard to Gatwick airport, he is absolutely right that the existing rail infrastructure can barely cope as it is, let alone were there to be an additional runway. Although I welcome the more than £50 million-worth of investment in upgrading the Gatwick station, in terms of line capacity Gatwick has not offered any assistance, and my hon. Friend is absolutely right to say that that means Gatwick is absolutely the wrong choice for runway expansion in London and the south-east.

Jeremy Quin: I thank my hon. Friend for that point. He is absolutely right. If one looks at a possible alternative to Gatwick, one sees four or five main railway lines, Crossrail coming in and a potential spur to High Speed 2, as well as the tube network, faster journey times into London and a large number of would-be employees who are looking for employment absolutely on their doorstep, but we will not dwell on that; we will dwell on the subject at hand. I raised it purely because of the frustration that many of our constituents feel that their problems cannot be being taken seriously if people are seriously considering that they can throw all these extra passengers on to the same line.

I know that the Minister has put a huge personal investment of time and energy into sorting out the problems in this area. She has referred in the past to the massive productivity gain that could be gleaned were the problem to be solved, and she is absolutely right. We heard more in the Budget speech today about the productivity gains that could be had from transport. This is the basic work that needs to be put together to get real productivity gains for our economy. I know that the Minister is aware of that and of the human misery that entails from the problems on this line. May I offer three comments by way of conclusion?

First, we are all far too familiar with long and complex lists of the factors that need to be got right to improve the service. I have no doubt that those are provided in genuine good faith by committed managers, but they are simply inadequate for either solving the issues or reassuring passengers. Can we please hear less about the inputs and more about committed outputs that are deliverable and can be delivered on time? As part of that, I would like to see Network Rail, which seems a very distant organisation—according to the statistics, it is probably responsible for 57% of the delays on my line—far more customer-focused in the way it approaches its problems, and anything that the Minister can do to bring it closer to the reality of what its service entails would be welcome.

Secondly, I know that the Minister is a great advocate of more efficient, simpler and more generous refunds through delay repay, as so eloquently said by my hon. Friend the Member for Tonbridge and Malling. I would very much like to hear anything more that she can share with us on that. It is a way of concentrating the minds of the train companies, as well as providing what are only the just deserts for passengers who have been affected.

My last comment relates to the structure of the service. I do not believe that nationalisation or stripping commercial firms of franchises is a panacea. However, this is by far the largest and most complex task to get right in the network. I hope that if the Minister decides that its sheer scale and complexity requires the attention of smaller and more nimble spheres of operation, she will not be afraid to start that process.

Several hon. Members rose—

Mr Philip Hollobone (in the Chair): Order. Unlike some Thameslink services, this debate has started on time and will finish on time. I am determined that everyone should be able to speak, so I will impose from the first Back-Bench speech a time limit of five minutes. If hon. Members are sparing with interventions, everyone should have that amount of time. Very generously, the Scottish National party spokesman and the Labour spokesman have said that they do not need to take their full allocation. I know that the Minister will want to use any extra time at the end to answer points. I hope to start calling the Front Benchers at 3.34 pm, and then Mr Quin gets another three minutes at the end to sum up the debate.

2.45 pm

Joan Ryan (Enfield North) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for Horsham (Jeremy Quin) on securing this timely debate. We are discussing Govia and the Thameslink, Southern and Great Northern franchise. I am sure that the hon. Gentleman’s constituents will not be too surprised to learn that many of the problems they face on the Southern railway are shared by commuters using the Great Northern routes in Enfield.

It is quite an indictment of Govia that across the franchise, in both the south-east and the north of London and beyond, the service is totally unacceptable.

The stations that Govia serves in Enfield, on the Hertford loop, are Crews Hill, Gordon Hill and Enfield Chase. According to the rail regulator, there were 180,000 entries and exits at Crews Hill last year. There were 1.3 million entries and exits at Gordon Hill and 1.4 million at Enfield Chase. Those stations experienced a 9% and 5% increase in usage respectively between 2013-14 and 2014-15. With such a significant rise in numbers in the course of one year, the need for a reliable service becomes ever more important, and indeed that is exactly what Govia told us we could expect and it would provide.

In 2014, when the Department for Transport awarded Govia the Thameslink, Southern and Great Northern franchise, David Brown, chief executive of the Go-Ahead Group, which is the lead partner behind the Govia venture, said that the "bid for the franchise was focused on improving customers’ experience."

Well, if my mailbox and my own difficulties as I travel on the line day in, day out during the week are anything to go by, the performance is completely inadequate. I am almost weary of going on to the train platform. I do not know about the hon. Member for Horsham, but I could run an advice surgery on the train service while I am waiting for the train.
Trains run consistently late. On Monday 14 March, only half of Great Northern trains arrived at their destination at their scheduled time, with almost 20% arriving more than five minutes late. That is a little better than the experience of Southern, but by no means acceptable. Yesterday, four out of every 10 trains did not arrive when they were supposed to. Today, Enfield commuters had to travel into London by other forms of transport because of delays and train faults affecting services from Enfield Chase. They were not impressed by the lack of information provided by Govia. Sadly, that is typical of its distinct lack of customer service. Constituents have regularly reported trains running through stations and not stopping as scheduled, causing headaches for passengers who then have to travel further, and often via other means, to get home. And there are far too many instances of three-carriage trains being used, even in peak hours. Packing commuters into carriages with very little room to stand, let alone sit, is certainly not an example of the improved customer experience that they were promised.

I have also been approached by constituents who have raised concerns about Govia’s consultation on ticket office closures, which will affect Gordon Hill and Enfield Chase as much as the commuters on Southern. The consultation was poorly advertised, with little publicity about the proposals at the stations concerned. The residents who contacted me about the matter found out about the consultation not from Govia, but from leaflets handed out by those campaigning against the measure. Govia needs to be absolutely clear with passengers about what its plans might mean. Will commuters still be able to arrange season ticket sales, railcards, photocards, advanced discount fares and refunds at a station without a ticket office? How many job losses in Enfield and elsewhere will result if ticket office closures go ahead as planned?

I understand that Network Rail is responsible for almost 60% of delays on Gavia, but Govia is therefore responsible for four in 10 delayed trains. I would suggest that to serve the commuters in my constituency and elsewhere properly, and to give them the fair deal that they deserve, Govia Thameslink Railway really needs to get its act together as fast as possible.

2.50 pm

Tim Loughton (East Worthing and Shoreham) (Con): I pay tribute to my hon. Friend the Member for Horsham (Jeremy Quin) for securing the debate and agree with him that this really is déjà vu all over again. For all of us here, the issue is one of the single biggest annoyances in our constituencies at the moment. I get daily emails with progress or lack-of-progress reports from constituents, tweets and other social media. I have taken to having a “Trainwatch” section on my website, where I post, three times a day, the performance or lack-of-performance charts from Govia Thameslink Railway, which are usually a mass of red and yellow showing lateness.

On Monday, I visited the Three Bridges operation centre, so that I could see at first hand how it was dealing with all the problems. It is a very impressive facility where Network Rail works alongside Southern rail. I was taken around by the chief executive, Charles Haughton, and I am grateful to him for the time he took to show me around. However, it is very clear that GTR is still nowhere like on top of the problems. We were shown charts that were not just red, but pink, which is when it is in complete meltdown. The very morning that I was there, the whole signalling structure was outed for some 10 minutes, causing absolute chaos.

I then travelled in the cab with the chief executive up to London Victoria. Again, it was good to see at first hand some of the challenges faced by GTR. Fortunately, the train arrived into Victoria only 10 minutes late. I recognise the problems and challenges of the infrastructure going back to the 1930s, and we heard all about that at the heated meeting with the management and the Minister back on 18 January. We recognise that the responsibility for the problems is something like a 60:40 split, with Network Rail responsible for 60%. However, on the day I visited, it was quite clear that there were problems that were Southern rail’s own making.

I got an email just that morning from a constituent saying that they had just been told that the 7.31 am from Shoreham had been cancelled. At 7.35 am, they saw it shoot through Shoreham station. Later in the day, I found out that, in fact, the train had not been cancelled. There was a problem with the train crew at source. Southern had then chosen to shoot through some stations to try to make up that time, so, effectively, it had lied to consumers. It is no wonder that our constituents are getting cynical about the reasons for some of the delays. I said to GTR that it needs to be honest with passengers. Passengers will understand when major structural problems cause delays, but they need to be told the truth. If trains are to shoot through stations, passengers need to be given good warning of that and told exactly the reason why.

Some of the charts that I have posted on my website are quite appalling. One day, only 51 of 114 Gatwick Express trains actually arrived on time, and 30 were more than 30 minutes late or cancelled. Only two thirds of trains on the Brighton main line arrived on time that day. For people coming into Gatwick and getting on to the Gatwick Express, this is the “Welcome to Britain” sign, and that sort of inconvenience and hassle does not give a good impression of the services in this country.

I praise the social media that GTR is using to try to communicate more, but it needs to be much more transparent about the problems. The issue is having an impact on students in my constituency, who are arriving late at lessons as trains are overshooting their stops. Commuters are saying that they are going to move back to London.

In such a backdrop, the ticket office closures add insult to injury, with closures of the majority of 84 station ticket offices across the south-east. In Shoreham and Lancing, the ticket offices will close. At Worthing, it will be there for peak time only. The closures are supposedly based on a survey of ticket office usage. Nobody knows when that survey happened or how many people were involved. In fact, in Shoreham, the ticket office has been closed on many occasions because of staff illness. That information is not available for the three-week-only consultation that is closing this week. There will then be a week for Transport Focus to decide what recommendation to make but, in any case, it has no veto over GTR’s intentions.

I have had lots of emails, and some 2,300 people have signed a petition in 10 days. Tomorrow evening, I will be holding a meeting with Southern Rail. Southern rail managers are coming down to Shoreham where constituents
can see them at first hand and get the answers to why we have a shoddy service and why they have this ridiculous idea, in the interests of enhanced passenger experience, to do away with those station ticket offices and replace them with station hosts. Station hosts are there to tell people why the ticket machine is not working, and to deal with the trains coming into the station, and with maintenance and security. If people are lucky, hosts will have some time to advise them on how to buy their ticket.

Finally, there is the issue of the continued closure of the underpass at Shoreham station where, just last week, a 20-year-old man was fatally hit by a train. We need to do more to be much more responsive to public need.

2.55 pm

Kelvin Hopkins (Luton North) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. It is also a pleasure to address the railways Minister, who I know is genuinely committed to our railways and is a railway enthusiast. With her in place, I hope we will solve some problems.

I congratulate the hon. Member for Horsham (Jeremy Quin) on securing the debate, but I should say something first about my entry in the Register of Members’ Financial Interests. I am chair of the ASLEF group of MPs. ASLEF, as hon. Members know, is the union for train drivers. In their defence, in my experience, drivers are unfailing in their politeness and very helpful in keeping passengers informed when things go wrong. Things go wrong quite often, but that is not their fault.

I have travelled on the Luton to London line every day of my working life since 1969—some 47 years—so I have quite a bit of experience. Govia, despite having newer and longer trains available, is probably the worst operator during all my years of travelling. It does not appear to appreciate the number of staff it needs to operate a train service effectively, and I receive regular complaints from my constituents, especially those using Leagrave station in my constituency. The current customer satisfaction rating shows that fewer than three out of four passengers are satisfied with the service, and that is among the lowest of all the franchises.

Govia is currently proposing to close ticket offices, which is just the latest attempt to cut costs and drive up profits. In my view, a public service should reinvest surpluses and not simply distribute them to shareholders. I am grateful to one of my constituents for making some helpful comments on the changes proposed to Leagrave station. She said that the proposals are “clearly cost-cutting” and will be “detrimental to passenger service.” Some 947,000 passengers use Leagrave every year, which is slightly under 1 million, but there are not enough ticket machines for the current demand and there are no proposals to increase the number. Some are out of date and do not accept current credit or debit cards. Not all types of tickets are available and sometimes faults say that even some basic tickets are “not available.”

I detest machines and much prefer purchasing my ticket from a person. I am very fortunate that I use Luton station, which has a well-staffed booking office with some helpful and charming booking staff. I am not alone in buying my ticket every day—30% of people buy tickets from ticket offices every day and they should be available to all. Not all passengers can use a machine because of disabilities or medical reasons. Govia has a legal duty to ensure equality of access, particularly for people with visual impairments, dyslexia or learning difficulties—I am chair of the all-party parliamentary group on dyslexia and other specific learning difficulties, so I am aware of those problems—and mental health difficulties.

When the ticket office is open at Leagrave, my constituent says that there are nearly always queues, presumably because people prefer not to use a machine, or because they have a query or their ticket is not available from the machines, and they get a better service from a person. I do not know the responsibilities of the hosts proposed by Govia but, presumably, they will also be staffing barriers and dealing with other issues for passengers, or even issuing penalties, which is time consuming in itself.

There are two entrances to Leagrave station so Leagrave will have two “hosts”. How does Govia intend to comply with health and safety requirements if only one person is on duty and not behind a glass screen? What passed for a waiting room at Leagrave, at one entrance only, was recently converted for barriers only, so I am not sure where the hosts are supposed to operate from.

Shelter on the platforms is also minimal.

I use the internet infrequently, but my constituent tells me that the Govia Thameslink website is “totally inadequate” for obtaining accurate information or booking tickets reliably. I am told that not all types of ticket are available on the website and that railcard options are not integrated into ordinary purchases. Govia has not supplied sufficient information to enable people to respond meaningfully to the consultation. Govia says that “some ticket offices issue less than 12 tickets per hour”, but there is no way of comparing that figure with other stations or other times of the day. I have tabled an early-day motion on the subject and urge the Minister to serve under your chairmanship, Mr Hollobone. It is a pleasure to address the railways Minister, who I congratulate the hon. Member for Horsham (Jeremy Quin) on securing this debate. I agree with every word he said. The performance of the franchise simply is not good enough. It is a matter of deep regret and enormous frustration that Members have had to come back to this Chamber again to raise concerns about its performance. The figures speak for themselves. In 2011, 78% of Southern passengers were satisfied with train punctuality and reliability. In spring 2015 the figure had fallen to just over half, 56%, and in the autumn it had risen to 65%—fewer than two thirds of passengers were satisfied. Last year, Southern was effectively voted by passengers the worst franchise in the country.
That is unacceptable when, one year ago, thanks to the Minister’s sterling efforts, the industry gathered together and agreed a performance improvement plan for the franchise that, as my hon. Friend the Member for Horsham said, set a benchmark for performance that was already far lower than that in the rest of the industry. What do we see one year later? In the past three months, the franchise has consistently fallen below the standard set by its own benchmark, which was already low. That is simply not acceptable. Indeed, in the original performance improvement plan, the industry said:

“You will notice real improvements from now onwards in the punctuality and reliability of our trains.”

That promise has been broken. It will evince nothing more than a hollow laugh from passengers, who are absolutely fed up. Day after day we hear the franchise’s excuses on its trains, including a shortage of rolling stock. What happened to the rolling stock? How can a train be missed? Why are there inadequate amounts of rolling stock? Another excuse is that drivers are not available. That is not necessarily because, as has been pointed out to me, drivers are failing to turn up, but simply because an inadequate number of drivers are employed by the company. An airline would not run things like that, so why should we accept it from the rail industry?

Where is the accountability for this lamentable performance? Who is being held accountable, and how, for the complete failure to deliver by the franchise’s own standards and the promises that it made? The franchise said a year ago that it would deliver improvements, and those improvements have not been delivered. What penalty will be exacted against it? Have senior managers been held accountable in any way? Have they had their pay frozen or their salaries cut? I hope there have been no performance-related bonuses. There could not possibly have been because the performance has been so bad. Perhaps there should be performance-related penalties. Where is there accountability in the system that will drive better performance? The public are fairly asking those questions.

When the franchise was first awarded in May 2014—

I am sorry to have to remind the Minister of this—the Department for Transport’s press notice said:

“Demanding contractual obligations on the operator will deliver cleaner and more spacious trains and improve passenger satisfaction. Tough new benchmarks for performance, train and station cleanliness and customer service information have also been agreed.”

The impression that was created was that the service would get better; it has got worse. Where is the accountability? How will this service be held to account?

None of us has any complaint about how the Minister has approached the issue—far from it. She has arraigned the companies concerned in front of Members and required the companies to meet us to account for themselves. She drove the introduction of the performance improvement plan, and she has done her level best to insist on greater accountability? How will this service be held to account?

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I note the remarks of Transport Focus in its latest letter to me on 28 January 2016:

“We are calling for the industry to restore trust, especially among commuters, with credible promises, backed by sustained, improved performance....A fare reduction for badly affected passengers would also help.”

That is within my hon. Friend’s gift to a degree, although I recognise the financial pressure that the Department remains under, as does the rest of the Government.

On Gatwick, I want to reinforce a point made by my hon. Friends about the ticket offices. This has been raised with me by constituents using Merstham and
Reigate stations, I agree with my hon. Friend the Member for East Worthing and Shoreham (Tim Loughton), who said that if people have to stand out the front and explain why the machine is not working, that will not help much either.

Finally, if anyone thinks for a moment that this is an appropriate line on which to support Gatwick with a second runway, they need their head examined. On Gatwick’s own numbers, there will be a 69% growth in predicted traffic if we go from one to two runways in 2040, which will actually mean a massive increase in the use of the railway for Gatwick passengers. It is totally unsustainable as an option, and I hope the rail Minister will make the position very clear in the assessment of the options.

3.11 pm

Henry Smith (Crawley) (Con): It is always a pleasure to serve under your chairmanship, Mr Hollobone. I am in complete agreement with all the hon. and right hon. Friends and Members who have spoken so far.

I want to start by mentioning some positives. In the previous Parliament, I was very grateful when Three Bridges station received £26 million in upgrade funding. I am proud of the fact that the new Southern area control centre, a state-of-the-art facility, is based at Three Bridges rail yard. In this Parliament, I have been grateful for the fact that the new Thameslink train care facility is located also at Three Bridges rail yard. It was good to see the Transport Secretary there last year for its opening. It is a very impressive facility indeed and will go a long way to helping to service the longer and more state-of-the-art Thameslink trains that are coming along, we hope, later this year and I am sure will improve the customer experience.

As smart ticketing has been mentioned, I want to welcome the extension of the Oyster zone to Gatwick airport. Like my hon. Friends the Members for Tonbridge and Malling (Tom Tugendhat), for Horsham (Jeremy Quin) and for Reigate (Crispin Blunt), I would like to see smart metering throughout the network. It is a much more efficient way of running services and also an aid in terms of refunds. The issue of refunds, as hon. and right hon. Friends have mentioned, needs to be better addressed.

However, I also recognise what the hon. Member for Luton North (Kelvin Hopkins) said about the importance of there still being a human presence at ticket offices. It is extremely important. He is a very distinguished chair of the all-party group on dyslexia, and what he said about disability access was absolutely right as well. My constituents have been telling me about what they believe is the folly of ticket office closures. Of course we can have a more efficient system, and there will be some stations where ticket offices, perhaps with new technology, are a thing of the past, but at the moment it is not appropriate to go forward with such a programme.

A lot of investment has benefited my constituency in recent years, but the experience, as the hon. Member for Luton North said, has been unacceptable. I commute daily to Westminster. Like the hon. Gentleman, I have now allowed myself an extra hour to get into this place, which is ridiculous. I should be able to rely on the train timetable with a degree of certainty. When I stand, all too often at peak times, with my fellow commuter constituents from Three Bridges, the level of service and the slowness of the services is simply not acceptable. Little things might seem quite minor, such as a train coming in from Brighton on the way into London and the announcement on the train or at the station that the train is going in the opposite direction, which occurs too often. The vast majority of people who get on that train every morning know that yet again a mistake has been made, but for a visitor to this country coming into Gatwick airport, for example, that could be a major problem. Also, it does huge reputational damage to the railways. People can be seen rolling their eyes and saying, “They’ve messed up again.” Indeed they have. Such a poor level of service really cannot be tolerated.

I congratulate my hon. Friend the Member for Horsham on securing this debate. I very much hope that it will be another effort that will encourage better service delivery as we go forward. I add my voice in thanking the rail Minister for all the effort she has put in over recent months.

3.16 pm

Dr Matthew Offord (Hendon) (Con): It is a pleasure to speak under your chairmanship, Mr Hollobone. I, too, congratulate my hon. Friend the Member for Horsham (Jeremy Quin) on securing this debate.

It is disappointing that we are having this debate, because the Government have a proud record on investment in rail services, particularly in Thameslink. In the previous Parliament, a £6.5 billion investment programme was secured. This was welcomed by many of my constituents who use the line, alighting at Mill Hill Broadway and Hendon. As part of the programme, the station at Farrington has been rebuilt, a new station has been constructed at Blackfriars bridge and redevelopment is currently taking place at London Bridge, so the benefits for passengers from my constituency are set to continue. The Thameslink line will have its own dedicated track from Bedford to Brighton, which will ensure that trains are not delayed at London Bridge. It will allow for more trains, and new, longer rolling stock will create much-needed extra capacity.

Within my constituency, there is a new ticket office at Mill Hill Broadway station. I successfully sought the abolition of cash machine charges at the station, saving passengers £1.80 per transaction. That was welcomed by my constituents, and I was very pleased to have been able to contribute as the local MP. However, I want further improvements at Mill Hill Broadway, including a lift installed, so that the elderly and disabled, people with suitcases, and parents with children and buggies will be able to access the station more easily. That project is progressing through a consortium of stakeholders, and I hope to be able to inform my constituents of further progress soon.

However, it is the Thameslink line itself—both the train operating company and Network Rail—that gives my constituents most cause for concern. Like other Members, I receive emails from constituents pretty much on a daily basis outlining their experiences. I received one yesterday from a constituent who said:

The line has further deteriorated in the last 6-9 months. The reliability issues with rolling stock, signals, rails has been further exacerbated by shortages of driver/crews.
However, what is really damaging customer satisfaction is the apparent unwillingness of GTR to do anything to alleviate the pain and suffering of my constituents.

GTR continues to put four-car trains on the slow part of the line in rush hours. When there is a service interruption, it refuses to stop the fast trains at intervening stations, such as Mill Hill Broadway, which is equipped for 12-car trains. This is an experience echoed by other Members. The fast trains pass through, often half full, and passengers can be expected to wait up to an hour before a slow train is provided. This is totally unacceptable on what is a metro service where people have to get to and from work in central London. Half-empty trains not stopping at overcrowded stations in the event of a service breakdown is, at best, frustrating and annoying.

I have asked Givia if it can exert more flexibility in such circumstances and, although I accept that the train company and Network Rail have to bear in mind the knock-on effect on other service timetables, I share my constituents’ belief that Givia demonstrates an unwillingness to vary its operating procedures in the interests of customer services.

I understand that the other morning a 12-car fast train was stopped at a signal in Mill Hill Broadway station, but the driver would not open the doors, even though his train was half full and there were hundreds of people waiting for a train standing on the platform. I believe that GTR’s customer service statistics, low as they are, are about to get a whole lot worse as passenger feelings rise at its apparent contempt for people who have to travel on the line.

One of my constituents commented that the “train arrived on time (no problem on the line) and was so full between 5-10 people per door couldn’t get on. Overcrowded doesn’t begin to describe it. Running 4 or 5 (all stations) trains per hour at rush hour is hopeless. I tried to board but just couldn’t squeeze on.”

Another said:

“In the carriages seats seem designed for children—facing seats are intimately close. The passageway is not wide enough for a passenger leaving to squeeze past a standing passenger without squashing them.”

Yet another said:

“In the evenings—when operating on schedule—there are 3 or 4 all stations trains per hour and some are only 4 (not 8) carriages. Another wait and squeeze.”

I have received many such emails, and it is frankly embarrassing, when we have the new franchise and new opportunities for rolling stock are coming forward, that we appear to be let down by the train operating company and, indeed, Network Rail. Network Rail is a cause of some of the problems, but that is not being effectively communicated to my constituents and others.

I concur with comments that have been made about ticket offices. Many of my residents who are elderly or who have problems getting access to the ticket machines would find the removal of ticket offices a great burden.

I will conclude by mentioning that I am a former chairman of the all-party group on Thameslink, but had to resign when I was made a Parliamentary Private Secretary. I suggest that we resurrect the group with the Members here today.

3.21 pm

Nusrat Ghani (Wealden) (Con): I congratulate my hon. Friend the Member for Horsham (Jeremy Quin) on securing the debate, and agree about being rather tired of seeing each other’s faces in these circumstances—so sorry.

Despite all the recent talk and excuses, my constituents across Wealden, who commute on the misery line previously known as the Uckfield line, still have to put up with delays, timetable changes, short-formed trains, extended engineering works, overcrowding, unsatisfactory compensation processes, nonsensical bus replacements, poor communication and—the latest nail in the coffin—potential ticket office closures. I want to take this opportunity to ask my right hon. and hon. Friends to join me in writing to the Transport Committee. I first wrote to the Committee in July asking for an inquiry into the performance of Southern. I wrote again six months later, in January, asking it to consider an inquiry again, because of the constant and continued failure of the service. We need proper answers and accountability.

I do not believe that GTR and Network Rail understand the impact of the disruption on individual passengers—but also on their families, jobs, and the rural economy in places such as Wealden.

Chris Philp (Croydon South) (Con): I completely agree with my hon. Friend and will certainly sign her letter. The service is shocking. Does she agree that if it does not improve within a reasonable time, we should look at the franchise itself?

Nusrat Ghani: I wholeheartedly agree. I want to describe the events on the network in an average week, which Southern itself later admitted in an email was “particularly disruptive for passengers”—for which I read “failing to deliver a service”. Southern cited “a series of incidents affecting the service each day.”

For that, I read “complete and utter management failure”. We had signalling failures at Norwood, Bognor and London Bridge, a power supply failure at Littlehacen, a major signalling failure at Purley, a train at Coulsdon with door problems, a Horsham-bound service with power issues, a broken-down train at Clapham Junction and, once again, crew shortages. All of that has a knock-on effect on the Uckfield line. Southern has failed on its own baseline public performance measure. I would like to know how the management is being held to account and what the penalties are.

Last year, Southern decided to publish a fantasy timetable—a bit like a fantasy football team, I believe, because it had no bearing on the experiences of the passengers on the line. On 5 January, a rail replacement bus service missed a connection at Crowborough and the train that London commuters had to get instead terminated at Oxted. There were so many passengers waiting that people struggled to disembark from the terminated train because there was literally no room on the platform. Figures from the Office of Rail Regulation just last week showed that the number of stops skipped by Givia has increased to 6,732 and that as many as 200 people are regularly turfed out at Crowborough so that the train going up to London can be on time.

The situation is not just dire; it is unsafe. My constituent Alistair, from Crowborough, wrote last week that “If a serious incident took place, it would be physically impossible to move to a neighbouring carriage; such is the level of overcrowding in Standard Class.”

We all get regular correspondence on the issue, and the local radio station for Uckfield has a more or less regular slot on constituents’ frustrations with travelling on the Uckfield line. I had to share with my constituents,
after a recent summit meeting with GTR executives, the appalling news that the horizon for improvements was to be pushed back again by six months, to 18 months. Wealden would like to know when this journey from hell will end, and I hope that hon. and right hon. Members will join me in calling on the Transport Committee to enter the fray.

Mr Philip Hollobone (in the Chair): Last, but certainly not least, I call Huw Merriman.

3.25 pm

Huw Merriman (Bexhill and Battle) (Con): Thank you, Mr Hollobone; you are very kind. It is a pleasure to serve under your chairmanship. I congratulate my hon. Friend the Member for Hastings and Rye (Amber Rudd)—the Secretary of State for Energy and Climate Change—and I am campaigning to extend High Speed 1 from Ashford down to Hastings and Bexhill. That would reduce the Bexhill to London journey time to 78 minutes and unlock the economic growth that we need locally if we are to become self-reliant with respect to business rates.

We very much hope that Network Rail will build on the Government’s commitment to deliver that line and include electrification in the next control period. Until such time, we are looking for Southern to take advantage of new technology to expand the carriages from the present two-car train. We understand that there is a lack of diesel rolling stock, but we also believe that there is now technology that allows mobile batteries to be put under trains, which would allow some excess electric stock to be added to the diesel stock until proper electrification occurs. Passengers are suffering from overcrowded conditions, so rather than taking what should be a scenic route along the coast to get to work or school, or to enjoy recreation, they are using their cars instead. All that this new technology needs is a delivery order. We hope that Southern and the Department for Transport will work together to permit an order to be made.

My second ask is to get better transparency to show how much of the money generated by Southern goes back into its rail network. This franchise is required to pay all its fares to the Department for Transport. With passenger growth being such a success and with 23% of all UK rail traffic operating on this franchise, the receipts have been coming in. In England, the Government subsidy on rail is £1.88 per passenger journey; in Wales it is £9.18. As it is our constituents who suffer the consequences of overcrowding that rail growth has delivered, it would be more tolerable for them to know how much their lines will receive in order to deliver a more comfortable and reliable journey.

My final ask is for an update on the continuous liaison that Network Rail and Southern undertake to avoid or mitigate infrastructure failure.

Crispin Blunt: On my hon. Friend’s point about subsidy, my understanding is that this particular line is a negative subsidy area, meaning that it subsidises other passengers in England. The figure that he should be quoting is a negative one, which obviously adds to the frustration and unfairness that all our constituents feel.

Huw Merriman: I thank my hon. Friend for that intervention. The figure I gave was for England as a whole, but his intervention encapsulates the point that our constituents have felt the pain caused by rail growth and it would be good to see them get the upside from future investment. It is also important that our constituents can see these data, so that they can believe that better times are around the corner.

The rail Minister has championed the cause that I have just outlined, and I am grateful for the manner in which she has sought to bring these organisations together. However, the recent ice on the lines issue appeared to suggest a breakdown of communication between Network Rail and our rail operators on 12 February. It would be helpful for Network Rail to deliver a post-mortem for that day to show that lessons have been learned to reduce the impact of major one-off incidents.
In conclusion, I recognise the challenges that Southern faces. Some of them are a result of the huge Government investment in engineering and station redevelopment work. However, the constituents in Sussex must receive the better travelling environment that their forbearance deserves.

Mr Philip Hollobone (in the Chair): All nine Back-Bench speeches were within the five-minute time limit, which is an example that any good train operator would want to follow.

3.31 pm

Stewart Malcolm McDonald (Glasgow South) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone.

Right hon. and hon. Members will be correct in thinking that nobody has contacted me about this issue. [Laughter.] Actually, that is not true. The only people who have contacted me about it are in this room, and they did so because I am a member of the Transport Committee.

When I was asked to sum up for the Scottish National party on this issue, aside from thinking, “Be still this beating heart”, I had a look through our party’s conference minutes over decades and decades, and I could find no policy on the performance of Govia Thameslink, so I will not take up too much time today.

My predecessor as the Member for Glasgow South, Tom Harris, who is a former rail Minister and a transport enthusiast, once told me that the current rail Minister has the best job in Government. However, having listened to all these complaints about this service today, I am yet to be convinced that that is the case.

I invite all Members who have taken part in this debate to come to my constituency to see the fantastic Cathcart circle, which is much loved, not only by Mr Harris but by another of my predecessors, Sir Teddy Taylor, who I understand opened Cathcart station when it was refurbished.

The final thing I will do today is congratulate the hon. Member for Horsham (Jeremy Quin) on raising this issue. I have heard much about the problems with this line since I became a Member of Parliament. He has championed his constituents’ interests, as indeed have all Members who have spoken today.

I will end by doing something I never thought I would do, which is thanking Tony Blair for the fact that the railways are devolved in Scotland.

3.33 pm

Andy McDonald (Middlesbrough) (Lab): It is indeed an honour to serve under your chairmanship, Mr Hollobone. I, too, congratulate the hon. Member for Horsham (Jeremy Quin) on securing this important debate, and I also congratulate hon. Members from all parties in the House. It has been said that what Network Rail needs are the right people with the right plan. Hopefully they will start to emerge, but then it is about the delivery of what passengers want, as opposed to ripping things up and starting again. We await the recommendations of the Shaw report with great interest.

Today, however, we are dealing with the current very sorry state of affairs on the biggest franchise that has ever been let, which is the combined Thameslink, Southern and Great Northern, or TSGN, franchise. It covers an enormous territory, centreing as it does on our ever-growing capital city, and ranging from King’s Lynn in the far north-east—it is all relative, if that is the “far north-east” for this franchise—to Milton Keynes in the north-west, to Southampton and Portsmouth in the south-west, through to Horsham and to Hastings and Maidstone in the south-east. It takes in the connections to Gatwick airport and, ultimately, converges on central London and some of our very busiest mainline stations, including London Bridge, which has been the focus of such significant complaints in recent times.

I will get straight to it and say that this was undoubtedly an ambitious franchise when it was let in 2014. Although I do not wish to diminish by one jot the considerable concerns that Members have, a very significant amount of disruption was always going to be involved with such a major project. One of the major concerns that have arisen—I hope that the Minister will address it—is the extent to which there has been sufficient honesty with the travelling public about the correctly predicted diminution in the standards of service for the duration of the works, and whether that assessment has been made and properly communicated to passengers. We have heard of people being, on the face of it, deliberately misled.

There has to be a degree of accuracy and honesty about what is achievable. Failing to highlight adequately the difficulties that such major undertakings present, and not communicating all of that to the travelling public, serves only to increase dissatisfaction and dash high hopes and expectations. In addition, given the performance issues that have arisen since the franchise was let, questions arise about whether those performance issues ought to have been better identified before the start of the franchise. I therefore ask the Minister to set out what measures are being taken to address those matters and to say what lessons can be learned, especially in the context of the equally ambitious plans for Waterloo station and Euston, which are a consequence of our decision to proceed with High Speed 2. In short, we do not want to see a repeat of the difficulties encountered at London Bridge at other major rail hubs.

I say the franchise was rightly ambitious, because at its heart was a major infrastructure scheme to vastly improve capacity and performance. To that end, London Bridge is undergoing a major reconstruction and transformation, and I believe that work is expected to be completed by 2018. Among many other things, those works will facilitate 12-car Thameslink trains and a new station concourse to improve passenger circulation, which is currently very badly disrupted.

The network is characterised by increased passenger numbers and overcrowding, and significant safety concerns have been outlined, which should alarm us all.
However, the outfall in addressing these issues cannot be underestimated. TSGN’s ability to get trains running to timetable is not good. The percentage of franchise trains arriving at their destination on time stands at 81.7%, compared with the industry average of 89.3%. While that is an improvement from 76% and 79% in the previous two years, it still means that nearly one in every five trains do not arrive on time. Judging from the accounts of hon. Members today, it sounds as if those late trains can be clustered together in much higher ratios.

The “right time performance measure” measures arrival time against trains arriving early or within 59 seconds of schedule. Network Rail says that it is not an entirely reliable measure, but in any event it currently tells the sorry story of a compliance rate of only 52.6%, against the industry average of 64.8%. That means that nearly half of TSGN trains do not arrive within 59 seconds of schedule. Given the experiences that have been outlined today, that proportion of late trains may be significantly more than 59 seconds out of its schedule. Similarly, the record on cancellations and significant lateness is 5.3%, which is an industry average of 3.3%. That is a poor reflection, and that feeds through into customer satisfaction.

It is perhaps no surprise that the common factor in the low passenger satisfaction rates in the three bottom-ranked operators—Thameslink, Southern and Southeastern—is the shared line into London Bridge. It seems that passenger flows in and around London Bridge station may not have been correctly predicted. Does the Minister agree with that observation? Can any lessons be learned on the modelling of such matters? Will she comment on the specific measures that might be taken to improve the flow of passengers, given the establishment of the rail reparation fund for TSGN passengers? That was set up in December 2015 and is worth £4.1 million.

In August 2015 serious weaknesses were found by the regulator in the data used to settle new timetables. Network Rail was found to have overestimated the impact of those timetable changes on performance. It seems that there has been insufficient communication between Network Rail and the operators to accurately identify just what impact the new timetables would have. Will the Minister consider whether and how that process might have been better managed and look into additional mitigating measures that could be taken to ameliorate the adverse impacts? There have been issues surrounding the numbers of train drivers, and we have heard that it is not simply that people are failing to turn up—insufficient numbers have been recruited. There is an issue about platform availability during the major works. Will she comment on that?

Efforts are being made to address to some degree the concerns expressed this afternoon, but I look forward to securing some assurances from the Minister that steps will be taken as a matter of urgency to improve the passenger experience in the franchise ahead of what will, I hope, be an entirely happier story come the completion of the works and the introduction of new services in 2018.

A point was made about the sanctions that might be applied to the operator if it fails to abide by the terms of the franchise. Will the Minister give some assurance that, notwithstanding the change to the structure of Directly Operated Railways, the Department for Transport retains the capability to step in through that office in the event of chronic failure?

**Kelvin Hopkins:** Of course, when the east coast main line was returned to the public sector for five years, it made a surplus of something like £1 billion for the Treasury, and during that time it ran a very good service.

**Andy McDonald:** My hon. Friend makes a good point. While that was an excellent turnaround from a pretty dire situation, if this particular franchise is, as Members have outlined, so poor that it demands intervention, my concern is that we should still retain the capacity to do that. Given the recent changes to the DOR—it is no longer in the same form—I am concerned that it would not assist at all. Will the Minister address that point?

Will the Minister also address the pertinent issue of electronic ticketing? Members have correctly identified and highlighted the benefits that could be secured from an intelligent roll-out of electronic ticketing. Those benefits relate to access not only to fair fares, but to refunds. I understand that although several tens of millions of pounds was spent trying to progress that agenda, it has come to a shuddering halt and has simply been handed over to the operators.

**The Parliamentary Under-Secretary of State for Transport (Claire Perry))** indicated dissent.

**Andy McDonald:** The Minister disagrees. I am enquiring, so perhaps she can enlighten and correct me. A number of Members have clearly made that reasonable demand on electronic ticketing, and it seems eminently sensible. We want to know what happened to that investment and how it will be progressed.

Finally, I was heartened to hear many Members from across the territory express, on behalf of their constituents, the need for proper staffing levels to be maintained in our railway stations. Many people spoke about difficulties in accessing ticket machines and computer systems. Often that was beyond their capabilities, whether because of information technology illiteracy, learning difficulties or other issues. That strong message came from Members’ contributions today. Will the Minister comment on how we can secure those reassurances that all members of the travelling public need? They need to see that human interface, and sadly it is clearly lacking in the operation of the franchise.

**Mr Philip Hollobone (in the Chair):** If the Minister is kind enough to conclude her remarks no later than 3.57, that will allow Mr Quin three minutes to sum up before I put the motion to the House.

3.45 pm

**The Parliamentary Under-Secretary of State for Transport (Claire Perry):** It is a pleasure to serve under your chairmanship, Mr Hollobone. You are always a fount of rail-related humour. I join in congratulating my hon. Friend the Member for Horsham (Jeremy Quin) on securing a very important debate, which we must not shy away from continuing. Members have been very kind about what my Department and I are doing, but we are simply reflecting the concerns of Members and the constituents they serve. It is imperative that we sort
the issue out. As the hon. Member for Middlesbrough (Andy McDonald) said, with many more investment projects to happen, we have to learn lessons and ensure that this level of disruption does not happen again.

There was very little that I disagree with in what was said today. We know that performance on this part of the network in the franchise—it carries almost a quarter of all rail passengers every day—is simply not good enough, whether in punctuality, reliability, customer satisfaction or the way people feel they are being treated. A lot of points have been raised today, and I will try to address as many as possible in my closing remarks, but if I do not get to everyone’s, please be assured that I have instructed my officials to take notes and to write specifically in response. It is important, on Budget day no less, to have so many hon. and right hon. Members prepared to come to Westminster Hall to make passionate and compelling cases. We need to keep working collectively on this issue.

I will step through the three root causes of problems on the lines, which I think Members know, and then I will talk a little about what is changing and where more needs to be done. The first root cause—my hon. Friend the Member for Hendon (Dr Offord) made the point compellingly—is that there is a very big improvement project going on with Thameslink and what that entails and the London Bridge reconstruction. It is not just London Bridge, though; Blackfriars is a beautiful station and a wonderful addition to our landscape, and it opened almost without fanfare. We will be unpicking the north-south lines through London and under the Thames so that the constituents of my hon. Friend the Member for Horsham will be able to take a direct train straight through to Peterborough or points in between and access other train journeys. Moreover, they will be able to do so on a brand new fleet of trains, which will start to roll out in the next few months.

I was delighted to welcome the first of the new fleet of Gatwick Express trains. They are purpose-built for people travelling to and from the airport. The first is in operation, and the others will be up and running by the summer. That is tangible evidence of improvement. It is a big package of untangling lines that have not been touched properly in many years, putting in new stations, driving new train paths and providing customers with a much better travelling environment. That is a prize worth having. When London Bridge is open, all the platforms are returned to full capacity and we have many more trains with the ability to take many more passengers, some of the immediate issues will undoubtedly be solved.

Tim Loughton: The Minister mentioned Gatwick Express. I saw the brand new trains, which are fitted with wi-fi. I gather that she is in negotiations with Govia Thameslink Railway about upgrading existing rolling stock with wi-fi so that at least our commuting constituents stuck on trains going nowhere can get on with some work while they are delayed. Will she ensure that that happens as a matter of urgency?

Claire Perry: I am happy to confirm again that I have committed to roll out free wi-fi in all classes of train travel across England by 2018. Trains coming on to the franchises will be fitted with wi-fi as a matter of course, and trains that are already running will be retrofitted.

I hope constituents who are not stuck on trains for longer than their train times will also be able to do some productive work. Wi-fi is an important addition to the landscape.

We always knew it would be tough with London Bridge and Thameslink. Despite what some might say is long-term disruption on the line and fare changes, we have seen incredible amounts of growth on the railway. In fact, travel from Horsham, for example, is up 40% in the past 10 years, so more and more people are getting on trains right across the country. Frankly, successive Governments have neglected to invest in infrastructure. We have all ducked our collective responsibility to invest in trains to get people moving effectively and efficiently around the country. It is vital that we keep the investment programmes growing, because we are now seeing some of the problems associated with passenger growth on lines that have not been invested in.

Underlying all that is a problem that is a little more sinister: even when Thameslink is running—when all the trains are rolling, the system looks great and the stations are open—we still have persistent, daily failures of the infrastructure the trains are running over. Our constituents do not care whose fault it is, and nor should they—that is my job, or at least my Department’s—but around 60% of delays are the result of infrastructure failures such as points failing, signals failing or other things going wrong. That is intolerable. Not only is it intolerable on a daily basis, but the Thameslink programme, which will deliver 24 trains an hour through the centre of London, north to south, will not be able to operate unless those infrastructure problems are sorted out.

The focus for my Department has been working together with Network Rail and the operators, including Southeastern, but I am afraid there is no magic bullet. There is no one thing we can do all. It is about a relentless focus on the day-to-day details of running a railway: and ensuring that, in the morning, trains come out of the depot on time to the second, and that, if there is a problem, it is fixed in the minimum amount of time. People may ask, “Surely that’s just railway 101—why hasn’t it happened?” Of course, it has happened, but the problem is that, under both public and private ownership, the customers have not mattered enough.

Members might be surprised to hear that no measure of lost customer time has ever existed on our railways, other than briefly on the London underground. That is inexcusable. My hon. Friend the Member for Horsham made the valid point that it is the human cost of failure that is so hard, as well as the productivity loss of making millions of people late, day in, day out. We have a record programme of investment in transport infrastructure—it was added to in the Budget today, which I welcome—and it is being done to drive up the productivity of the country, but nobody has ever captured the productivity loss from not running the trains on time. Members will be pleased to hear that I am devoting considerable time to that. I want the volume of people being carried on that part of the railway to really count, so that when infrastructure programmes need to be sorted out, there is even more emphasis on sorting them out. We are absolutely committed to doing that collectively.

Many Members raised driver shortages, which is a historical problem for the franchise. It has been run on a shoestring, with the number of drivers about 6% or 7% below what was required. That sounds like a small
[Claire Perry]

difference, but, on a very busy railway, if one driver is not there to run one train, there is an infection of delay right across the network. On its current recruitment plans, which are the biggest in the country, GTR will reach the minimum level—the operational level—in August this year. We have asked it to go further than that by recruiting more so that there is resilience in the system, and it is on track to do that. That is vital.

Several Members made important points about ticketing offices and smart ticketing. A consultation on ticket office changes is going on. Nothing can happen without the Department’s say-so. The future of travel in this country is not orange bits of paper but digital ticketing information being delivered to us through whatever device we choose. In some cases, that might be a bar code printed out on a piece of paper, although as the hon. Member for Luton North (Kelvin Hopkins) said, many customers like to buy a ticket from a person, or at least have some interaction.

We have already invested more than £30 million in the south-east flexible ticketing programme, and there are tens of millions of pounds of further commitment to come. That money has been invested to ensure that the franchises, of which GTR is the flagship, can implement the technology, have the back office and gate their stations so that the Key card—the smart card system—can work. If the Key card system were working, there might be an argument for getting people out from behind ticket office counters and on to the front lines, but I will commit today to having a deep-dive conversation with my officials and the franchise so that we can get to grips with where it is on the roll-out of the Key card and how that relates to ticket office closing hours. If we are going to do smart ticketing, let us do it right.

Mr Chuka Umunna (Streatham) (Lab): I congratulate the hon. Member for Horsham (Jeremy Quin) on securing this debate. The Minister is right that the Budget debate is ongoing; I want to take this opportunity to say that we in Streatham welcome the green light being given to Crossrail 2, but we want it to come to Streatham.

On ticket offices, it is totally and utterly unacceptable that the three stations in my constituency affected by the franchise will be losing more than 13 staff. It is all well and good telling people to go to the machine, but the problem is that the machines are not giving people the best prices that they are entitled to.

Claire Perry: To be clear to the hon. Gentleman, the proposal is to do what Transport for London has done very successfully: train us all to use a reliable alternative system and then take people out and put them on the gate lines to help us. That is 21st century travel and I support it, and I hope he does too. I am afraid he will have to join the queue for lobbying on Crossrail locations.

Nick Herbert: In the two minutes my hon. Friend the Minister has remaining, will she say how the franchise is going to be held to account for its failure to deliver the performance expected?

Claire Perry: I was just about to address some of the specific questions. The franchise has been fined more than £2 million for cancellations and the short formations that it has put on the service. That money will be spent on passenger-facing benefits. I am very keen that the money that comes in—the hon. Member for Middlesbrough mentioned the £4.1 million of reparations—is spent to directly benefit customers on this line. Additional proposals on that will be forthcoming.

I was asked at what point we do something radically different. Do we take the franchise back? Do we change? The truth is that this is an exceptionally busy, very difficult franchise to run. In my view, nobody out there could do a better job than the current management team, but we have to ensure that there is a relentless focus on the customer. It is inexcusable that the wrong communications are given. It is inexcusable that delays happen or trains are going in the wrong direction. That is customer relationship management 101. We expect the private sector to deliver on that.

In closing, I will always happily welcome debates on this matter, because they strengthen the resolve of us all in getting to grips with some of the underlying problems of running a franchise in the busiest part of the country. Our debates are helping to inform wider changes throughout the industry, such as the relentless focus on customers. With this Government’s record level of investment in transport, we will have to have these conversations in future, whether about Euston or Manchester’s stations.

Jeremy Quin rose—

Mr Philip Hollobone (in the Chair): Order. If Mr Quin will allow me 30 seconds at the end, I will be able to put the motion to the House.

3.57 pm

Jeremy Quin: I welcome my hon. Friend the Minister’s remarks about a relentless focus on the customer. As my hon. Friend the Member for Reigate (Crispin Blunt) and for Bexhill and Battle (Huw Merriman) teased out, the lines we are discussing subsidise the rest of the national network. It is right that there should be a relentless focus on customers throughout the network, but the service on this franchise is particularly galling. When I mentioned to one of my hon. Friends that I had secured this debate, he said it was good because it would enable him to let off some steam on the grounds that he had simply run out of adjectives to describe to his constituents the performance of the franchise.

I am grateful to the Minister for saying that she will not shy away from more debates on this matter, although it is our sincere hope that this will be the last debate we need on it. My right hon. Friend the Member for Arundel and South Downs (Nick Herbert) quoted the performance improvement plan of a year ago, which said:

“You will notice real improvements from now onwards”.

That is what we want to see, and I know that the Minister does too.

I recognise the huge increase in the number of passengers, and the huge increase in investment in the line to cope with it. We need that relentless focus on customers, and I welcome the fact that the Minister is looking into a measure of lost customer time and lost productivity. It is extraordinary that one has never existed. In my opening speech, I asked for Network Rail to be genuinely held to account for passengers’ experience. I welcome
the fact that the Minister is clearly trying to achieve exactly that. I also welcome what she said about increasing driver numbers, but, as ever, as so many Members said, we want to see the outcomes, not the inputs, as she knows.

My hon. Friends the Members for Hendon (Dr Offord) and for Crawley (Henry Smith), along with the hon. Member for Luton North (Kelvin Hopkins), made eloquent points about ticket office closures, which I believe are wrong and hasty. The consultation process has been too short. I implore those responsible to think again.

I welcome what the Minister said about a deep dive with her officials on the subject of electronic ticketing, which was mentioned by my hon. Friends the Members for Reigate and for Tonbridge and Malling (Tom Tugendhat). We need to work out what can be taken from electronic ticketing. Above all, we must make certain that there is accountability on the service. That was the Minister’s theme, and I am grateful to have heard it. I look forward to her continuing to pressure these companies in the months ahead.

Motion lapsed (Standing Order No. 10(6)).

Three-tier Education

[SIR ROGER GALE in the Chair]

4 pm

Nigel Huddleston (Mid Worcestershire) (Con): I beg to move,

That this House has considered three-tier education.

It is a pleasure to serve under your chairmanship, Sir Roger. I would also like to express my gratitude to Mr Speaker for granting this debate.

I called for this debate because, since being elected last May, I have been contacted by many parents asking for my advice and guidance on the advantages and disadvantages of middle schools; by parents lobbying either for or against their local first school’s attempt to change its age range; and by teachers and headteachers of middle schools concerned about the long-term viability of their own schools, especially if feeder first schools are adding years. There is a lot of confusion about the value and long-term viability of the three-tier system.

I hope to use this debate, first, to raise those issues and to seek the Minister’s guidance on the Government’s position on whether a two-tier or three-tier system is best for our children. Secondly, if an area or individual school wishes to move away from a three-tier to a two-tier system, I seek guidance on how that can best be achieved and to confirm what processes and consultations are considered best practice, based on the experience of transitions elsewhere in the country. I should clarify that by “three-tier system”, I mean a system that contains first schools, middle schools and high schools, and by “two-tier system”, I mean one that contains primary and secondary schools.

By way of background, middle schools in the United Kingdom have had something of a chequered history. Until 1964, education authorities were required to provide for just primary and secondary schools, with a transfer at the age of 11. The Education Act 1964 changed that and made provision for schools to allow for different ages of transfer, which led to the creation of middle schools. Although the Government did not specifically encourage the introduction of middle schools, they did not discourage them either. The schools appeared in a variety of forms, as suited each authority. By 1981, more than 1,800 middle schools were open in nearly 50 local education authorities, from Devon to Northumberland. The patchy way in which the schools developed led to the variety of provision that exists today.

Dr Rupa Huq (Ealing Central and Acton) (Lab): I congratulate the hon. Gentleman on securing this debate. He is making an interesting speech. He mentioned 1964 and 1981. When I asked the House of Commons Library for background on this issue, it said that there is virtually nothing. Is he aware of the 1967 Plowden report? That was the one source that the Library found for me, and it is inconclusive. I congratulate him on clarifying this matter, as it is a mystery to us all.

Nigel Huddleston: I, too, reached out to the Library when researching for the debate. There is not a huge amount of information. The hon. Lady is right. One of the issues that we face is whether the three-tier or the two-tier system is better. The evidence is inconclusive, which is one of the reasons why I called for this debate.
Michael Tomlinson (Mid Dorset and North Poole) (Con): I am grateful to my hon. Friend for securing this important debate. He asked for examples. Purbeck in Dorset moved from a three-tier to a two-tier system 18 months to two years ago, and Broadstone in Poole is the one borough left in my constituency that still has middle schools. Elsewhere in Dorset, there are thriving middle schools. Indeed, pupils from Lockyer’s Middle School are coming to Parliament this coming week. Would he, like me, welcome guidance from the Minister about the support that can be given to those middle schools, and on whether there is a preferred model?

Nigel Huddleston: I could not agree more. Some middle schools are thriving—there are raving fans of middle schools up and down the country—but their long-term viability is in question. There is also the issue of transfers into secondary schools. Again, I hope the Minister can provide guidance on that.

The confusion that I mentioned earlier led to the development of all sorts of middle schools with different age ranges. There are currently six different types of middle schools based on age range alone. During the past two decades, there has been a clear move away from middle schools towards a two-tier system, and the number of middle schools has fallen from more than 1,800 in 1981 to under 200 in recent years. Today, there are not 50 but 17 education authorities that have middle schools, including my county of Worcestershire. The first middle schools in Worcestershire opened in 1969, and there are still 20 in the county. That is the third highest number of middle schools of any local education authority in the country; only Northumberland and Central Bedfordshire have more. There are 14 local authority maintained middle schools and six middle school academies in Worcestershire, including five in my constituency.

There is also a two-tier system of Catholic primary and secondary schools, which serve Droitwich, Evesham and Pershore. I should declare that my own children attend a local Catholic state school—St Marys in Evesham, which is a great school. It is a primary, rather than a first school, which feeds into a secondary school, so I am familiar with this system. I went through a two-tier system in Lincolnshire and attended a local primary school before going on to the local comprehensive. Although I am personally a product of a two-tier state system—a system that served me well—I am not biased one way or the other. Academic and other reports extol the virtues of both the two-tier and three-tier systems.

Since moving to and representing Worcestershire, I have met many raving fans of both the two-tier and the three-tier systems, and many parents express great affection for the middle schools in my constituency. Many went to middle schools themselves and are enjoying their own children’s experience at the very same schools. Many say that it was a more comfortable segue into secondary education, because it was less intimidating and more friendly than the otherwise potentially intimidating jump to a large secondary school with more than a thousand pupils. Most middle schools have just a few hundred pupils and benefit from nearly everyone—both pupils and teachers—knowing one another.

The National Middle Schools’ Forum said:
“Middle Schools occupy the formative central ground in the education process. They are uniquely placed with their opportunities for creative flexibility of organisation to meet the needs of pupils through a time of considerable and wide ranging intellectual, physical and emotional development.”

On results, it said:
“A distinctive and valuable feature of Middle Schools is that they span Key Stages Two and Three. This way of organising children’s education is unique in that the assessments at the end of Key Stage Two and the work which follows them all take place within one school, rather than at the point of transfer.”

That is another valid point.

Dr Huq: In an adjournment debate in 2009, my hon. Friend the Member for Hartlepool (Mr Wright) stated that there is no clear link between a particular school organisational arrangement and educational attainment. It might be useful to note that in our quest to find the best model.

Nigel Huddleston: Again, I could not agree more. I seek additional guidance from the Minister. After all, one of the Department for Education’s responsibilities is to give guidance on the best options for our children’s educational outcomes. The academic and other research is confusing for Members of Parliament, including me and the hon. Lady. And also for parents.

I have talked about the advantages of middle schools, but some parents in my constituency told me that they are concerned that transferring schools during key stages can be disruptive. In particular, transferring as late as 13 to a high school leaves less time to make informed GCSE decisions. Other parents told me straightforwardly of the logistical challenges of having to drop their children of different ages off at two or three different schools that are often quite far apart. There are clearly many arguments for and against a three-tier system, and one’s personal experience comes into play. I would appreciate it if the Minister can clarify the Government’s current preference.

There is also discussion about transitions. The issue of whether a two or three-tier system is best has come up again recently in my constituency, specifically because of moves by some first schools to add a year 6. The first schools have perfectly rational reasons for wishing to expand and do that, but an inevitable, if unintended, consequence of such moves is to undermine the long-term viability of the middle schools, as their pupil head count will inevitably fall. I would therefore ask for the Minister’s guidance on the Government’s recommendations on how best to manage any transitional process. If the head count at the remaining middle schools falls, they may seek to convert to a secondary school, so I would also seek the Minister’s guidance on how the Government will support such moves, both financially and otherwise.

In areas where some schools are maintained schools, controlled by the local authority, and others are more independent academies, that mix of statuses and processes can sometimes add to the confusion in the debate about adding years and converting. From talking to parliamentary colleagues, the consensus seems to be that an open debate, proper co-ordination between schools in and across pyramids, and good consultation, engaging parents and teachers from all impacted schools, are all key elements of any successful transition.

In Worcestershire, we are currently not having a full and open debate on the long-term viability of the two-tier system versus the three-tier system. Perhaps we
would also want to see some independent evidence on which is the preferred model. As part of the review, however, I would respectfully ask the Minister to consider the protocols on consultations carefully, particularly when an area contains a mix of both academy and grant-maintained schools. I am keen that the wishes of parents of children in schools both directly and indirectly impacted by any changes are considered. At the end of the day, the wishes of local parents should play the key role in deciding on significant changes.

Michael Tomlinson: My hon. Friend is right to say that the role of parents should be key. Would it not also be helpful to have some independent evidence—not just subjective, but objective evidence—on which is the best system? In my previous intervention, I mentioned two schools, but I must mention two others, or they will feel left out: St Michael’s Middle School in Colehill and Allenbourn Middle School in Wimborne, both of which are excellent schools. One has been to visit Westminster and another, I know, wants to as well, but doubtless those parents would also want to see some independent evidence on which is the preferred model.

Nigel Huddleston: I again thank my hon. Friend for that intervention. He has almost stolen my conclusion. As part of the review, however, I would respectfully ask the Minister to consider the protocols on consultations carefully, particularly when an area contains a mix of both academy and grant-maintained schools. I am keen that the wishes of parents of children in schools both directly and indirectly impacted by any changes are considered. At the end of the day, the wishes of local parents should play the key role in deciding on significant changes.

Dr Huq: In the Budget just now, we heard about devolution. The Minister says there is a role for local authorities, but if I understood correctly, schools are going to become academies, which seems to contradict the principle of devolution. Perhaps he can help me understand this better.

Mr Gibb: Yes, of course. The announcement today in the Budget—will be saying more about this tomorrow in the White Paper—is that all schools will become academies, or be in the process of becoming academies, by 2020. Until then, a large number of schools will still be maintained schools, and if the hon. Lady can be a little patient, I will come to the position regarding academies in a moment. None the less, we still need guidance about the position of three-tier systems when a number or some of those schools are maintained schools.

Where organisational change is proposed, we expect the local authority to agree with schools how any changes will be funded. The Department’s role is to hold schools accountable for the quality of education they provide and not to mandate any particular configuration of tiers. Supporting local authorities to create sufficient school places remains one of the Government’s top priorities. Local authorities are responsible for ensuring that there are enough school places for children in their area. We are spending £23 billion on school buildings in this Parliament to create 600,000 new school places—we created nearly 500,000 in the last Parliament—and we intend to open 500 new free schools and to address essential maintenance needs with that money. That delivers on our manifesto commitment to invest a further £7 billion to create new school places between 2015 and 2021.

Through the free schools programme, we are creating greater local choice by allowing existing schools and other groups to be able to establish new schools in particular where additional high-quality places are needed. Those include not only traditional primary and secondary schools, but 55 university technical colleges, 72 all-through schools and 25 16-19 free schools that are either open or in the pipeline.

The three-tier system—in which school provision is organised into lower, middle and upper schools rather than the primary and secondary model—has been established, as my hon. Friend said, in areas of the country such as Worcestershire for many years. The number of groups operating the three-tier system has reduced in recent times, mainly because local authorities have restructured their provision as need dictates. There are still, however, over 68,000 children currently being educated in middle schools in England.

The Secretary of State only has a role in decisions to change the age range of a school when that is proposed for an academy. She will only make such a decision at the request of an academy trust.

When a local authority decides to move from a three-tier to a two-tier structure, it is important that careful plans are in place to minimise any negative impact on the performance and viability of other schools in the area, which is something that my hon. Friend the Member for Mid Worcestershire expressed concern about. Local authorities proposing such a change must follow the established statutory process set out in schedule 3 of the School Organisation (Prescribed Alterations to
Maintained Schools) (England) Regulations 2013. In practice, an authority-wide reorganisation often involves months of informal consultation and research before the formal statutory process is undertaken. That process ensures that such decisions are widely consulted on and the views of stakeholders and others are valued.

There are four separate stages of the statutory process. First, local authorities are required to publish their proposals in a local newspaper and at the school site. Secondly, a period of formal consultation has to take place for at least four weeks. Thirdly, a decision is usually made by the local authority. Only after those three steps have been taken can the proposal be implemented.

Michael Tomlinson: The Minister makes an important point, but for people who live close to the edges of boundaries between local authorities, the catchment areas can be different. I am thinking, in particular, of Dorset, the borders of Poole and Dorset County Council. Within the points that he has made, is there a duty on local education authorities to consult one another—neighbouring authorities—to ensure that there is a fair system for all pupils in an area?

Mr Gibb: The duty is to consult stakeholders, which will include parents. That includes parents who are likely to go beyond the local authority boundary to send their children to a school.

The consultation stage gives people who may be affected by the proposed change, including children, parents and teachers, a chance to express their views. The local authority is under a statutory duty to take into account all objections raised when reaching its final decision. In cases where objections have been raised, the local authority has a two-month window in which to make a final decision. If the process takes longer than two months, the schools adjudicator will take on the role of decision maker. I stress that changing the age range of local authority-maintained schools is a local decision. The Department nationally has no formal role in the process or the final decision. As my hon. Friend the Member for Mid Worcestershire mentioned, we are reviewing our schools organisation guidance to local authorities and maintained schools, and we intend to publish that shortly.

Where an individual academy seeks to change its age range, the process is different, but it still maintains the requirement for effective consultation and adherence to the principles of public law. The relevant regional schools commissioner is the decision maker for applications from academy trusts. They will ensure that any local issues are identified and addressed before a decision can be made and will draw on the advice and knowledge of their headteacher board. The guidance to support that process requires academy trusts to discuss their proposals with the local authority to ensure that the proposed change is aligned with local pupil place plans and will not have a negative impact on education standards at the academy or at other local schools or colleges. If objections are raised locally about a proposed change, the regional schools commissioner will require the trust to provide a full business case, including details of the steps it has taken to address objections raised through consultation.

My hon. Friend asked whether the Department had any strategies in place to prevent issues arising from any transition to a two-tier system. The guidance requires that schools undergoing any reorganisation work together to ensure an appropriate, co-ordinated implementation and that decisions on any individual proposals will be made in that context.

I refer my hon. Friend to “Making significant changes to an existing academy”, the guidance that the Department published this month. The guidance says on page 9:

‘Where proposals are likely to have a significant impact on other local provision a full business case will…be required…Where local provision is organised in three tiers and the aim is to move to two tier age range, the department expects schools to work together to ensure an appropriate co-ordinated implementation, and will only approve any individual proposal in that context.”

Unless the proposers can demonstrate that they have engaged in those kinds of co-ordination arrangements and that their proposals will not adversely impact maintained schools, other schools or parents in the area, the regional schools commissioner simply will not approve the proposal.

I hope that my hon. Friend is reassured that the Department is not looking to remove the three-tier school system. The process for reorganisation and changing the age range of local authority maintained schools rests with local authorities, and for academies it rests with trusts and regional schools commissioners.

Question put and agreed to.

4.23 pm

Sitting suspended.
West Highland Way

4.29 pm

Steven Paterson (Stirling) (SNP): I beg to move.

That this House has considered the contribution of the West Highland Way to the economy in Scotland.

I am extremely pleased to be able to bring this matter to the House today, so that we can consider the remarkable, positive impact of the West Highland Way economically and celebrate Scotland’s magnificent natural resources and the promotion of healthy lifestyles. I am sure that this debate will result in a great deal of cross-party consensus. I certainly hope we can consider what is necessary to continue maintaining, supporting and promoting the West Highland Way and to develop it as a resource for future generations.

I completed the West Highland Way in 2010, immediately after the general election of that year. If my Scottish National party colleagues cast their minds back to 2010 and the general election result we had, they might understand why I appreciated taking a bit of time off and going to Scotland’s unspoilt wilderness, far away from television, news, emails and mobile phones. It was an extremely appealing prospect. Perhaps hills and glens along the West Highland Way have been awash with ousted politicians from other parties in the past year. I thoroughly enjoyed the experience of taking on and completing the West Highland Way, and I thoroughly recommend that hon. Members consider it when a break from the rigours of this place is required. It is a good way of recharging the batteries.

Scotland is proud to boast some of the most beautiful landscapes and most popular attractions on these isles, attracting millions of tourists from across the United Kingdom each year, as well as more travelling from North America, Europe and the rest of the world. Those visitors help to contribute to Scotland’s diverse and dynamic economy, directly and indirectly supporting jobs. Indeed, we celebrate the latest OECD figures that demonstrate strong growth in visitor numbers to Scotland.

The current VisitScotland campaign, entitled “Spirit of Scotland”, encourages all those enjoying the great tourist sector in Scotland to share their experiences on social media with the hashtag #ScotSpirit. I encourage everyone to do so. Tourism generates billions of pounds each year and is responsible for sustaining hundreds of thousands of jobs for the people of Scotland. Indeed, today’s debate falls at an important time in the calendar year: this week, from 11 to 18 March, is Scottish Tourism Week, which is being marked through a wide range of events across Scotland, engaging businesses within the tourism industry and celebrating the sector’s success.

At this juncture, it is worth reflecting on the history of the West Highland Way, before I look in some detail at its current contribution to Scotland’s economy and offer some thoughts on how we can develop it further in future. The West Highland Way opened officially in 1980, its route winding from the town centre of Milngavie in East Dunbartonshire to the ancient highland settlement of Fort William in the constituency of Ross, Skye and Lochaber.

The way was the brainchild of Tom Hunter, a keen walker and community volunteer, who I was saddened to hear passed away only last month. It is perhaps fitting that this House can today consider Tom’s legacy through this debate on the great path he created for our enjoyment. We owe Tom a great deal of thanks for creating this iconic and enduring resource.

The way boasts some of Scotland’s most impressive views, as it winds across the west highlands of Scotland through ancient roads and paths, over a distance of 96 miles. From its inauguration in 1980, the way quickly became a favourite for serious walkers and leisurely strollers alike. It has grown in popularity and renown since its inception, and, as well as becoming a favourite with the people who experience it, the way has picked up numerous awards celebrating its popularity. Most recently, it was voted one of the top 10 outdoor attractions in the world by National Geographic.

The numbers of people walking or cycling the way have grown substantially in the years since its inception, with around 35,000 people estimated to complete the entire route each year and more than 60,000 completing smaller sections of it. As part of its silver jubilee celebrations in 2005, the way was completed by a relay comprising 1,000 children and young people. On Saturday 18 June this year, the 32nd annual West Highland Way race will take place. Quite astoundingly, last year the course record was broken by Paul Giblin, who took an incredible time of 14 hours, 14 minutes and 44 seconds to complete the 96-mile course—he just beat some of my hon. Friends.

Alan Brown (Kilmarnock and Loudoun) (SNP): I congratulate my hon. Friend on securing this debate. He has highlighted how fantastic the West Highland Way is. I have walked it a couple of times, although I took somewhat longer than 14 hours, I must say. He has illustrated how well used it is. Personally, I enjoyed the scenery, the signage, how welcoming everybody is and how businesses welcome walkers and tourists. The West Highland Way has spawned many imitation walks, including the River Ayr Way in my constituency, which is the only source-to-sea walk in Scotland. Unfortunately, in the neighbouring South Ayrshire Council area, a large section of the route is still on-road, rather than off-road, and many areas are shut, which means people have to divert. Does my hon. Friend agree that full signage and proper off-road routes are needed to make that walk more attractive?

Sir Roger Gale (in the Chair): Order. The hon. Gentleman chided one of his friends earlier for making long speeches. I have to say that he gets a prize for his long intervention.

Steven Paterson: I agree with the sentiments my hon. Friend has just expressed. In the interests of promoting health and wellbeing generally, these kinds of walk are fantastic. We should look at linking them up with others, to encourage this as a pastime and a hobby.

My constituency of Stirling is home to a large section of the West Highland Way—indeed, the most spectacular and beautiful section. Tourism is crucial to the livelihoods of many individuals and families in my constituency. In my maiden speech in the House of Commons, I said that I wanted to promote the tourist industry both locally and nationally. I look forward to meeting with industry stakeholders from many of these attractions in the coming months and years, fulfilling the role I have in this place, and I encourage my hon. Friends to consider spending some time over the summer recess in Stirling, to enjoy the wonderful tourist experience to be had there.
Over recent months, my colleague Bruce Crawford—the Member of the Scottish Parliament for Stirling—representatives of Stirling Council and I have been pushing hard to increase and expand broadband coverage in the rural part of the constituency where the West Highland Way is, with some success. I am confident that that work will go on. I very much welcome the First Minister’s announcement on Saturday that superfast broadband for businesses will be completed in 100% of premises in Scotland. That is a fantastic promise and I look forward to working on it.

During my research for this debate, I spoke to various organisations to determine the actual reach of the West Highland Way in terms of its value to the Scottish economy. Loch Lomond and the Trossachs national park authority informed me that the impact on the rural economy along the route is most likely significantly underrated. Its conservative estimates are of a direct spend contributing £28 million to the Scottish economy. On top of that, there is additional indirect spending and an even greater economic impact through attracting people to Scotland to stay longer than the time they spend tackling the West Highland Way.

It is also worth noting that the national park authority’s estimates show that more than 2,000 jobs in the national park area depend directly on tourism, which in itself demonstrates the economic importance of the sector to areas such as the west of my constituency. The John Muir economic impact survey estimated that more than £12 million was contributed by walkers who complete the route, and millions more were contributed by the many thousands of visitors who enjoy walking smaller sections of the way.

The West Highland Way brings people to Scotland to experience one of the best walks in the world, but it also allows them to experience Scottish hospitality and some of our excellent local restaurants, hotels, B and Bs and pubs. Along the route, walkers will find many fine local businesses where they can relax after a hard day’s walking and enjoy some of Scotland’s celebrated food and drink. For example, the Oak Tree Inn in Balmaha on the shores of Loch Lomond is a family-owned business established in 1997, and I stayed there during my walk in 2010. It has 70 employees and numerous awards to its name—most recently, it was named Scotland’s best independent pub in 2015. The Oak Tree Inn is a fine example of a local business that benefits from the passing trade brought to it by the West Highland Way and is an important local employer within its small rural community. From my personal experience in 2010, other places such as the Beech Tree Inn in Dumgoyne and the Crianlarich Hotel offer fantastic pit stops along the route, although I managed to avoid the temptation to visit the Glengoyne distillery—excellent as its produce is.

I hope that, through this debate, we can focus minds at all levels of Government and throughout the various businesses and organisations with an interest on the further development of the West Highland Way as a resource for the people of Scotland and as a draw for tourism.

**Steven Paterson** (West Dunbartonshire) (SNP): Does my hon. Friend agree that while the West Highland Way does not criss-cross the entire nation of Scotland, it has a profound impact on the social and economic wellbeing of our country? Given that the West Highland Way headquarters are based in my own constituency, in Balloch, I am sure he understands that the economic impact is far reaching, across the whole of Scotland.

**Steven Paterson**: I accept that, and I congratulate my hon. Friend on his ingenuity in getting his own nearby constituency into the debate—well done indeed.

With the sentiment being to expand and develop the West Highland Way and sustain it for the future, I have a few ideas to put on the table for other Members’ consideration. First, I am pleased that control of air passenger duty is being devolved and that the Scottish Government are consulting on their plan to halve the rate and remove the tax altogether in time. It is a tourist tax, and we can really benefit from that policy. However, perhaps there are other measures to support the tourism industry, such as reducing the rate of VAT that accommodation providers have to pay. I appreciate that it is unsurprising that the businesses I have spoken to are in favour of the idea—what business would not like to pay less tax? However, there are serious arguments as to why the unique challenges faced by the tourism sector, and in particular accommodation providers, make a strong case for a targeted solution.

Accommodation providers tell me that they can be fully booked in the high season, but that the low demand in winter months makes for a hard time for them. Many businesses are basically hanging on in the winter months and, if any go under, the effects are felt much further than on that individual business. Some of our competitor countries in Europe support their tourism companies and accommodation providers in that way. One accommodation provider told me that a reduction in VAT from 20% to 15% would undoubtedly allow him to expand his business more rapidly and to employ more staff. By coincidence, however, we are debating this matter just hours after the Government’s Budget statement, so I will leave the issue of VAT rates there for today, but I hope we can consider it in the future.

In summing up, I have some questions for the Government. How do the UK Government contribute to efforts to promote the tourism industry in Scotland in general, and the West Highland Way in particular, in conjunction with the Scottish Government and other stakeholders? Is there an opportunity to do more? What links are being made with European institutions to encourage those tourism opportunities? Is there an opportunity for further marketing and promotion of the West Highland Way with the Scottish Government and other stakeholders, alongside the promotion of other walking routes and sport in general, as alluded to by my hon. Friend the Member for Kilmarnock and Loudoun (Alan Brown)? Finally, may I extend an invitation to all right hon. and hon. colleagues to join me on a parliamentary delegation to walk the West Highland Way this summer? I will be taking names at the end of the debate.

4.41 pm

**Brendan O’Hara** (Argyll and Bute) (SNP): I congratulate my hon. Friend the Member for Stirling (Steven Paterson) on securing the debate. It not only celebrates one of the most scenic walking routes in the world, but recognises
the economic importance of the West Highland Way to so many businesses and individuals in so many of our constituencies.

My hon. Friend has made an excellent and compelling case for the economic importance of the West Highland Way. I would argue that of equal importance is its social and cultural role, because for tens of thousands of young Scotmen and women, particularly those from west-central Scotland and the industrial belt, discovering the west highlands was a transformational experience. When they discovered what was on their doorstep, it changed their lives entirely.

Two examples of people who experienced that are the renowned outdoorsman and adventurer Cameron McNeish and the actor David Hayman, with whom I had the pleasure of making my last ever television series for Scottish Television before coming to this place, which was about David following in the footsteps of that other great hillwalker and rambler, Tom Weir. Both Cameron and David were born and raised in Glasgow, but just one taste of the west highlands of Scotland and their lives were changed forever. They are not unique—far from it. Tens of thousands of urban-dwelling Scots have discovered a love of our outstanding natural environment since the West Highland Way was opened.

I, too, pay tribute to the late Tom Hunter, who, as my hon. Friend said, died only last month. He had the vision and tenacity to make the West Highland Way a reality, and his wonderful legacy will, I am sure, be a great comfort to his family.

I am fortunate to have walked the West Highland Way on a number of occasions, as has my hon. Friend. Despite following exactly the same path, each walk has been a vastly different experience from the one before. I have been washed away in May and burnt to a crisp in October. Equally, I have been burnt to a crisp in May and washed away in October—but braving the Scottish weather is part of the fun and adventure of the West Highland Way. It being Scotland, of course, we have no idea what weather will be coming over the mountains at us.

As I said, I have made the 96-mile trek a number of times but, as with most things in life, it is the first time we do something that we remember most fondly. Having been born in Glasgow in the 1960s and growing up in the 1970s, the West Highland Way was for my generation almost a rite of passage. I would love to think that it will be familiar to many.

I remember the first time I did it, and the circumstances to Fort William at the foot of Ben Nevis.

What an adventure it was—but, sadly, I can say no more, because a strict omertà is in place. Hon. Members will have to go and experience the adventure for themselves. What I can say is that for a young man who grew up in the east end of Glasgow, it was my window on the world. We could not afford to go on foreign holidays, but on the West Highland Way the world came to us.

The path takes us north along the side of Loch Lomond, through the Trossachs, over the bridge of Orchy, across the Rannoch moor, skirting round the majestic Buachaille Etive Mòr, through Glencoe and up the never more appropriately named Devil’s Staircase over to Kinlochleven, and then down into the final leg to Fort William at the foot of Ben Nevis.

Steven Paterson: My hon. Friend reminded me that after coming over the Devil’s Staircase and back down the other side—a big, long descent—at the bottom there in Kinlochleven was the tastiest pint of lager I have ever had. Perhaps he will be speaking about something similar.

Brendan O’Hara: I should be saying to my hon. Friend that my stupidity in drinking Guinness and agreeing to do the walk put me off alcohol forever—but, yes, I share a memory of the King’s House hotel in Kinlochleven, at the foot there.

On the way, one would meet so many different nationalities: Dutch, Germans, Swedes, Australians, Canadians, Americans and many more. As I said, it is where the world came to us. Believe me, the sense of achievement when sitting exhausted at Fort William bus station waiting for the bus back to Glasgow is something that I will never forget—but, for the record, sadly, there was no disco for my clean shirt.

I do not have a single unhappy memory of the West Highland Way, even though in the weeks that I was on it I was soaked to the skin, burned to a crisp and eaten alive by midgies, and I had blistered feet and the occasional hangover.

Martin Docherty-Hughes: My hon. Friend is telling us about the great pest known as the midge. Will he advise the House whether he used Skin So Soft or just drank whisky to get through it?

Brendan O’Hara: Probably the best advice that I can give is to use a potent mixture of both.

I remember lying in a tent with rain coming down like stair rods and only my hands poking out, trying to cook rice on a wee gas stove. If even eating half-cooked savoury rice in a nylon tent in the pitch dark in the middle of a monsoon does not register as a bad memory, that should give people an idea of what a wonderful experience it was.
As I said, the West Highland Way was and, I sincerely hope, still is a rite of passage for young men and women, particularly those from west-central Scotland. I urge everyone to get out and discover what an incredible country we have and are lucky enough to live in. We should challenge ourselves to do the things that we did not think we could do, and to meet people of other nationalities and cultures whom we would otherwise never meet. Do it. It is on our doorstep. And with any luck, just like Cameron McNeish and David Hayman, you, too, will become addicted to it.

Sir Roger Gale (in the Chair): Mr Blackford, you have a hard act to follow, and I reckon that you have about five minutes to do it in.

4.49 pm

Ian Blackford (Ross, Skye and Lochaber) (SNP): Thank you, Sir Roger, and it is a pleasure once again to serve under your chairmanship. I thank my hon. Friend the Member for Stirling (Steven Paterson) for securing the debate.

Let us picture the scene: we have just walked for 96 miles from Milingavie right into the heart of Lochaber, which is situated in the most beautiful and awe-inspiring constituency in the country, Ross, Skye and Lochaber. We may have been tired, but we have been invigorated by the experience. We came through the splendour and awe-inspiring Glencoe and at our journey’s end, in Fort William, rises the impressive form of Ben Nevis. Having come this far, it is worth capping it off with an ascent of Scotland’s most majestic peak. As the Member for Ross, Skye and Lochaber, I look forward with my hon. Friend to welcoming the parliamentary delegation and making sure that they complete that epic journey up Scotland’s highest mountain.

A walk on the West Highland Way is a fulfilling experience, and the journey’s end is Scotland’s outdoor capital: the great theatre of outdoor life that is Fort William and Lochaber. The West Highland Way is listed by National Geographic as the world’s great trail, and it is easy to understand why. The benefit to the tourist economy has been mentioned, but another is promotion of a healthy lifestyle, which is integral to the wellbeing of all our citizens. The west highlands are a place to enjoy, relax and walk in and to engage in many other activities, and that is an important part of the desire we all have to promote healthy living.

The many communities close to the West Highland Way are very much engaged with the route’s success. Just this week, young pupils from Kinlochleven High School were down in London representing Scotland in a UK competition with a project based on a litter campaign for the West Highland Way. Having won a Scotland-wide competition, the pupils were showcasing their initiative to encourage walkers to dispose of litter in bins, using apps and digital connectivity to get their message across.

The success of the West Highland Way has been the catalyst for the establishment of more long-distance routes. It is very much an industry that is being created out of the experiences of the West Highland Way. Today there are 28 long-distance routes across Scotland, known as Scotland’s great trails, and in total they provide 1,700 miles of managed paths. It really is possible to do as the Proclaimers say:

“I would walk 500 miles. And I would walk 500 more.”

According to an online survey and counter data information, the direct impact is that an estimated 39,500 walkers complete the whole route each year with a walker spend of as much as £6 million, rising to more than £11.5 million when we add in as many as 120,000 people who complete part of the walk. The respected John Muir Trust suggests that the impact provides a boost of more than £20 million to the highland economy. It is a challenge to arrive at a complete picture given the length of the walk and the size of the area, but it is clearly a considerable boost to the local economy in the west highlands. Although we still have an industrial economy, particularly in Fort William, tourism is very much an anchor for the overall success of the economy.

The west highlands are stunningly beautiful, but what really makes the place special is its people. I was interested to see that the official West Highland Way website even has a section called “Characters Gallery”. Perhaps I should say that it is the characters, more than anything else, that make the west highlands. I was interested that the first person mentioned in the section was described as Scotland’s most famous rogue. That is not my hon. Friend the Member for Na h-Eileanan an Iar (Mr MacNeil), but Rob Roy MacGregor, who has been immortalised throughout the nation’s history for his cattle rustling and his feud against the Duke of Montrose. Perhaps that does sound like my hon. Friend. The Member for Na h-Eileanan an Iar.

Folk should come and experience the West Highland Way to enjoy the natural beauty of our landscape and to meet our current-day characters, but we need to do more to boost the tourist economy. Of the 28 EU member states, 25 have reduced tourism VAT. Only Denmark and Slovenia have higher rates than the UK. Another opportunity to address that was lost in today’s Budget. Will the Minister ask the Treasury to undertake a study of the matter and the potential beneficial effects on the tourist industry of a VAT reduction? Ireland brought down VAT on tourism from 13.5% to 9% in May 2011, initially as a temporary measure, but it has been sustained. A reduction in tourist VAT would help to grow the tourist economy and would be central to delivering jobs and growth in fragile economic areas, something that is particularly relevant in my rural constituency.

4.54 pm

Patrick Grady (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Sir Roger. I congratulate my hon. Friend the Member for Stirling (Steven Paterson) on securing this debate. Many of the key and general points have been made, but I would like to offer a few reflections on the economic impact of the West Highland Way and, more generally, the benefits that walking brings to our economy and society. If time allows, I will offer a couple of personal reflections and experiences.

I echo the tributes to the late Tom Hunter and the important work that he and others did in establishing the route. It was officially created in October 1980, so it is just a bit younger than I am, as I was born in February 1980. The West Highland Way does not exist in a vacuum. As my hon. Friend the Member for Ross,
Skye and Lochaber (Ian Blackford) said, it is one of 28 national trails and it connects with a range of other designated walking routes. It is possible to walk from my constituency through the Kelvin walkway, following the route of the Clyde, the Kelvin and the Allander to Milngavie and then to Fort William and up the Great Glen Way to my original home town of Inverness. When looking at possible pub crawls, one can start with the great Lios Mor on Dumbarton Road, about which I have spoken in this Chamber before, and finish with all the hostelries that Inverness has to offer, but sadly not the Whitebridge Hotel on the south side of Loch Ness, where I am originally from, because the Great Glen Way goes up the north route. If anyone accepts the invitation to take in the West Highland Way from Ben Nevis all the way to Inverness, I would certainly recommend a visit and some refreshment there.

The economic benefit of outdoor tourism as a whole has been estimated at £2.6 billion. A range of industries and services benefit from camp sites to classy hotels, from wayside cafés to full-blown restaurants, and including the Glen Boyne distillery. I was interested to hear that the chair of the all-party group on Scotch whisky has been keen to highlight the importance of this type of tourism. It would be a preventive form of health benefit for society's physical wellbeing and that would be a good thing for our constituents.

In my constituency of East Dunbartonshire, there are different opportunities and economic impacts. That brings me to the importance of walking as a form of recreation. If anything, they get the bug and do it again and again. They need not do it in only one direction; they can go backwards and forwards. I do not know whether walking from Fort William to Glasgow or vice versa is the “Way Up the West” but there are different opportunities and economic impacts.

That brings me to the importance of walking as a form of transport, exercise and recreation. I once worked for the Ramblers Association, and that experience brought home to me the huge importance of walking to address a range of challenges facing society. Half of all car trips in Scotland are under 5 km. If people had active travel options for those journeys, there would be a considerable benefit for society’s physical wellbeing and that would not only benefit people themselves, but save the health service money. It would be a preventive form of health care. Physical inactivity is estimated to kill seven people a day in Scotland—a statistic that shames us all.

Walking is an inexpensive and accessible form of recreation and a great social leveller, and it provides an opportunity not just to experience the outdoors in all its beauty and magnificence, but to meet and interact with all sorts of people from all over the world who might be walking the same route. To that end, I echo the calls for further support, especially a cut in tourism VAT.

I completed the West Highland Way in 2004. I was fundraising for a trip to Malawi. It is estimated that over £12 million has been generated for charitable causes by people undertaking the walk as a sponsored activity. It is a way to experience Scotland in the raw, not least when the weather really makes its presence felt. Certainly the stretch between Tyndrum and Bridge of Orchy brought home to me, as the rain lashed down—it had no discernible impact on the highland cattle, but plenty on the walkers—how in some ways the landscape has barely changed; that we, as human beings, are passing through not only in the literal sense of taking the walk, but in the broader sweep of history; that our ancestors and their communities lived in those lands and had to put up with that kind of weather for many hundreds if not thousands of years, and certainly without the benefit of Gore-Tex or even a Fine Fare plastic bag. Perhaps nothing brings that home more than the train journey back, when days of strenuous exercise flash by. That in itself gives us a certain perspective and shows why it is important to cherish our landscape and access to the outdoors. There is an economic benefit from the West Highland Way, but it is important not just for the sake of that, but for the benefit to broader society and, we hope, future generations.

5 pm  
John Nicolson (East Dunbartonshire) (SNP): I join my colleagues in thanking our hon. Friend the Member for Stirling (Steven Paterson) for calling this debate. Although my contribution comes towards the end of it, I would like to begin by talking about the start of the West Highland Way—both its origins as Scotland’s first long-distance walking route more than 35 years ago and the town of Milngavie in my constituency of East Dunbartonshire, which is the official beginning of the walk.

While walking on the slopes of Ben Lomond after the second world war, the creator of the West Highland Way, Tom Hunter, noted the building developments on the western shores of Loch Lomond and thought of ways to limit the same thing happening on the loch’s eastern shores. As we have heard, Tom was a keen walker himself, loved the outdoors and, together with his wife, Margaret, and their walking companions, decided to design a long-distance walking route from Glasgow to Fort William. The idea of this long-distance, signposted route was not universally supported at the time. It is hard to imagine that now, but there was significant opposition from landowners—quelle surprise, some might say—and the Countryside Commission. However, Tom persevered and the West Highland Way was officially opened on 6 October 1980.

As we have heard, Tom sadly passed away last month at the age of 90. My local paper, the Milngavie & Bearsden Herald, wrote that he was “a modest man whose achievements were far from ordinary.” It is evident from this debate that his legacy has benefited the Scottish economy, the Scottish environment and the Scottish people.

Of course, the West Highland Way is traditionally walked south to north. That not only helps to keep the scorching Scottish sun from one’s eyes, but allows walkers to enjoy their time in Milngavie. As many people will know, Milngavie marks the northernmost point of the Roman empire. Flying conquests Gaul, Hispania and, of course Anglia, the Romans were halted in their tracks by the dooce charms of the locals and built the Antonine wall—some say to keep the locals out.
These days, visitors can appreciate the town's charms and history, relax in cafés and restaurants in Milngavie precinct and of course stock up on supplies before beginning their own adventure. It is an adventure; it has to be said, that many begin in some discomfort. The Romans may have instituted indoor water closets—"cludgie-orums", as they were known locally in Latin—but the East Dunbartonshire Labour, Lib Dem and Conservative council has yet to catch up on Roman plumbing, refusing, despite an active local campaign, to provide a lavatory for the thousands who pass through. However, out of 28 European Union countries, only Denmark and Slovenia have higher VAT rates than the UK. As we have heard, the Republic of Ireland has significantly reduced VAT on tourism, and the Treasury must explore the possibility of reducing VAT to support tourism in Scotland.

We can all agree, I hope, that the West Highland Way is a national icon and its name is immediately recognisable worldwide as being Scottish. It harnesses some of Scotland's greatest assets—our biggest city, our largest loch, and along the route. As we have heard, the West Highland Way plays a significant role in Milngavie's economy and of other towns and villages along the route to Fort William. Some 39,500 walkers each year complete the route, along with many thousands of others who walk part of the trail. As we have heard, that generates £5.5 million of tourism revenue and directly supports approximately 200 businesses.

In a wider Scottish context, walking is clearly the most popular nature-based activity for UK residents holidaying in Scotland, with 47% of total UK visitor trips involving some form of walking activity. Studies have shown that long-distance route users are twice as likely to use accommodation, and spend twice as much on food and drink, as the average holidaymaker—although possibly not the average Member of Parliament from Scotland. That provides a huge financial contribution to the hotels, bed and breakfasts and shops in Milngavie and along the route. Many businesses simply would not exist without the West Highland Way. That includes the unique and innovative Travel-Lite, which for 21 years has transported the luggage of walkers from Milngavie to various points along the route for those who do not want to carry their own body weight in spare clothing and equipment.

Conveniently connected to Glasgow city centre through rail, bus and road links, Milngavie also prospers from day visitors who come to walk part of the route on weekends and during holidays. It is not uncommon for many visitors to walk just a wee bit of the route in the morning and to return in the afternoon, spending and contributing to the economy of the beautiful town that I am so fond of, Milngavie, in my constituency.

One of the key factors that led to the inclusion of specific routes in a recent review by Country Walking magazine of Britain's 50 greatest walks was sufficient variety along a route to maintain interest. One of the most popular routes—possibly the most popular—is the West Highland Way. Within 30 minutes of starting the way, walkers will leave my constituency. They will be able to look out over Glagow and Strathclyde and look forward to the castles, mountains and distilleries not far in the distance. They will be entering the countryside towards the highlands, having left the bustling city, with busy streets and planes overhead from Europe, North America and the middle east delivering the next cohort of walkers ready to tackle the way.

There is a significant international dimension to the West Highland Way, because it attracts people from all over the world. It is estimated that the Scottish Government's proposal to reduce air passenger duty will create nearly 4,000 jobs and add £1 billion to the Scottish economy by 2020. That would surely benefit the West Highland Way, among other places in Scotland.

Tourism is clearly of fundamental importance to Scotland. I understand that tourism contributes some £4 billion to the Scottish economy annually. Some 200,000 people, in one way or another, are employed in the tourism industry, and many of those jobs are of benefit to Scotland's rural areas. One of the key and growing attractions is, as we have heard, the West Highland Way.

There is no doubt at all that there is an increasing realisation that walking is a good form of exercise. Dare I say that I was, believe it or not, one and a half stones heavier than I am now? That is mainly because I have lost some weight walking. I am well known in my constituency for walking with my fiancée and her dog, Alice, and we are keen to embark upon the Wales coastal path, which goes around the whole coast of Wales. It is not as long and, perhaps, not as spectacular as the West Highland Way. Nevertheless, I am told that it is a route worth taking. After successfully doing that, I hope to go to Scotland and experience the joys of the West Highland Way as 39,500 other people do each year.
The West Highland Way is one of the longest footpaths in the whole UK at some 96 miles, which is quite a trek by any standards, and I understand that it has had an interesting history. It opened in October 1980 and is increasingly well renowned throughout the UK. If this debate has done nothing else, it has certainly reinforced how important the West Highland Way is to Scotland and what a great tourist attraction it is for the rest of us who live in the UK.

Walking is of tremendous importance because it brings home to us not only the need for physical fitness, but a great appreciation of our countryside and culture. I take note of all the marvellous attractions that one can encounter en route, and I take on board the concern expressed about midges. I dare say that people have to take preparations to guard themselves against those midges. Nevertheless, I am convinced that the precautions are certainly worth while.

It was my great pleasure to be in Scotland a few weeks ago. I visited a number of distilleries and sampled—in small quantities, of course—the elixir that is produced in them. From personal experience, I can bear testimony to what a wonderful product Scotch whisky is. There has been a modest recognition of that today in the Budget.

Patrick Grady: As the hon. Gentleman is being so generous to the cause of Scotch whisky, it is only fair to recognise the impression that the Welsh whisky, Penderyn, has made on the palates of members of the all-party group on Scotch whisky.

Wayne David: That is very kind of the hon. Gentleman. I did not like to mention it myself but, of course, the Scotch Whisky Association has acknowledged the worth of that Welsh whisky and I hope that it will not be too long before it is recognised as one of the great drinks alongside the many great Scotch whiskies.

I mention Scotch whisky because it is a good way not only to extend and reinforce the British and Scottish economy, but to demonstrate what a unique place Scotland is and what tremendous opportunities there are in Scotland. I believe that the West Highland Way is an equal example, in a smaller sort of way and in a different way, of how Scotland can extend itself and show the world what a wonderful country it is. I would certainly like to reinforce my experience with Scotch whisky and visit Scotland again in the not-too-distant future, guarding against midges. Hopefully, my fiancée—I hope she will shortly be my wife—and I can enjoy the wonderful experience of the West Highland Way. I thank the Scottish National party Members very much indeed for bringing the matter to the attention of the House.

5.13 pm

Sir Roger Gale (in the Chair): We do not normally have commercial breaks during ministerial speeches, but it is an interesting idea.

Dr Coffey: I give way to the hon. Member for Kilmarnock and Loudoun (Alan Brown).

Alan Brown: I hope that this is not seen as a commercial. Once people have climbed Ben Nevis and finished the West Highland Way, something else that I can recommend from experience is taking the West Highland line from Fort William to Mallaig. It is fantastic scenery and one of the great railways of the world to complement one of the great walks of the world.

Dr Coffey: Sir Roger, as you say, it has been an elegant commercial break. It sounds as if we should have more debates on this matter.

Coming from a constituency such as mine—Suffolk Coastal—where tourism and outdoor leisure activities play such an important role in the everyday lives of people who work in businesses and tourism, I share the view of the hon. Member for Glasgow North (Patrick Grady) that helping people to enjoy the natural environment in an easy, pleasant way is mutually beneficial for people’s health and wellbeing, and for the local economy. He was right to stress the benefits of walking more generally.

The debate is particularly timely as we celebrate Scottish Tourism Week. Scotland is revered around the world for its outstanding and varied scenery, so it should come as no surprise to learn that the country’s natural environment is increasingly being developed as a key tourism asset. In the case of the West Highland journeys. However, I assure them that, having prepared for the debate, looked at stuff on YouTube and heard other hon. Members’ contributions, the West Highland Way is now on my to-do list for a potential future visit. I must admit that I am not keen on the midges either, so I may have to rely somewhat on the picture painted by the hon. Member for Argyll and Bute (Brendan O’Hara), who gave us a tour that provoked such a wonderful vision.

The hon. Member for Ross, Skye and Lochaber (Ian Blackford) talked about Ben Nevis. Well, I would like to point out that my hon. Friend the Member for Milton Keynes South (Iain Stewart) has climbed it although, admittedly, when he got to the top, it was a bit of a white-out, so he was not able to see all the beautiful scenery of which hon. Members eloquently painted a picture.

Ian Blackford: One thing that I am very keen to point out to those who want to come and visit the most wonderful Lochaber part of my constituency is that we have all sorts of facilities for all people, depending on their aptitude and climbing ability. For some people, Ben Nevis is a little bit of a challenge to get up, but Aonach Mòr is next to it and there are gondolas to take people up there for those who would like to have a pleasant day out among the mountains of Scotland. We can cater for people in all sorts of ways so that they can enjoy the splendour of the mountains of the Lochaber area, and still enjoy the food and whisky when they come down in the evening.
Way, I have seen a report from Scottish Natural Heritage that suggests that up to 30,000 people—we have heard about potentially more—complete the whole route each year and a further 60,000 people walk a part of it. Another report suggests that the West Highland Way generates an economic benefit of £7.5 million, although we have heard contributions suggesting that it is even greater than that.

The West Highland Way is 96 miles long, and stretches from Milngavie to Fort William, skirting the shores of Loch Lomond en route. It is managed by a partnership of councils and the national park authority for Loch Lomond and the Trossachs, and I pay tribute to them for keeping up this wonderful, great route. I also want to praise the groups of volunteers who keep to help keep the West Highland Way so special. The Conservation Volunteers from Stirling made improvements to the paths in December. There are volunteer rangers right along the trail and, of course, there are other voluntary groups such as the Loch Lomond Mountain Rescue Team in Drymen, which is there to try to help people when they get into difficulty. Volunteers help with the many events that use the West Highland Way, whether it is raising money for charity or events such as the Caledonian Challenge, which is a particularly interesting use of the route that I expect will bring more people to the area and support the tourist economy.

More broadly, nature-based tourism makes a significant contribution to the wider Scottish tourism sector and economy. The main findings from a recent study by Scottish Natural Heritage indicates that nature-based tourism is worth £1.4 billion a year to Scotland's economy. Some 9,000 full-time equivalent jobs are reliant on it and tourist spending on nature-based activities is worth nearly 40% of all tourism spending in Scotland. Furthermore, recent figures from VisitScotland show that more than 720,000 trips were made by residents of Great Britain to Scotland's national parks, accounting for 6% of all Great British overnight trips in Scotland and a visitor expenditure of more than £140 million.

On that note, tourism in Scotland is, by and large, a devolved matter for the Scottish Government. The hon. Member for Stirling referred to his hon. Friends in the Scottish Parliament and the work they have done to promote the West Highland Way. Tourism is vital to Scotland's economy and showcases the country's culture and heritage to the world. However, the UK Government are very interested in what happens in Scotland. In the 2014 autumn statement, the Chancellor of the Exchequer recognised another Scottish natural icon when he announced £2 million of funding over four years for VisitBritain to promote Loch Ness and the surrounding area to international markets.

We have heard that “Spirit of Scotland” is a theme for tourism week and, as has already been said, anyone who walks the West Highland Way can be fortified along the route at the Glengoyne, Loch Lomond and Ben Nevis distilleries. As they march along, we have heard that they may be listening to the Proclaimers and Ben Nevis distilleries. As they march along, we have heard that they may be listening to the Proclaimers and thinking of the 500 miles—fortunately, the path is only 96 miles—that they need to walk. I would have thought that the hon. Member for Ross, Skye and Lochaber might have wanted to promote Runrig as an alternative, given the former career of the hon. Member for Perth and North Perthshire (Pete Wishart). In today’s Budget, the tax duty on whisky was frozen, which I hope is another contribution to the benefits along the route.

Scotland’s tourism success does not happen in isolation. The UK’s domestic markets remain Scotland’s biggest, and Scotland is able to benefit from wider UK activities and support to attract more tourists across its border. Recent figures from VisitScotland show that, in 2014, more than 15.5 million overnight tourism trips were taken in Scotland, for which visitor expenditure totalled £4.8 billion. People from within the UK account for the majority of tourism volume and value in Scotland, with 12.5 million tourism trips in 2014, worth £2.9 billion.

At home, Scotland benefits from strong activity by the national tourism body, VisitScotland, to promote Scotland. Abroad, VisitBritain is responsible for promoting Scotland as part of Britain's joined-up offer to international markets, but that is a two-way process, with VisitScotland and the other devolved nations’ national tourism agencies having access to VisitBritain’s overseas network to support their own campaigns and messages.

The Government recently launched their five-point plan for tourism in the UK, which is designed to boost growth, tap potential and encourage visitors beyond London to other parts of the UK, as has been mentioned. As part of the five-point plan the UK Government have committed to working more closely with the devolved Administrations in Scotland, Wales and, where appropriate, Northern Ireland to enhance collaboration between their respective tourism bodies. We also want to ensure that stretching targets are set for VisitBritain to bring increased numbers of international visitors to all the nations and regions of the UK.

Ian Blackford: I am interested in what the Minister is saying, and I applaud her remarks. It is important that the Governments here in Westminster and in Edinburgh work together on such matters. Although we have been talking about some of the industry’s attractions not only in the highlands but elsewhere, there are two things that concern me to which we must give a higher degree of importance. One is connectivity in all its forms—transport connectivity and digital connectivity. We must ensure that we are world leading in connectivity. It is important that we recognise that we are part of a global marketplace and that people have a choice in where they go. We must also invest in the service culture to ensure that we are world leading in all these things. Connectivity and services are important in ensuring that we demonstrate, and can advance, our leadership in the tourist economy. The two Governments need to work together in order to do that.

Dr Coffey: The Government are committed to investing in infrastructure and transport connectivity. The High Speed Rail (London – West Midlands) Bill is still going through the House and, in time, HS2 will improve journey times to western Scotland. As has been mentioned, the Scottish Government intend to halve air passenger duty by 2021, and Scotland will be given that power through the Scotland Bill, which will hopefully soon become the Scotland Act.

Another important area of promotion is the Government’s “GREAT campaign,” which is a cross-Government initiative to promote the UK internationally as a great place to visit, study and do business. It is the
Government’s most ambitious marketing campaign ever, and it aims to showcase the very best of what Britain has to offer the world under a single brand. Scotland features prominently in the campaign, with many varied images of aspects of Scotland to capture the imagination of potential overseas visitors and investors. From the great outdoors to the Edinburgh military tattoo; from Scotch whisky distillers to high-tech producers and universities; constructions new and old, such as the Kelpies, the Glenfinnan viaduct and the Forth railway bridge; the set of “Harry Potter” and wider film production; extreme sports; fashion; and fine dining.

Members have asked a number of questions. VAT on tourism came up several times, with reference to the experience in the Republic of Ireland, which cut VAT on tourism in 2011. At the moment, the Chancellor is unconvinced the measure would work here, but we are interested in doing some research into the benefits of Ireland’s experience, and I understand that the Under-Secretary of State for Culture, Media and Sport, my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch), who has responsibility for tourism, has written to the Chancellor to request further research.

On European links, many visitors to the West Highland Way are essentially domestic, but the VisitBritain campaigns are targeting Germany, France and the Netherlands.

Broadband was mentioned earlier, and I understand that the First Minister committed at a conference last weekend to get fast broadband to all. The Prime Minister has committed to a universal service obligation for broadband, recognising the importance of connectivity, and the UK Government have already committed more than £120 million to the roll-out of superfast broadband in Scotland.

I am afraid that there is little we can do to help the hon. Member for East Dunbartonshire (John Nicolson) with his campaign for a lavatory in Milngavie, but I wish him well on that matter.

The words of VisitScotland’s tourism prospectus from 2007 still stand:

“Visitors to Scotland come for an experience that is rooted in our hills and glens, our castles and towns, our history, our culture, our way of life and our people. Visitors participate in any number of activities, pursue many different interests, see many different places but they do so against a distinctive backdrop that is the country of Scotland.”

The West Highland Way epitomises that description, which could also be said of other long-distance walking routes across Scotland. Such routes are increasingly popular and, as has been mentioned, attract thousands of visitors to the UK each year. In isolation, the economic benefits derived from people walking the West Highland Way may be modest. Nevertheless, such activity represents just one aspect of the “distinctive backdrop that is the country of Scotland.” The sum total of that tourism spend is worth some £5 billion to the Scottish economy annually.

Such debates bring to light the diversity of the tourism sector, not only in Scotland but in the British Isles. Of course, I encourage people to visit Suffolk—I am sure, Sir Roger, that you encourage people to visit your part of Kent. However, I also encourage visitors to travel extensively across the UK, whether that be to the Pembrokeshire coast, the Lake district or North Berwick, on the east coast of Scotland, which I particularly recommend after holidaying there in 2014, and which I learned today is the home town of one of the civil servants who helped me to prepare for this debate.

As part of the UK, tourism in Scotland benefits from the “best of both worlds”, with dedicated support from the Scottish Government and VisitScotland at home, as well as benefiting from the work of the UK’s wide-reaching embassy network and VisitBritain in promoting the UK abroad.

Before I finish, I add my tribute to the person who came up with the idea for the West Highland Way, Tom Hunter. Sadly, as has already been said, Mr Hunter passed away last month at the age of 90, which—dare I say it?—is a testament to the healthy lifestyle that he obviously enjoyed. A keen walker with his wife, Margaret, his love for the natural environment combined with his walking. Without his passion, the route would not be what it is today. Prospective walkers may be interested in his book, “A Guide to the West Highland Way”. We can all thank him for his vision and for leaving a fine legacy.

This has been a good debate to celebrate the West Highland Way and its importance to tourism and the economy in Scotland, and I look forward to my visit there.

Question put and agreed to.

Resolved.

That this House has considered the contribution of the West Highland Way to the economy in Scotland.

5.28 pm

Sitting adjourned.
Westminster Hall
Thursday 17 March 2016

[MRS CHERYL GILLAN in the Chair]

BACKBENCH BUSINESS

Cabin Air Safety/Aerotoxic Syndrome

1.30 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op):
I beg to move,

That this House has considered cabin air safety and aerotoxic syndrome.

It is a pleasure to serve under your chairmanship once again, Mrs Gillan. I thank the Backbench Business Committee for granting this debate, and I thank my hon. Friend the Member for Brent Central (Dawn Butler) and the hon. Member for Altrincham and Sale West (Mr Brady) for joining me in my application.

I said in my application to the Backbench Business Committee that I am always willing to approach issues of industrial safety with an open mind and a willingness to consider the concerns of the workforce. The reason for that can be summed up in one word: asbestos. We have a terrible legacy of asbestos and mesothelioma in my constituency, and no one would wish to find themselves on the wrong side of history when it comes to a potentially serious health issue in the workplace. From the outset, I acknowledge that I understand and appreciate that aerotoxic syndrome is not yet a recognised medical condition, but it is something of considerable debate, hence our having this debate today.

I am not a medical professional, and I am not saying that it should be down to us as MPs to decide what is a recognised medical condition. However, aerotoxic syndrome has attracted a great deal of attention, both from passengers and, crucially, from those working in the airline industry, which is why it is right for us to have this debate today. Workers are worried, and we have a responsibility to treat the issue seriously. Everybody deserves to have confidence that the air they breathe in the workplace is clean and safe. Many people have got in touch with me since I secured the debate, and they are extremely grateful that their concerns are being raised in the House today. My aim is to present the concerns that have been raised and to make some requests of the Government, which I hope the Minister will listen to and accept.

I will now provide some background for those following the debate who may not be well versed in the topic. The key factor is the use of bleed air to provide a pressurised air supply to the cabin during flights. Bleed air is compressed air from the jet engines, and it is used by the vast majority of passenger aircraft in operation today. The problem arises when faults with engine seals cause seepage into the cockpit and cabin, which in turn can lead to contaminated fumes containing toxins being digested by people on board the plane. It is worrying that the long-term and short-term effects of exposure to contaminated air containing such toxins is not fully known, nor has enough work been done to establish the link between contaminated air and aerotoxic syndrome.

Aerotoxic syndrome affects the peripheral and central nervous systems and the brain. Symptoms include migraines, fatigue, difficulty thinking, numbness, aches and pains, breathing problems and digestive problems. Furthermore, there has been a significant rise in the number of cases, which simply cannot be ignored. It is significant that the Unite trade union tells me that it is currently acting on behalf of 61 individual cases. There is evidence pointing to aerotoxic syndrome being an illness to which cabin crew, not to mention passengers, may be exposed, and it must be treated seriously.

One of the aims of today’s debate is to raise the profile of cabin air safety and aerotoxic syndrome. Until recently I was not particularly aware of aerotoxic syndrome. Today’s debate has caught the attention of the national press and has brought the issue to wider prominence, which can only be a good thing. The issue came to my attention in a briefing for MPs organised by the Unite trade union, of which I am proud to declare myself a member. Unite has been doing some fantastic work on the issue and is doing exactly what a good trade union should do, which is representing the interests and concerns of the workforce. The Government’s attitude towards trade unions can often be quite negative, as evidenced by the Trade Union Bill, but they would be wrong to dismiss this issue raised by the trade unions.

We should all agree that representation of the workforce to ensure a safe and healthy environment is a right for all working people.

The briefing was attended by the father of Matthew Bass, which struck a chord with me and other Members present. Matthew, known as Matt to his friends, was a British Airways flight attendant who sadly died in January 2014, having been in the job for almost a decade. He loved his job, and it was a shock to his friends and loved ones when he passed away. He was just 34 years of age. The cause of his death has not been established, but he kept himself fit and healthy. In the last six months of his life, he frequently complained of tiredness and occasionally suffered mild bouts of trembling. After his death, post-mortem tests ruled out Crohn’s disease but failed to establish an alternative cause of death. His family still have many questions, not least as to whether aerotoxic syndrome had some responsibility. My sympathies, and those of the whole House, are with Matt’s family and friends as they search for answers. We owe it to him and them to help to find those answers and to take the issue seriously.

Furthermore, the senior coroner for the county of Dorset wrote to the Civil Aviation Authority last year regarding his concerns about the death of British Airways pilot Richard Westgate. He wrote that organophosphate compounds, which are present in aircraft cabin air, were found in Mr Westgate’s system and presented a risk to health. Worryingly, there is no real-time monitoring to detect such compounds. The coroner also added that, in his opinion, there is a risk that future deaths will occur unless action is taken.

Jessica Morden (Newport East) (Lab): I am grateful to my hon. Friend for securing this debate, which is relevant to the organophosphate poisoning campaign run by the Sheep Dip Sufferers Support Group, with which I have worked on behalf of my constituent, a farmer, Stephen Forward. This is obviously a Department for Transport debate, but does my hon. Friend agree...
that the debate is equally relevant to the Department for Environment, Food and Rural Affairs and the Department of Health and that we need the Government to be far more active in addressing these issues?

Jonathan Reynolds: I am extremely grateful to my hon. Friend for putting that point on the record. I was not aware of the DEFRA angle until she informed me of it, which further reinforces the case and people’s concerns. I would be particularly interested if the Minister addressed that point and the coroner’s letter regarding the British Airways pilot.

By raising this issue I am in no way seeking to do down the British aerospace industry, which I am sure is true of everyone here today. The aerospace industry is a vital part of the UK’s manufacturing output, and I am proud that that is particularly the case in north-west England—and long may that continue. I also have no desire to do down the UK’s successful aviation industry and this country’s world-class airports, which are another vital part of the UK economy. Like many Members present, I have a strong relationship with my local airport in Manchester.

Airlines have a duty of care to their staff, as do all workplaces, and I am sure they would want to reassure their staff on safety. I will be writing to the UK’s major airlines to find out exactly what they are doing on this issue. I dare say that pressure from the Government would strengthen that campaign. Many concerns have been raised by Unite and by cabin crew, and we have a duty of care to those people to reassure them and, if necessary, to protect them.

Kirsten Oswald (East Renfrewshire) (SNP): I echo what the hon. Gentleman says about the duty of care. I imagine that no one here would feel comfortable working in an environment where we and our customers may possibly be exposed to the risk of breathing in contaminated fumes.

Jonathan Reynolds: I am extremely grateful to the hon. Lady for coming along to the debate and making that point. She is absolutely right. By addressing issues where concerns exist, it only strengthens an industry if it can reassure its workers and service users that their safety is guaranteed. I am sure we would all echo that point. She is absolutely right. By addressing issues where concerns exist, it only strengthens an industry if it can reassure its workers and service users that their safety is guaranteed. I am sure we would all echo that point.

No one disputes that fume events, where toxins enter the cabin, occur. Estimates suggest that fume events happen at least once in every 2,000 flights. Given the number of flights in the UK every day, that weighs on the mind. It should be of great concern that no aircraft currently flying has any form of detection system fitted to warn crews when cabin air has become contaminated. Furthermore, there is a lack of training and crew awareness of the possible adverse consequences of contaminated air exposure in the cockpit and cabin. There are even examples of crews saying that they felt they became impaired or incapacitated in-flight as a direct consequence of exposure.

I have two requests that I would like the Minister to consider and to which I hope he will refer in his speech. First, I would like an independent inquiry to be set up to consider the risks and hazards associated with contaminated aircraft cabin air. Setting up an inquiry has a lot of support both from unions and cabin crew, and it is the right thing to do. I do not believe that adequate work has been done on the issue yet, and such work would answer a lot of questions. I seriously urge the Minister to consider making that happen. If not, I would appreciate a reply as to why it is not possible now.

Secondly, I would like appropriate cabin air monitoring and detection systems to be installed in aircraft that operate using bleed air. I am told that the technology exists to do that, and it seems to make sense to do so. The Government could consider legislation to make that happen or, at the very least, they could begin discussions with airlines and our European counterparts. Just as it is now commonplace for homes and workplaces to install simple carbon monoxide detectors to prevent tragic deaths from carbon monoxide poisoning, so we must ensure that it is the norm for aeroplanes to be fitted with devices that can detect air bleed events.

Matthew Pennycook (Greenwich and Woolwich) (Lab): This issue was brought to my attention not by Unite but by a constituent of mine, Alessia Iacovone, who was a colleague of Matt Bass. Does my hon. Friend agree that this is not only about the desire for an explanation of why colleagues die; it is about the fact—that is precisely the point he made—that cabin crew working for BA and other airlines do not know at present whether or how frequently they are at risk, because there is no monitoring on board aircraft?

Jonathan Reynolds: I am extremely grateful to my hon. Friend for making that point. That is exactly my perspective in bringing this debate. From what I have seen, there is enough concern out there to warrant a serious attempt to reassure people that their safety is secure. That can only be an asset to the UK aviation and aerospace industry.

To bring my remarks to a conclusion, I thank the Backbench Business Committee again for granting us the time to debate this issue. I thank my fellow sponsors, Unite for the help it has given me in my office and the many cabin crew workers who have assisted Unite and contacted me directly to bring the issue to greater prominence. I appreciate that aviation issues tend to lend themselves to international solutions and that the matter is being discussed in several other countries too. It is significant that the new Boeing Dreamliners do not operate the bleed air system, and I understand that that may eventually become the industry standard. In the meantime, however, a clear majority of aircraft still operate the bleed air system, so the issue will not go away.

Out of respect for the many thousands of cabin crew who work in this vital industry, let us take action to ensure that we know everything we can about cabin air safety. By arming ourselves with greater knowledge, we can better place ourselves to guarantee them the safe working conditions that we expect for all workers.

1.41 pm

Henry Smith (Crawley) (Con): It is a pleasure to serve under your chairmanship, Mrs Gillan. I congratulate the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) on securing this debate, and I add my thanks to the Backbench Business Committee for allowing
time for the important issue of cabin air and aerotoxic syndrome to be discussed properly. I start by associating myself with all the words of the hon. Member for Stalybridge and Hyde and agree with what he said. Matt Bass was my constituent, and I dedicate my remarks as a tribute to him and all the other individuals who have been affected by possible aerotoxic syndrome.

I first became aware of the issue only a year ago, when, as right hon. and hon. Members of all parties will know, we were busy engaging with our local communities. Whether I was meeting constituents in Ifield ward or on the other side of my constituency in Maidenbower, people were raising this matter with me. It is perhaps not surprising, as Gatwick airport is in my constituency. I am fortunate that my constituency contains the headquarters of Virgin Atlantic and many charter companies, such as TUI Travel. It is also the airport with the largest operations anywhere of easyJet, and of course British Airways flies from there, as do many other airlines. Therefore, unsurprisingly, many people in my constituency work in the aviation industry. What struck me clearly was that this issue was of huge concern to them.

On fortunately, being returned to this place at the last general election, one of the first things that I sought to do was raise the issue of toxicity in cabin air. I was pleased to secure a debate on the Floor of the House in July 2015, and I followed it up with a letter to the Secretary of State for Transport and raised the issue with the Minister with responsibility for aviation, my hon. Friend the Member for Scarborough and Whitby (Mr Goodwill). I have been grateful for the replies that I have received.

As the hon. Member for Stalybridge and Hyde clearly outlined, the vast majority of aircraft fly at a very high altitude and must force the intake of air for passengers and crew. That usually takes place through the engines, right next to where lubricants are often used for the operation of those engines. In the all too many incidents that have been reported to me, it can cause contamination of cabin air. I suspect that that contamination has caused some of the awful illnesses that a number of aviation crew have experienced.

**Margaret Ferrier** (Rutherglen and Hamilton West) (SNP): Does the hon. Gentleman agree that some of the symptoms can be confused with other illness and are therefore misdiagnosed? Worryingly, although the effects of short exposure are usually reversible, cabin crew who may be exposed more regularly could suffer permanent neurological damage and, as we have heard, it could be fatal.

**Henry Smith** (East Lothian) (SNP): On precisely the issue of the CAA, I will say, briefly, that this matter was brought to my attention by one of my constituents, Mr Dominic Moynihan, whose nephew, Matthew Bass, a long-standing cabin crew member with easyJet, died in 2014 in circumstances that seem to imply aerotoxic syndrome. Does the hon. Gentleman agree that the CAA has been rather dilatory in researching, approaching and regulating this matter? I agree with him that the CAA must report back to the public and Parliament as quickly as possible, so that we can move forward and clear up this whole issue.

**Ronnie Cowan** (Inverclyde) (SNP): The issue was brought to my attention by two of my constituents, Jakki Purdon and Lynn Perkins, who are both cabin crew on long-haul flights. To the best of my knowledge, “aerotoxic syndrome” was first suggested as a medical term in 1999. Does the hon. Gentleman agree that given the passage of time, it would be a travesty if an investigation were not convened at the earliest possible opportunity?

**Henry Smith**: Yes. The evidence that I have found is that the issue started to be spoken about slightly before 1999, in the mid-1990s. It is now about 20 years since the issue first started to be identified, which means that we should not lose any more time in having a proper investigation into the issue.

As the hon. Member for Stalybridge and Hyde said earlier, the Boeing 787 Dreamliner is the latest type of aircraft not to take in cabin air through the engines, which is welcome. I am pleased that airlines operating from Gatwick airport, such as Thomson and Virgin Atlantic, have ordered 21 Boeing 787 Dreamliners. That is positive for the working environment of cabin crew and pilots on the flight deck, not to mention passengers. However, of course, the vast majority of aircraft on long-haul or short-haul flights still take in air through the engine, so the issue, as well as having grown more current over the last two decades, will be around for a long time unless it is addressed properly.

As I said earlier, I am very grateful to the aviation Minister for the responses I have received from him, and I am encouraged that both the European Aviation Safety Agency and the Civil Aviation Authority are looking into this issue. I understand that they have said that they aim to report on their findings later this year. I encourage the Department for Transport to ensure that both EASA and the CAA follow through on their research into this issue, so that we maintain the pressure on the industry to take it very seriously.

**George Kerevan** (East Lothian) (SNP): On precisely the issue of the CAA, I will say, briefly, that this matter was brought to my attention by one of my constituents, Mr Dominic Moynihan, whose nephew, Matthew Bass, a long-standing cabin crew member with easyJet, died in 2014 in circumstances that seem to imply aerotoxic syndrome. Does the hon. Gentleman agree that the CAA has been rather dilatory in researching, approaching and regulating this matter? I agree with him that the CAA must report back to the public and Parliament as quickly as possible, so that we can move forward and clear up this whole issue.

**Henry Smith**: I am grateful for that intervention, and I agree with the hon. Gentleman. Given the number of suspected incidents that have been reported—as I have already said, even though I am not medically trained I am increasingly convinced about them—and given the length of time that this issue has been known about, I do not think we can lose any more time before we investigate it properly. Therefore, I reiterate what I said a few moments ago, namely, that the CAA and the DFT need to follow up on this issue. It is incumbent on all of us here in Westminster Hall today, and on right hon. and hon. Members across the House, that we remain very focused and diligent, to ensure that this issue is followed up.
I know that many other people want to speak, Mrs Gillan, so, without wanting to take up any more time, I again thank the Backbench Business Committee for allowing this debate; I thank the hon. Member for Stalybridge and Hyde for securing it; and I look forward to hearing the remarks of my hon. Friend the aviation Minister. I encourage him to continue the efforts that he has begun to make to ensure that this matter is properly investigated, so that no more of my constituents, or indeed anyone who works in the aviation industry around the country or around the world, need suffer the dreadful effects that I believe aerotoxic syndrome has caused.

Liz McInnes (Heywood and Middleton) (Lab): It is a pleasure to serve under your chairmanship, Mrs Gillan.

First, I will declare an interest, having been a Unite rep in a previous existence; I remain a member of the union. I thank my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) for securing this debate, and for his very measured opening speech.

My background is in science; I used to work as a biochemist for the NHS. So I am very wary about jumping to any conclusions; we need to weigh up the evidence. However, I support the request for an independent inquiry into this issue. The evidence is quite compelling and we need to progress. The employer’s duty of care has been talked about, and it is absolutely key to this issue that we assess the evidence that is available, examine the incidents that have occurred and try to establish whether there is a causative effect. We really need to take some action, and I hope that that is what we decide to do at the end of this debate.

Both my hon. Friend the Member for Stalybridge and Hyde and the hon. Member for Crawley (Henry Smith) have already talked about cabin air and where it comes from. It is quite significant that the new Boeing 787 uses a different method of supplying cabin air. The air is supplied by electronically driven compressors that take air directly from the atmosphere so there is no contact with the engines; there is no possibility of a seal failing and contaminants from the engine oil getting into the cabin air. One of my constituents, who is an airline rep in a previous existence; I remain a member of the union, told me, “Smoke hoods are there in the plane if there is a fire or fumes on board.” Until recently, those smoke hoods had been used very rarely, but she told me that crew members were starting to use them because of their concerns about fume events on flights. Again, that is anecdotal evidence, but it shows the real concern out there and highlights an issue with training. These things should not be used, but they are used because crew are fearful for their health. He makes a good point, and I am grateful to him for raising that issue.

The Minister of State, Department for Transport (Mr Robert Goodwill): I asked precisely the same question of my officials: was it done for that reason? They said, no, it was done for other reasons, not because of the air quality issue. Obviously, however, that is speculation.

My hon. Friend the Member for Stalybridge and Hyde said that some statistics showed that fume events occurred in one flight in 2,000. One of the statistics that I pulled out is from the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment. COT reported in 2007 that fume events occur on one flight in 100, so again there is some dispute over the incidence of these events. There is also anecdotal evidence that fume events occur even more often than that, but they are not being reported. The really surprising thing about all of this is that there are no chemical sensors in the aircraft. The noses of the cabin crew are the only detectors.

My constituent asked me not to give her name, but she was quite happy to talk to me about her experience as a cabin crew member. She described these fume events to me. She said that she had been in cabins when fumes have entered. She has flown for four different airlines and fume events have happened in planes from all four of them. She said to me, “Fumes come in. You smell the oil. It’s not being acknowledged by managers and higher officials in the airline industry when these incidents are reported.” When I spoke to her, she compared the effect of fume events with Gulf war syndrome. With Gulf war syndrome, we had soldiers coming back to the UK with massive neurological problems and it took a very long time for any investigation to be made and for it to occur to somebody that these problems were happening too often to be a coincidence. It is interesting that she made that comparison.

My constituent said to me that all cabin crew want is for this problem to be recognised and acknowledged. Until we have a full investigation, cabin crew will not feel that their employers are doing everything they can to safeguard them while they are at work.

Chris Stephens (Glasgow South West) (SNP): Is part of the issue the lack of training for cabin crew to deal with these incidents when they occur?

Liz McInnes: I thank the hon. Gentleman for that intervention. From the research I have done and from the comments of people I have spoken to, I know that that is probably true. My constituent told me, “Smoke hoods are there in the plane if there is a fire or fumes on board.” Until recently, those smoke hoods had been used very rarely, but she told me that crew members were starting to use them because of their concerns about fume events on flights. Again, that is anecdotal evidence, but it shows the real concern out there and highlights an issue with training. These things should not be used, but they are used because crew are fearful for their health. He makes a good point, and I am grateful to him for raising that issue.

My hon. Friend the Member for Stalybridge and Hyde and various other Members have spoken about the cases in which deaths unfortunately occurred, possibly as a result of aerotoxic syndrome. I, too, first became aware of the issue at a Unite briefing, where the parents of Matt Bass described what happened to their son. His symptoms appeared to be fairly non-specific; but it was reported that he was fatigued. He went down to rest and tragically he never woke up. There is a feeling that his symptoms...
were consistent with exposure to organophosphates, which are the chemicals that leak out occasionally in the bleed air.

**George Kerevan:** It is worth informing the Chamber that Matthew Bass had been an air worker for 15 years, so the effects were probably cumulative.

**Liz McInnes:** That is an important point. While the average member of the public goes on a flight perhaps twice a year—luckier people might fly more frequently than that—cabin crew have constant exposure. Working as cabin crew is a hard job. The hours are unsocial and it is a difficult environment to work in. I think most of them would probably expect not to feel 100% well most of the time. That colours the whole issue with the health of cabin crew. Some of the symptoms of so-called aerotoxic syndrome are non-specific and could easily be put down to the stresses and strains of the job, and that has served to confuse the issue.

The other prominent case, as has already been mentioned, was the pilot Richard Westgate, who sadly died in 2012. The coroner who dealt with Richard’s case issued a report that detailed five concerns, which I will go through because they are relevant to the debate. Those concerns were: that organophosphate compounds are present in aircraft cabin air; that the occupants of aircraft cabins are exposed to organophosphate compounds with consequential damage to their health; that impairment to the health of those controlling aircraft may lead to the death of occupants; that there is no real-time monitoring to detect such compounds in cabin air; and that no account is taken of genetic variation, which may render humans susceptible to exposure. That final point is important. There is a school of thought that not everyone is susceptible to organophosphate compounds and that there may be an element of genetic variation and genetic susceptibility, and I hope that that will be covered in any independent inquiry.

**Kirsten Oswald:** I am interested in the hon. Lady’s comments on the coroner’s report. When I looked into the issue, I noted that the responses of British Airways and the Civil Aviation Authority to the report have not been made public. Does she agree that it would be useful if that information was made public, because what is clearly lacking in this whole picture is facts?

**Liz McInnes:** Like the hon. Lady, I could not find any responses to the coroner’s report. She is absolutely right. We are here to establish the facts, to bring them together, to weigh up the evidence and to come to a scientific conclusion.

I want to talk a little more about Richard Westgate’s case. He was treated by Dr Michel Mulder, a specialist aviation doctor. He believes that Richard Westgate fell into the category for aerotoxic syndrome. Richard became an autonomic neurophysiologist, when he was doing research into the effects of organophosphate poisoning caused by sheep dip chemicals, which is quite common in farmers. It is interesting that the described symptoms of aerotoxic syndrome and sheep dip poisoning are similar. That link was discovered by Dr Peter Julu, an autonomic neurologist, who was doing some work on sheep dips for the Ministry of Agriculture, Fisheries and Food. Coincidentally, he had several pilots referred to him at the same time who were suffering from unexplained illness. Dr Julu said:

“To my amazement, the kind of symptoms and findings I was getting from farmers was very similar to the pilots, yet occupationally they couldn’t be more diverse.”

I found it interesting that those two completely different jobs have a common link. The issue with organophosphates is that they attack the autonomic nervous system, including the brain stem. That part of the nervous system deals with emotion and short-term memory. Significantly, it affects an important group of neurotransmitters, including serotonin, and that explains the incidence of depression. I reinforce the points that my hon. Friend the Member for Stalybridge and Hyde made. Unite is pursuing 60 health and safety cases related to toxic air. There is dispute over the causative link between health problems and the quality of cabin air, and we need further evidence to confirm a causative link. There is insufficient research into the matter. I also echo his requests for an independent public inquiry, enforced monitoring and testing of exposure levels and, finally, mandatory reporting of fume events.

2.9 pm

**Jeremy Quin (Horsham) (Con):** It is a great pleasure to serve under your chairmanship, Mrs Gillan.

I congratulate the hon. Member for Stalybridge and Hyde (Jonathan Reynolds) on securing this debate and on the fine way he set out and shaped the discussion. He explained a lot of the technical detail and referred very appropriately to the coroners’ reports. He also highlighted, as did the hon. Member for East Lothian (George Kerevan) and my hon. Friend the Member for Crawley (Henry Smith), the fact that at the heart of the matter are a lot of personal tragedies of which people around the Chamber will be aware. Like my hon. Friend, I have a close interest in Gatwick airport, which borders my constituency of Horsham. As the Minister knows from other discussions that can occasionally be a mixed blessing, but I am delighted to say that it means a large number of aircrew and retired aircrew live in my constituency. It is a great pleasure to represent them.
I knew nothing of this issue prior to my election to Parliament, but I have been shocked by the number of people coming forward, some with very obvious medical issues, who have apparently suffered from aerotoxic syndrome. It comes as no surprise to hear that Unite is currently dealing with some 61 cases. I am fortunate to have in my constituency Captain Tristan Lorraine, who over 15 years has devoted a lot of study to this worrying condition. I am grateful to him for his support and willingness to share his findings.

Like other Members, I am no GP, but it seems apparent that there is significant evidence that aerotoxic syndrome exists and is a real condition. One constituent wrote to me:

“I was exposed to contaminated air. These exposures were notified to the Government regulator. I presented my medical reports to the Civil Aviation Authority...the CAA accepted the reports and revoked my medical certificate to fly without asking for any further opinion. British Airways retired me on ill-health grounds.”

Given that is what is happening in practice to those who have suffered from contaminated air, and that is the reaction of those in the know, I am mystified as to why successive authorities have consistently not found any long-term effects from contaminated air. I am no conspiracy theorist and I understand that the Government and others have in good faith relied on academic work on the impact of the relevant chemicals. Nevertheless, as we are all aware, we are talking about complex and varying combinations of chemicals.

After earlier reports of contaminated air in cabins, the Countess of Mar asked the then Minister, Lord Davies of Oldham:

“What exposure standards currently apply to any synergistic effects of simultaneous exposure to numerous chemicals which may be experienced by aircraft passengers and crew during a contaminated air event in a reduced pressure environment?”—[Official Report, House of Lords, 25 October 2005; Vol. 674, c. WA167.]

The Minister replied: “None.” That parliamentary question was asked and answered more than 10 years ago. I believe that since then, four reports have been sent to the independent Committee on Toxicity. The Civil Aviation Authority found:

“no positive evidence of a link between exposure to contaminants in cabin air and possible acute and long term health effects.”

As my hon. Friend the Member for Stalybridge and Hyde referred to international solutions, and he is of course right. He also referred to the Boeing Dreamliners, and I was delighted to hear the Minister’s intervention here. I do not deny for Heywood and Middleton, because if the Dreamliner solution not only solves this problem but is more efficient, that is a very positive solution indeed. We all know that engine bleeds happen, and that the technology exists to prevent them. This is a genuine, ongoing source of concern. Does the Minister agree that we have every right to assume that the precautionary principle should apply in this area?

Dawn Butler (Brent Central) (Lab): I should declare that I have a few friends in the airline industry, and I also take the occasional flight, so toxic air on planes is of interest to me. I am also a member of Unite and GMB. I thank my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) for his excellent opening speech.

One of my friends who works in the airline industry consistently has hay-fever-like symptoms all year round, even when there is no pollen in the air. Having listened to the debate so far, I wonder whether some of that might be a symptom of his working environment. I, too, am no expert on this issue, but I have read through some of the paperwork and information that was presented to me. A 2011 report by Cranfield University for the Department for Transport found that there were no pollutants in aircraft exceeding the available health and safety standards, but those standards are measured differently. They are measured with regard to those of us on the ground and do not take into consideration people in an aircraft at high altitude, where pollutants will obviously have a different effect. It worries me that there is no proper measure of what exactly is going on in aircraft.

As has been mentioned, the European Aviation Safety Agency will be reporting in October 2016 on the suitable implementation of measures to tackle the problem. It is great that we have heard from the Minister that the Boeing 787 Dreamliner’s new design is not only to avoid contaminating the air supply. As I understand it, the bleed-free design was introduced in the ’50s and ’60s because it delivered a considerable reduction in fuel consumption. It was considered good for the overall environment because it used less fuel to fly.

It is strange that the cumulative effect of pollutants in aircraft on those working in the industry has yet to be measured, because employers have a responsibility to their employees, as is established in law. Cabin crews and pilots deserve to be working in the best possible environment. After all, they ensure that we get from A to B safely and make our journey as pleasant as possible. The least we can do in this House is to ensure that they have a safe working environment.

Margaret Ferrier: One possible solution that has been suggested by the Aerotoxic Association is for less toxic oil formulations to be used. That would lead to improvements in cabin air quality. Does the hon. Lady agree that although that would not fully address the issue, it should be considered as a measure to be taken while an inquiry is undertaken?
Dawn Butler: I absolutely agree. It might be a case of asking what we can do to restrict the poisonous fumes and toxic air that are coming into the plane. The airline industry should look into that.

We know that toxins such as carbon monoxide are invisible and odourless, so the only way we can really find out what is going on in an aircraft is to measure what is going on in real time, not after the plane has landed. I do not think that would be too costly. Instead of all the inconclusive reports that have been written, it probably would have made more sense to measure the air on planes in the first instance and do a report based on the findings.

Big industry normally does a cost analysis of how much something costs versus how many people might die as a consequence of certain events. However, the issue is not only the people who tragically die after toxic situations but those pilots who, as we heard from my hon. Friend the Member for Heywood and Middleton (Liz McInnes), end up losing their licence. Having dated a pilot, I know that the constant threat of being tested and the fear of losing their licence is frightening.

The British Airline Pilots Association sought to attract UK airline support for the completely independent US multimillion-dollar Occupational Health Research Consortium in Aviation—a bit of a mouthful—but was given a rundown on the report and was told to go to the Department for Transport. It is strange that the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment produced a report without taking any independent evidence or evidence from Bupa, which initiated the drive for the report. Will the Minister commit, under the Freedom of Information Act, to make public the action that has been taken to address the responses to the report, of Bupa, the Transport and General Workers Union and Unite? We need transparency. We all surely want the same thing: a safe environment for crew members and travellers. It would therefore be a good thing to disclose under the Freedom of Information Act everything that has happened.

Previous Governments also failed on this issue, but given that experiences are being shared online and on social media, the situation has become urgent. As we have heard, Unite is pursuing several cases. Employers have a duty of care to their employees, which means that they should not just address whether such substances exist but, as has been said, prevent leakages into the air cabin.

Much has been said about the Boeing 787 Dreamliner. It is great that the technology is moving forward. The Dreamliner does not use the bleed-air system, so this problem will not occur. The Government cannot force people to purchase such aeroplanes, so what can we do to make the work environment safer until all airlines roll out aeroplanes that do not use the bleed-air system?

I call on the Minister to ensure that the UK stipulates that a cabin air monitoring and detection system must be installed in any aircraft with bleed technology. Airline companies should be obliged to release the data unedited, so that the problem can be fully investigated. I am concerned about the health of cabin crews, pilots and friends and family members who fly.

2.22 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mrs Gillan. May I also congratulate my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) on opening this debate so well? All the contributions have been incredibly positive in addressing this important issue. I, too, was at the meeting. It was humbling to hear from Mr Bass in January, when he presented us with a moving account of what happened to his son Matt, who died so tragically at the age of just 34. He deserves answers; he deserves action.

I, too, declare an interest as a member of Unite and a former national official of the union, but I also had a dual career. I was a clinician and worked in the interface between respiratory and neurological medicine, so I very much understand the clinical presentations that have been described by many cabin crew staff.

Matt had spent 10 years as a flight attendant. He was a young man. Following a shift, he had gone out to socialise with his friends, like so many others. He was fatigued, so he went to rest on the sofa. He never woke up. In fact, the organophosphates that he was exposed to during his career had caused him to feel unwell for some time. He was not to know why; he was not to know that they could kill him. The job he loved could have been slowly poisoning his system. We know this is true for the 61 cases that Unite is currently pursuing. As the hon. Member for Crawley (Henry Smith) said, this could well be a global issue; therefore, the number of cases is unknown.

Margaret Ferrier: Does the hon. Lady agree that, in addition to needing greater evidence-gathering, we should perhaps develop routine blood testing to measure the effects on cabin crew?

Rachael Maskell: It is important that proper screening is introduced—obviously the methods of screening need to be determined—thereby ensuring that cabin crew staff have proper occupational health support. The availability of those health services is vital.

We have also heard how long these symptoms have been recognised in the aviation industry. Indeed, my research showed that it was realised in 1954 that using air in this way with jet engines can result in gases escaping and coming into planes’ air systems, so we can establish that this has been recognised as a long-term issue, whatever date that was first known. We have also heard today about the report from the senior coroner, who has clearly established, as a matter of fact, that organophosphates are present in aircraft cabins and therefore can have a detrimental impact on the health of those who occupy that space.

It is important to understand who this issue could affect. We have talked about the cabin crew staff, but pilots and frequent fliers could also be exposed to the cumulative risk from such gases. Also, we are talking not just about the civilian airline industry, but about what is happening with military aircraft, where people are already putting their lives on the line. Could there be a risk for our service personnel as well? It would be interesting to know what work is being done to protect members of the RAF.

Before moving on, I want to thank the Unite the union health and safety reps, who are at the forefront of taking forward these issues, many in their own time, but all serving their fellow colleagues day in, day out, asking very difficult questions of their employers. It is to be regretted that they have been unable to find an industrial
solution to this problem or get a direct response from the airline industry. That is why it is so important that they brought to the attention of parliamentarians the plight of people working in the industry. It is absolutely right that we support them in that. Indeed, the way in which this serious issue of concern was raised and presented to parliamentarians shows—if I may say so in this debate—a really responsible use of the political levy, which is what unions continually do. We should note that the current attack on the trade union political levy is totally inappropriate, because without it we might not be having this kind of debate in this House.

I will now return to the matter under consideration. What is really shocking about this debate is that we are talking about a safety-critical industry—one that works to ensure the greater safety of those who work in and use it. In such a safety-critical industry, where lives could be put at risk, we therefore need to ensure that measures are taken as a matter of urgency. I know there has been a long, drawn-out debate, but this is a matter of urgency, because it may only take a pilot to be poisoned for there to be fatalities. We already understand that lives have been lost, but how many more need to be taken before action is taken? Therefore, I urge that we move forward in addressing this issue.

We know that there are poisonous gases that we experience in all sorts of places in our environment. The complete, holistic impact that that has on our lives is not yet understood, but what has been brought to the fore is the fact that these fume events are occurring frequently. I, too, had the statistic of one in 100 instances, which I share with my hon. Friend the Member for Heywood and Middleton (Liz McInnes), but the research suggested there could be even more. None of us know, because we do not have the detection systems to give us that information. What we do know is that the impact is very serious indeed.

The toxicity of organophosphates inhibits enzymes. That inhibits the neurotransmitters in our nervous system and at the neuromuscular junctions from operating fully and that is the reason for some of the symptoms we see, such as drowsiness, along with some of the neurological impact and the impact on the autonomic nervous system. Our red blood cells, too, are affected, so exposure, as we would expect, will affect people in different ways, whether because of their genetic make-up, or even their body mass index or other factors. The important thing to do is to carry out research so that we have a good understanding of why people experience the different symptoms.

The symptoms can range from nausea and other gastroenterological conditions, through respiratory problems to the fatigue-type syndromes—the sickness syndromes—that are typically experienced. Often, people would not relate that to their work environment, and might think that they just feel under the weather, but continual exposure to such risk can build up toxicity over a period of time, thereby causing neurological injury.

We know—we have heard about this in quite a lot of detail—that these gases come into aircraft cabins, but what stood out for me was that it is often because of the failure of the seals on aircraft. Therefore, it is important that we ensure that the maintenance programmes of these aircraft are brought into check, because we have also heard how developments in the 787 Dreamliner aircraft have shown that that does not have to be the case with new designs.

I want to conclude by listing some of the things that I believe could be done to improve the aircraft environment for staff and public. First, as we have heard, there is monitoring. Monitoring devices would not be an expensive way of getting information and also ensuring that staff are kept safe as they go about their daily duties of keeping us safe in aircraft. I make a plea that we should put proper monitoring devices on aircraft, but also ensure that there are proper alerts when fume events happen, so that cabin crew can take the appropriate action to safeguard themselves and, obviously, the people they are there to serve.

We have also heard about reporting, which is so important. We know that it is absolutely at the centre of health and safety legislation, so that we can understand the prevalence of an issue. I would therefore ask that reporting be put at the forefront. We have also heard about the independent inquiry—which is so important as well—and the need for research into the impact of toxicity on individuals. I would also like to ask about the opportunities for greater engineering development. We know that filtration systems can be developed to filter out such air, so I would urge the Minister to make resources available for research into this area, to develop filtration systems that can provide the protections we need on existing aircraft, but also to look at the design of future aircraft.

I have already mentioned the need for good health checks and making sure that occupational health support is made available for staff, but we also need to ensure that the public are aware of the risks as they take their flights, so that they are conscious, if they detect any symptoms themselves, of what support they need, should such an occurrence arise. Finally, we know that the oxygen supply in cabins comes mixed with cabin air, which could well be toxic. Is it possible to look into how to get cleaner air into that oxygen supply, so that, should there be a serious escape of fumes, we know that we have a safe source of air to inhale during the flight?

Matt Bass was one of so many people in the airline industry who put our lives ahead of their own, day to day, serving us. Tragically, he lost his life. I do not want there to be another like Matt Bass, so I urge positive action today.

2.35 pm

Grahame M. Morris (Easington) (Lab): It is a pleasure to serve under your chairmanship again, Mrs Gillan.

I thank the Backbench Business Committee for the debate and all Members who supported the application for one. I pay tribute to my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) for the professional and comprehensive way he put forward the case, and to the contributions of both Government and Opposition Members, in particular that of the hon. Member for Crawley (Henry Smith), who I know has not got the credit he deserves for raising the issue. The proposals and suggestions have been extraordinarily helpful, and I hope that the Minister will respond positively.

I must declare my interest as chair of the Unite group in Parliament. I am a proud member of Unite and I feel, as my colleagues do, that this is an important
part of the work we do for our members and their families. I also pay tribute to Matt Bass’s parents, Charlie and Fiona, who might be listening to the debate today. I had the great privilege of meeting them and some Unite members who are air crew. At a meeting in Parliament, they relayed to us their personal experiences and concerns.

I thank my trade union, Unite, for its excellent and detailed briefing on such an important issue, and a number of Members have emphasised some specific aspects. It is important to recognise the valuable work of Unite in investigating concerns and protecting passengers and cabin crew from toxic fume events. I am concerned that airlines, regulators and, with due respect to the Minister, Governments do not seem to be terribly active in considering contaminated cabin air.

It would be remiss of me not to remind people—the general public who are listening to the debate or reading it in Hansard—that Unite has established a fume event register and a helpline, which are available through the website. Given the lack of any official reporting, I hope that when air crew and members of the public who are frequent flyers feel that there has been such an incident, they will use the Unite register to report it. We need the evidence and an objective assessment. We need public and cabin crew affected by fume events to come forward and identify them.

If we are not successful in convincing the Government to take action and to investigate the matter fully, we will need evidence because the only other option for people is to seek legal redress. As my hon. Friend the Member for Heywood and Middleton (Liz McInnes) mentioned, Unite is taking up the case of 61 of our members in Stalybridge and Hyde (Jonathan Reynolds) referred to the coroner’s letter, but we have not seen the full response. The CAA has denied responsibility for. Other Members have referred to the new generation Boeing 787 Dreamliner, which uses bleed-free systems. Those systems are not an industry standard, nor does Boeing’s decision seem to mark the beginning of a transition to a safer system. I echo the comments of my hon. Friend the Member for Stalybridge and Hyde, because, apart from anything else, Unite has a substantial number of members involved in the aviation industry—not just flight and aircraft maintenance crew but those working in the manufacture of aircraft components and engines. I do not seek to damage confidence in the industry, but it is important that we ensure that this safety-critical industry enjoys complete confidence and we have those necessary assurances and investigations.

**Chris Stephens rose—**

**Grahame M. Morris:** I will give way to my friend, the hon. Member for Glasgow South West (Chris Stephens).

**Chris Stephens:** Is there not also confusion about which body is responsible for occupational health and safety? It seems to be split between the Civil Aviation Authority and the Health and Safety Executive, and that is confusing in terms of the Control of Substances Hazardous to Health Regulations 2002—the hon. Gentleman will be familiar with them—which the CAA has denied responsibility for.

**Grahame M. Morris:** That is a good point. I hope that the Minister will reflect on it and perhaps refer to it in his response.

I am afraid that we do not have a lot of information on the frequency of these events in the United Kingdom. The much-criticised UK Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment estimated that smoke and fume events are reported by pilots in one in every 100 flights—I think that was previously mentioned—but those are conservative estimates. If there is under-reporting, as many seem to believe, that might be another reason why many fume events are not being investigated. As my hon. Friend the Member for Brent Central (Dawn Butler) mentioned, it is important to monitor in real time rather than bring portable equipment on to aircraft when they have landed.

I understand that UK fleet figures are not available—if the Minister does have such figures, I am happy to take an intervention from him to put them on the record—but what was initially thought to be quite a rare event anecdotally seems to be happening far too often. Figures available from the United States are quite alarming, although they have many more aircraft and flights. Clearly exposure to contaminated bleed air can have a serious impact on health, particularly for cabin crew, who are at greater risk of exposure and of cumulative effects.

We have already heard about the coroner’s letter following the sad death of pilot Richard Westgate and the regulation 28 report, so I do not intend to go into that. However, it seems to be an omission that there is nothing on the public record. We have heard quotes from the Civil Aviation Authority response to that letter, but we have not seen the full response. The CAA said that there is no positive evidence of a link between exposure to contaminants in cabin air and possible acute and long-term health effects. "
Although it did conclude that “such a link cannot be excluded.”

I am not sure what good that is. It seems to me that this issue is crying out for some further research and evidence so that we can either establish a link or rule it out.

I am prepared to concede that there is a knowledge gap, but the industry and regulators are relying on a system of denial rather than fitting the detection systems required to collect evidence on the true number and concentration of fume events. I do not believe that the industry—or the Government for that matter—would deny the existence of fume events. Again, the Minister can correct me if I am wrong, but I believe they also accept that fume events are detrimental to health. While they may disagree on the extent of such impacts, I ask the Minister to support calls for an independent inquiry into the risks and hazards associated with contaminated air.

We need monitoring and detection systems for cabin air to be introduced so that we can ascertain the true extent of the problem. We also need a better system to diagnose, treat and compensate workers whose health and wellbeing has been compromised and damaged by fume events. Finally, all future aircraft should be designed to be bleed-free. If there is a shred of doubt about there being cumulative, long-term adverse effects on health, surely that is a sensible way to proceed when drawing up design specifications. In the meantime, it is possible to mitigate any effects, perhaps by looking at maintenance schedules, because aircraft that are not maintained to such a high standard are more likely to be subject to fume events as seals go—that is the nature of a mechanical design. Things could therefore be done; indeed, engine oils and hydraulic fluids could be reformulated to minimise potential adverse effects on health.

Ultimately, we need airlines to step up to the plate and accept their responsibilities and duty of care to employees and passengers. If not them, regulators need to demand changes, and detection systems should be fitted to seek further evidence on fume events. If not the airlines or the regulators, the Minister and the Government must take charge. Until such time, I do not believe any of us—the travelling public or indeed aircrew—can say with confidence that air travel is completely risk-free and that fume events are not a risk to public health.

Mrs Cheryl Gillan (in the Chair): I do not think that any other Members are seeking to catch my eye, so we will move to the wind-ups.

2.48 pm

Gavin Newlands (Paisley and Renfrewshire North) (SNP): It is a pleasure to serve under your chairmanship once again, Mrs Gillan. I start by giving credit to the hon. Members for Stalybridge and Hyde (Jonathan Reynolds), for Brent Central (Dawn Butler) and for Altrincham and Sale West (Mr Brady) for securing the debate on this important issue. I think we can all agree that such systems should come into force in the next few years.

The hon. Member for Crawley (Henry Smith) paid great tribute to his former constituent, Matthew Bass. The hon. Gentleman outlined his work in trying to get this issue a much higher profile than it has had until now and he supported calls for an inquiry. I would like to hear the Minister’s response to that.

The hon. Member for Heywood and Middleton (Liz McInnes) asked us to assess all the available evidence and come to the obvious conclusion that there should be an independent inquiry. She spoke keenly about the safety of the crew on board aircraft, and my hon. Friend the Member for Glasgow South West (Chris Stephens) made the point that training in this area was perhaps lacking. The hon. Member for Heywood and Middleton listed the five concerns noted by the coroner in relation to the death of the pilot Richard Westgate, and my hon. Friend the Member for East Renfrewshire (Kirsten Oswald) called for both the responses from the CAA and British Airways to the coroner’s report to be made public, because they do not appear to be public at the moment.

The hon. Member for Horsham (Jeremy Quin) spoke about his lack of awareness of the issue before being elected. However, he said that due to his constituency’s proximity to Gatwick, a number of current and retired aircrew have been in touch, and he set out one such constituent’s case. He also said that he was looking forward to the European Aviation Safety Agency’s report, which is due shortly.

The hon. Member for Brent Central mentioned the Cranfield University report that claimed that safe limits were not exceeded, but said that there were real problems with the work, as it tested effects at ground level, not in a pressurised altitude setting.

We have heard some interesting and substantive points from many Members. The hon. Member for Stalybridge and Hyde, who led off, compared the safeguards put in place for asbestos with the lack of safeguards for aerotoxic syndrome and indeed the lack of official recognition of health repercussions. He also listed the symptoms involved and said that one purpose of the debate was to raise the issue’s profile. He praised Unite’s work on this issue over many years and spoke about the lack of detection systems on board aircraft. I think we can all agree that such systems should come into force in the next few years.

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Mr David Hanson in the Chair] The hon. Member for York Central (Rachael Maskell) perhaps understands better than most Members present the health issues involved, given her background. She reminded us that this was a safety concern as far back as the ’50s and raised the Government’s attack on the trade union levy.

The hon. Member for Easington (Grahame M. Morris) paid tribute to the work of the hon. Member for Crawley and that of Unite, which offers information and assistance to those in need of it. He also rightly complained that fume events are not recorded.

Other Members have contributed and raised concerns from constituents, including my hon. Friend the Members for East Renfrewshire, for Inverclyde (Ronnie Cowan), for Rutherglen and Hamilton West (Margaret Ferrier) and for East Lothian (George Kerevan).
The 8.7 million passengers who fly through Glasgow airport annually place their trust in the pilots and airline crew. The staff who work in the air industry perform an important job and it is only right that we pay tribute to the work that they do. As well as securing the safety of our passengers, it is vital that we provide safety to the thousands who work in our airline industry. We acknowledge and are deeply concerned about the health problems that have been reported by cabin crew and pilots due to the potentially toxic air that can be present in commercial aircraft during so-called fume events.

I have received a number of emails from local constituents who work as cabin crew, airline staff and pilots, and they have alerted me to some of the health effects that have been caused to some of their colleagues, including blurred vision, vomiting, shortness in breathing and seizures, among many other health issues. Despite the excellent work of the Aerotoxic Association, there is still very little information and awareness of aerotoxic syndrome.

We have heard about the following process from Members, but it bears repeating: an aircraft cabin has to be pressurised with sufficient air pressure to allow passengers to breathe comfortably at the altitudes at which airliners fly. For that, a supply of warm compressed air is required, which is supplied by the engine. The danger arises when there is an engine oil seal failure and substances from an aircraft’s engine oil supply leak into the cabin through bleed air from the engine, causing so-called aerotoxic syndrome. That is said to affect one in every 2,000 flights and despite the relatively low numbers, aerotoxic syndrome could potentially affect anyone—pilots, cabin crew or passengers.

The Aerotoxic Association stated that not enough is being done to protect those who are affected when a fume event occurs. I have been advised that airlines are supposedly not providing adequate safety measures to those who are in a cabin when the cabin air has been contaminated. The drop-down masks are not useful in providing any form of protection when a fume event occurs, as we have heard.

The lack of awareness of this issue would suggest that there is conflicting evidence on aerotoxic syndrome. However, the Aerotoxic Association stated that numerous scientific studies provide clear evidence on contaminated air being the cause of chronic health problems. In addition, the most recent UK Government report on this issue, from the Committee on Toxicity, stated that contaminated air is a serious problem that can cause severe health implications for those affected. That was supported by the House of Lords Science and Technology Committee when it claimed that an illness, whether caused by toxicity or nocebo effect, can be severely disabling.

It would appear that there is growing acceptance of the health problems that contaminated air can have on those exposed to it. Naturally, the question that we should now be asking is: what is being done to address the problem? The Government appear to want to commission further evidence into the issue of contaminated air and if possible, look at tackling the issue on an international level. I welcome the fact that the Government, through the CAA, have outlined their intentions to continue to monitor the situation; however, there is only so much time that we can continue to monitor the effect of contaminated air without taking proper action against it.

I have great sympathy for the calls being made by Unite and others, who are demanding that an independent public inquiry is commissioned to look into cabin air safety and the potential health effects. The Government’s committing to that would send a strong message on how concerned we are about aerotoxic syndrome, and any recommendations from such a public inquiry would carry stronger weight for further action to be taken. If the Government are unwilling at this stage to acquiesce to such an inquiry, may I ask the Minister if they could, at the very least, make this a much higher-priority issue than it appears to be at the moment?

Mrs Gillan, we owe it to the cabin crew and pilots to take proper action—[Interjection] Mr Hanson, I do apologise—this is what happens when you read out a speech and don't look up! We owe it to the cabin crew and pilots to take proper action to understand fully the health problems that can arise from being exposed to contaminated cabin air. We also owe it to the memory of Matthew Bass who, as we have heard, unfortunately passed away in January 2014 as a result of chronic exposure to organophosphates.

We all travel by air—following this debate, I am heading to Gatwick—and we place great trust in the airline staff. We owe it to those working in the industry to offer that same level of safety to them, and I trust that the Government will take the appropriate and just action to limit the effects of aerotoxic syndrome.

2.56 pm

Richard Burden (Birmingham, Northfield) (Lab): Mr Hanson, I welcome you to the Chair. I add my congratulations to my hon. Friend the Member for Stalybridge and Hyde (Jonathan Reynolds) on securing the debate, as well as to my hon. Friend the Member for Altrincham and Sale West (Mr Brady) and for Brent Central (Dawn Butler), who supported him in his application to the Backbench Business Committee. I thank that Committee for granting this very important debate.

I also thank all hon. Members from both sides of the House who have contributed today. I counted 12, taking into account interventions and speeches, which shows the importance that Members attach to this issue. We heard speeches from the hon. Members for Crawley (Henry Smith) and for Horsham (Jeremy Quin), as well as from my hon. Friends the Members for Heywood and Middleton (Liz McInnes) and for York Central (Rachael Maskell), who both brought scientific expertise to the debate, which was very welcome. My hon. Friend the Member for Brent Central spoke with a lot of personal knowledge of this issue from her involvement in the aviation industry. My hon. Friend the Member for Easington (Grahame M. Morris) spoke with a great deal of passion. Like my hon. Friend the Member for Easington, he emphasised the importance of trade unions being able to bring these kinds of issues to the House’s attention and talked about that being an important part of democracy.

The aviation industry and the aviation sector is a key pillar of our economy, but it is more than that, even though that is important enough in its own right; travel by air has made our world a smaller place. It fosters direct face-to-face contact and understanding between peoples across the globe in a way that no other mode of
travel ever has. That is why it is right that we pay tribute today to those who work in the civil aviation sector, on the ground as well as in the air.

However, this debate really does raise genuine welfare concerns, particularly for cabin crew and pilots: some of the people on whom we rely to get comfortably and safely to our destinations. Their work, as many hon. Members have said, is far from easy. Fatigue is regularly mentioned as one of the top concerns of staff in the air, and we know that that is an underlying but ever-growing problem. We also appreciate the impact that their work can have on their family life.

Despite all those pressures, however, what is clear is that air crew do the job because they love it, and two such people were Richard Westgate and Matt Bass. I want to join the tributes to their families and to Unite. I declare myself a proud member of Unite and draw attention to my entry in the Register of Members’ Financial Interests. It is right to recognise that parts of the media have tried to move the issue up the public agenda. It has received attention from, for example, BBC’s “Victoria Derbyshire” programme and ITN’s “Tonight” programme.

All those people and institutions are right in saying that key unanswered questions remain: on research into air fume events, monitoring and detection systems, and awareness, education and diagnosis of symptoms. The Government’s responsibility is to do all they can to ensure the safety of passengers and crew alike. The existence of regulators is important, but does not take away that overall responsibility. As my hon. Friend the Member for Stalybridge and Hyde said, we know from the asbestos issue that what authorities often believe for a long time to be the case does not always turn out to be correct.

We know that many modern aircraft use bleed-air systems—that has been referred to many times in this debate—to supply air to the cabin, but we also know that faults with engine seals and seepage can lead to contaminated fumes containing toxins. What is not crystal clear is the implication of short and long-term exposure to contaminated air and its links to aerotoxic syndrome which, given the range of systems, is clearly difficult to diagnose. However, there are some things we already know. The coroner’s report on the death of Richard Westgate recognised:

“symptoms consistent with chronic exposure to organophosphates.”

We know that Matt Bass shared similar symptoms. The inquest into his death is ongoing. We also know that Unite is pursuing some 61 individual cases. The question inquest into his death is ongoing. We also know that faults with engine seals and seepage can lead to contaminated fumes containing toxins. What is not crystal clear is the implication of short and long-term exposure to contaminated air and its links to aerotoxic syndrome which, given the range of systems, is clearly difficult to diagnose. However, there are some things we already know. The coroner’s report on the death of Richard Westgate recognised:

“symptoms consistent with chronic exposure to organophosphates.”

A number of Members today have drawn attention to reports and position papers produced by the Committee on Toxicity and how its findings have been interpreted. There is a clear distinction between saying there is no evidence of aerotoxic syndrome, as some suggest, and saying that there is not enough evidence to prove that link. As Professor Alan Boobis, the Committee’s chair, said in his interview on ITN’s “Tonight” programme last year:

“We made proposals for research that could be pursued...as far as I know, no one came back.”

The Association of Flight Attendants also called for further research in its critique of the committee’s 2007 report, in which it stated that “there is a need for a large scale sampling study.”

My hon. Friend the Member for Stalybridge and Hyde rightly called for an independent inquiry to get to the bottom of these things, and that call has been echoed by others. The Minister will no doubt say that the UK is supporting an international approach for research through the European Aviation Safety Agency. That is important, and I understand that the agency will publish a preliminary report in the autumn. It is also important to know exactly what that is about and who is doing it. I understand that the agency has contracted out the work; in that context, will the Minister confirm the independence of the bodies commissioned to do that study and who was consulted on the choice of contractor? If he does not have the information now, I understand, and perhaps he will write to me.

Richard Burden: I am grateful to the Minister for that information, but I want to press him on EASA’s study and its remit. His letter in November 2015 to the Chair of the Transport Committee suggests that EASA is currently looking at what equipment should be put in place to undertake cockpit and cabin air measurements in future and will report in the autumn. That is important, and I will come back to it in a moment. I shall be grateful if the Minister will confirm whether the current EASA project has any remit to survey existing evidence from inquiries and studies—he mentioned some of them—whether from the UK, from other parts of Europe, international or in, for example, Australia.

Those inquiries and studies of air cabin safety have happened already. If the EASA does not have a remit to look at those other studies and can look only at monitoring for the future, should the Minister not ensure that someone is doing that work already? If it is happening, that is great, but it would be useful to know who is doing it. If it is not happening, why not? A number of hon. Members have mentioned the importance of the precautionary principle, which we need to apply in this case. The state has a duty of care.

On research, I have been told that no toxicity studies have reflected the real-life atmospheric pressure and temperature levels of planes at altitude. My hon. Friend the Member for Brent Central made this point. To me, that says that we simply do not know the synergistic effects and impact of prolonged exposure. Understanding that is critical if we are to establish whether this is an occupational disease. Will the Minister tell me whether I am right and, if I am, who will do that study and who will put in place those tests on aircraft in flight?

Whatever else is or is not being done, it seems from what the Minister said in his letter to the Chair of the Transport Committee in November 2015 that EASA is looking into the use of monitoring equipment that is important. It is vital to improve the data available for research. There are already legal requirements for cabin air to adhere to set levels of, for example, carbon
Mr Robert Goodwill: This without further delay.

Mr Goodwill: I will go on to describe the levels that those in aircraft cabins are likely to be exposed to under normal operations when a fume event has not taken place. However, as I was saying, neither of my two friends who are suffering from career-finishing symptoms— they are not able to work—had been involved in either the aviation industry or in agriculture. I suspect that if they had been involved in agriculture, I would have been asking questions about whether their exposure to sheep dip or to other agrochemicals may have been to blame. Similarly, if they had been in the aviation industry, I would perhaps be asking the same questions.

The Government take the health and air safety of passengers and crew extremely seriously. The United Kingdom is recognised throughout the global aviation community for its high standard and excellent record of safety in commercial aviation. I must make it clear that the Government must always act on evidence and we have over the years worked hard to collect evidence, as did the previous Government when the problem first came to public awareness. There has been much public debate about the issue as so many people are aware of the problem.

There are currently two inquests into deaths where the relatives of the deceased are trying to establish whether contamination by cabin air could have been the cause of death. Both inquests are still open, and in both cases the CAA rather than my Department has been named as an interested party. Both of the deceased were employed by the same airline, and so far the evidence that has been gathered does not support the view that the deaths were connected to contamination of cabin air.

In the case of Richard Westgate, the Dorset coroner’s January pre-inquest review has been adjourned to 30 March 2016 to allow time for medical experts’ reports to be submitted, but he did release a prevention of future deaths report in 2014, which some have taken as a signal that the death might be attributed to contamination of cabin air. However, there was no evidence to suggest that this was the case, and we await the full inquest verdict with a great deal of interest.

In the case of Matt Bass, who has been mentioned during this debate and whose case is before the Berkshire coroner, the January pre-inquest review has been adjourned until 15 June 2016 to allow time to locate medical samples and to instruct the experts. I offer my deepest sympathies to the families and friends of the deceased, but, as the two inquests have not been concluded, it would not be appropriate for the Government to comment in further detail.

Dawn Butler: The Bournemouth coroner, in respect of Mr Westgate, issued a regulation 28 report to prevent future deaths under the Coroners (Investigations)
Regulations 2013 in relation to both British Airways and the CAA on 16 February 2015. In it he states:

“In my opinion urgent action should be taken to prevent future deaths and I believe that your organisation has the power to take such action.”

Is that part of your consideration?

Mr Goodwill: As I said, the inquest has not been finalised and no verdict has been reached. In many ways, the precautionary principle may have prompted the coroner to issue that advice at that time, but the case is still before the courts. Similarly, if the case was before a criminal court, one would not want to comment before the verdict. It would be inappropriate for the Government to do so and my legal advice is that we should not comment before the verdict. In at least one of the cases we will not have long to wait for the verdict, and we will look very carefully at the scientific evidence brought before the inquest and how that is interpreted.

Kirsten Oswald: I am interested to hear the Minister say that the Government want to look carefully at the evidence; I appreciate the sentiment behind that. Would it be useful to also look very carefully at the responses to the report referred to by British Airways and the Civil Aviation Authority, because this information will help us to decide how best to move forward?

Mr Goodwill: Certainly the CAA is involved in this. I meet regularly with the unions involved, particularly BALPA, so it is not something that we are trying to shuffle away, but we need to wait for the result of the inquest before we report on these particular cases. I will go on to present various pieces of evidence and show where we are on this important matter. I will talk about what work has already been done and what work we believe needs to be done.

The safety of cabin air is an issue that has been a matter of public debate over several years—in fact, over a decade now. This continues to be the case, and I, together with my noble Friend Lord Ahmad of Wimbledon, have received a considerable amount of correspondence and responded to several parliamentary questions on cabin air quality. As background, some crew and passengers have expressed concerns that they have suffered long-term health impairment, which they contend is due to exposure to organophosphates present in small amounts as additives in aviation engine oils and hydraulic fluids.

As ever, we have to be careful to have regard to whether there is evidence to support the link between the illnesses and cabin air. That is why the concerns have been investigated at length over a number of years. In 2006 the previous Government arranged for the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment—an independent advisory committee of toxicology experts—to review evidence from the British Airline Pilots Association. At the time, the Committee on Toxicity considered that it was not possible to conclude whether cabin air exposures in general, or following incidents such as fume events, cause ill health in commercial aircraft crews. It recommended further work to ascertain whether substances in the cabin environment could potentially be harmful to health.

A second inquiry was held by the House of Lords Science and Technology Committee, which looked into this issue as part of a wider inquiry in 2007, and published its findings in a report called “Air Travel and Health”. In that report, the findings of the Committee on Toxicity were supported. Following the recommendation in 2007 by the Committee on Toxicity, the Government commissioned a series of scientific studies as part of a research programme on cabin air. The principal research study, which was carried out by Cranfield University, was published in 2011. It found that, with respect to the conditions of flight experienced during the cabin air sampling, there was no evidence of pollutants occurring at levels exceeding health and safety standards and guidelines. Levels observed in the flights that formed part of the study—I stress that they did not include an instance of an oil seal failing—were comparable to those typically experienced in domestic settings. No higher levels of exposure were found than, for example, we would experience in this Chamber.

In addition to the principal study, three further research studies were commissioned and published by the Government. Those four published studies were formally submitted to the Committee on Toxicity for consideration in 2012. The Committee considered the research reports, as well as other research published in the scientific literature since 2007, and subsequently published a position paper on cabin air in December 2013.

I have recently written to several Members of Parliament regarding the findings of the Committee’s position paper. In that letter, which was also placed in the Libraries of both Houses, I summarised the advice the Committee gave and its conclusions. In short, the paper recognises that contamination of cabin air by components or combustion products of engine oils does occur, and that episodes of acute illness have occurred shortly after such episodes. However, it found that levels of chemicals in bleed air would need to occur in far higher concentrations than those found during the studies to cause serious toxicity, and that the symptoms that have been reported following fume events have been wide-ranging, and less specific than those that typically occur from chemical toxicity.

Grahame M. Morris: I am grateful to the Minister, who is being characteristically generous in giving way. Is there not a basic flaw in that suggestion, if we do not count incidents? Could it be that in some older aircraft that may not be maintained to such a rigorous standard, air fume events are more frequent? Is that not a possibility, if we do not do a proper investigation, in situ, in real time?

Mr Goodwill: That is a very reasonable point to make. The findings have been made by professional toxicologists, whose job it is to analyse the effects of toxic compounds in a variety of locations, including the workplace. I shall come on to talk about the number of so-called fume events, and I have some evidence from the CAA to put it in context.

Richard Burden: I understand the reports that the Minister refers to. I do not know whether he saw, as I did, the interview that Professor Boobis gave to the “Tonight” programme, when he was at pains to say that the Committee on Toxicity was not saying that cabin air was safe when the incidents occurred. He went on to say
that it had made proposals for further research that could be pursued; as far as he knew no one came back to the committee. Has that been followed up?

Mr Goodwill: Research is ongoing, not least through the European Aviation Safety Agency, but the levels of OP concentration in situations where no fume event has occurred—which have been measured widely—have been found to be no greater than they are in this Chamber or any domestic location. They are very small background levels, as one would expect. Particularly given the sensitivity of some of the testing that can now be carried out, it is not difficult to find OPs almost anywhere.

As a toxic mechanism for the reported illnesses was found to be unlikely, a nocebo effect was considered a plausible alternative explanation for the symptoms. A nocebo effect can be defined as a detrimental effect on health produced by psychological or psychosomatic factors—for example where a subject develops symptoms as a reaction to a situation that he or she perceives as dangerous or hazardous. However, neither option could be proved beyond doubt given the available data; but we know that the nocebo effect happens in other circumstances. I hesitate to give this example from my own experience, but when I was a child my mother would serve us a cooked breakfast and after we had finished she would say, “I hope those sausages were all right. They were well past their sell-by date,” and one felt a feeling in one’s stomach. It is not the same thing, but it shows how psychological effects can pass into physical effects. That is one of the theories put forward by the scientists looking at the matter. The nocebo is an established psychological and medical situation.

Rachael Maskell: The Minister is being generous with his time this afternoon. What I want to know is what is behind the research. What about the cumulative impact of constant exposure to instances of gases being released into the cabin?

Mr Goodwill: I am going to come on to the frequency of fume events. I think none of the toxicologists or other scientists involved in the projects consider that there is a risk in the normal background level of chemicals in an aircraft cabin. As I have said, those are similar to the levels found in any other setting in the UK. The fume events are what we need to look at, and I will be discussing a little more evidence that I have been given about the frequency of those events.

As a toxic mechanism could not be categorically ruled out as the cause of the symptoms, the Committee concluded that more research would be beneficial. It stated, however, that it would be necessary to balance the likelihood that the further research will usefully inform further management of the problem against the costs of undertaking the research. There are various aspects of the issue to take into consideration, including the results of the research that has been undertaken and the unpredictability and rarity of the fume events. I said I would have some information on that. The Civil Aviation Authority operates a mandatory occurrence-reporting scheme and, contrary to what we may have heard during the debate, the CAA is determined that every type of occurrence should be reported. Indeed, if airlines do not report instances, questions are asked about whether their culture is a good one.

When I was a member of the Select Committee on Transport we visited the CAA and were given a list of the sorts of reports that came forward, which included things that people might not see as relevant, such as both pilots eating the same sandwich. That would be an issue if there were a food poisoning incident. Even what might seem trivial and unimportant incidents must be reported, and there is a culture of reporting in the airline industry, not least in the case of fume events, which people are well aware of.

Jonathan Reynolds: The Minister is being very generous. How does the CAA envisage the compulsory reporting of incidents being carried out, when there is not the monitoring available to find out whether one has occurred or not?

Mr Goodwill: I am advised that if a fume event occurs it is apparent to everyone on the aircraft. The smell of the oil is absolutely apparent to people. As I mentioned, there is a culture of reporting in the CAA and the aviation industry—which, incidentally, we would like to spread to the health service, where near misses and potential accidents are often not reported. Its reporting culture ensures that the aviation industry is one of the safest in the world.

Rachael Maskell: That is the crux of the debate. The reality is that it may be possible to detect a serious fuel event; but what about a minor one, where there is slight leakage into the cabin?

Dawn Butler rose—

Mr Goodwill: I will also give way to the hon. Member for Brent Central before I respond.

Dawn Butler: To pick up on that point, there are also some toxins that one cannot smell, so is not the way to gather the empirical evidence, as has been said, just to monitor what is going on in the aircraft at the time? The Minister is absolutely right: the airline industry has a culture of reporting the errors or mistakes that people make, so that it can improve its system. However, that is exactly what is not happening with these incidents, because they are not being monitored.

Mr Goodwill: A lot of air quality monitoring has been carried out on aircraft. The problem is that fume events are relatively rare and therefore there has not been the ability to pick one up during one of those monitoring situations.

Under the CAA’s mandatory reporting scheme, the trigger for a report is an event that is considered by the crew to be a “safety-related event which endangers or which, if not corrected or addressed, could endanger an aircraft, its occupants or any other person.”

None of the flights where fumes and smells were reported in post-flight questionnaires met those criteria; they are the ones that we actually tested. However, I have some data from the CAA on the number of those reports where smells have been reported in the cabin. We heard from the hon. Member for Stalybridge and Hyde that he had been given the figure of about one in 2,000 flights. We heard from the hon. Member for Heywood...
and Middleton (Liz McInnes) that it is about one in 100. The evidence that I have is that in the last decade we have seen annually between 282 and 471 reports of smells or fumes in the cabin. The last year that we have report numbers for is 2014, when there were 426.

However, it must be emphasised that up to now, reports of fumes have included all causes of smoke, odour or fumes, both internal and external, and not just incidents of bleed-air contamination. The CAA estimates that a maximum of 10% of those incidents reported are regarding bleed-air contamination—in other words, less than one a week—and therefore it has not been possible as yet to have testing equipment on an aircraft when one has happened. I hope that that puts into context the frequency with which these situations occur.

**Rachael Maskell:** I would like to press the Minister a little further on this issue, because it is very important. The fact that detection equipment is not available or not placed on aircraft means that we are moving to subjective measures of whether an incident has occurred. Is it not vital that we first do the correct monitoring in order to understand how big, small or frequent these incidents are, and then go on to take action? I do not think that the reports to which the Minister is referring are satisfying us that that empirical evidence is available.

**Mr Goodwill:** I could not agree with the hon. Lady more. I am laying out what research has been done and what information we have to date. That is why it is very important that EASA makes further progress. Indeed, we are keen to find out what research is happening around the world. Because of the international nature of the aviation industry, it is the Government’s view that an international approach to any future research investigations would be appropriate.

**Chris Stephens:** Will the Minister comment on the occupational health and safety aspect and look at this issue again? It seems to me that air cabin crews’ Health and Safety Executive protections apply only when they are on the ground and outside the aircraft. Things such as Control of Substances Hazardous to Health Regulations seem to be falling through the net between the CAA and the HSE.

**Mr Goodwill:** My advice is that the CAA is the body responsible for the safety of crew and passengers in this case, and the CAA, as I have said, takes this very seriously. We are working with international bodies such as EASA to try to progress some of the research. The opportunity to collect data from a broader sample base than is available in the UK—

**Chris Stephens:** The Minister has been most generous in accepting interventions. My understanding is that COSHH regulations would apply to much of this, but that the CAA has said that COSHH regulations do not apply to it. Could the hon. Gentleman go away and look at that, in terms of the health and safety protections that should apply to these workers?

**Mr Goodwill:** I am certainly happy to interrogate the CAA on its interpretation of the rules on COSHH. I am well aware of the operation of the regulations; as a former road tanker driver, I know all about COSHH regulations. But of course aviation is an international business and aircraft are not necessarily within our jurisdiction as they are flying, so it is important that we have international agreements. Indeed, many aircraft that carry British nationals are flagged to other countries around the world, and therefore we need to ensure that their standards are as high as ours and that work can be progressed internationally.

**Richard Burden:** I will add to the interventions now, so that the Minister can get them out of the way in one go. Could I press him a little more on the business about EASA? If I understood him correctly just now, he was saying that EASA was looking at the research that is available. The letter that he sent to the Transport Committee, as I understood it, suggested that EASA was looking not at that, but at the future of monitoring equipment. That is very important, but my question stands: who is looking at the body of research that is already there, nationally, in Europe and internationally, pulling it all together and seeing whether any action can be taken on the basis of what we already know?

**Mr Goodwill:** Certainly the UK has looked at the studies that have already taken place. Indeed, many of those were initiated in this country by the previous Labour Government. But we are obviously very keen to look at how we can work to get further information. In terms of the EASA research, the hon. Gentleman is absolutely right. In fact, due to the unpredictability and rarity of fume events and due to the international nature of the aviation industry, it is the Department’s view that an international approach to any future research investigations would be appropriate. The opportunity to collect data from a broader sample base than is available in the UK alone would lead to a higher probability of more meaningful evidence being collated. The Department therefore wrote to EASA with those views in March 2014.

EASA did launch in the spring of 2015 a preliminary in-flight cabin air measurement campaign. That will develop a methodology and put in place adequate equipment to perform cockpit and cabin air measurements. The results of that campaign, which will be used to prepare for an envisaged large-scale project in the future, are expected in autumn 2016. The Department will follow with interest the progress of that work; indeed, I will update the hon. Gentleman when I get further information.

At national level, the aviation health unit within the medical department of the CAA will continue to monitor issues relating to cabin air, as part of its wider role as specialist adviser to the Government on aviation health issues.

As I said, EASA has launched preliminary work, and we hope to carry that further. I point out that the UK is not the only country in the world conducting research in this field. For example, the German authorities, as well as the country’s biggest airline, Lufthansa, have conducted similar research projects to the ones mentioned here, and they have arrived at the same conclusions. That is not to say that the industry is complacent—far from it. New technologies for improving the filtration and monitoring of cabin air are emerging all the time, and as we have discussed, there is a particular aircraft type, the new Boeing 787 Dreamliner, that uses a different
source of air, although it must be noted that the equivalent Airbus aircraft, the A350, uses the conventional bleed-air system for cabin air sourcing.

The aviation industry is aware of the concerns that have been raised and is continuously reviewing the current practice, as well as developing options for future improvements. The Government are working together with the industry to support that momentum. The joint Government and industry funded aerospace research and development programme, supported by the Aerospace Technology Institute and Innovate UK, is supporting projects in related areas, including air and oil systems, electronic technologies and system health monitoring, all of which will lead to enhanced cabin air quality as one of the outcomes. The Aerospace Technology Institute is currently working with industry to launch further projects in these areas.

In 2013, industry and Government, working together through the Aerospace Growth Partnership, made a joint funding commitment worth £2.1 billion in total for aerospace research and development over seven years. That was protected, and extended by an additional £900 million over six years to 2025-26, in the spending review in 2015. The industry has committed to matching the funding from the Government in this area. The industry certainly understands the importance of research and development aimed at improving overall safety. However, for the industry to drastically change the way the aircraft are air-conditioned or, indeed, to change the lubricants, there would have to be clear evidence that shows that cabin air quality is harmful to crew and passengers. The current practice of using air from the compression stage of the engine—bleed air—has been shown to be an effective, fuel-efficient and reliable way of providing air to the cabin.

I hope that I have demonstrated that the issue is taken seriously by all parties involved. However, as it is a complex issue with little evidence to show that a change is needed, it will take time to find new and innovative solutions that would be accepted by all. We certainly need to co-ordinate international research and I will raise that with the CAA at our next meeting. I will also discuss the issue with the British Airline Pilots Association, although I have to say that the issue has not necessarily been very high on its agenda at some meetings I have had with it. Maybe debates such as this will further raise awareness among those who work in the industry.

Finally, I urge a note of caution on the precautionary principle. I was a member of the European Parliament’s Committee on the Environment, Public Health and Consumer Policy and, very often, the precautionary principle was used as a way of taking action on something for which there was no supporting evidence. I cite the case of phthalates used as a softening substance in PVC for medical uses and for things such as babies’ bottles. The outcome of making a change based on no evidence other than some very limited migration evidence actually resulted in products that were not as suitable and could have jeopardised people’s treatment. We need to be very careful about using the precautionary principle. We need to look at the actual evidence. I am pleased that research has been carried out, and more research will be carried out.

Once again, I stress how seriously I take the issue and how important it is that we get more evidence. I thank the hon. Members for Stalybridge and Hyde and for Brent Central, and my hon. Friend the Member for Altrincham and Sale West (Mr Brady) for securing the debate and for providing us with the opportunity to discuss this important and, to many, very personal issue.

3.41 pm

Jonathan Reynolds: Mr Hanson, thank you for the opportunity to summarise the debate. I reiterate my thanks to the Backbench Business Committee for awarding us the time. I am extremely grateful for the support of colleagues in the debate, which has been well attended, particularly as we are in the second day of the Budget debate. I particularly thank the hon. Members for Crawley (Henry Smith) and for Horsham (Jeremy Quin), who obviously stressed that this is a cross-party issue. I was remiss in my introduction not to specifically thank the hon. Member for Crawley for his existing parliamentary work on the topic. It was the first thing that I looked at when addressing the issue. That is much appreciated and I am grateful to be able to do that.

I am grateful to my hon. Friends the Members for Newport East (Jessica Morden), for Heywood and Middleton (Liz McInnes), for Brent Central (Dawn Butler), for York Central (Rachael Maskell), for Easington (Grahame M. Morris) and for Greenwich and Woolwich (Matthew Pennycook) for their support for the debate and for the points that they raised.

In addition, I thank the hon. Members for East Lothian (George Kerevan), for Rutherglen and Hamilton West (Margaret Ferrier), for Inverclyde (Ronnie Cowan) and for Glasgow South West (Chris Stephens). I am, of course, grateful for the contributions of the Front-Bench spokesmen, the hon. Member for Paisley and Renfrewshire North (Gavin Newlands) and my hon. Friend the Member for Birmingham, Northfield (Richard Burden), who made an excellent speech, and, indeed, for the Minister’s response.

In my opening speech I said that I felt I had seen and heard enough to warrant the call for an inquiry into the issue. That view has only been strengthened by listening to the testimony and speeches of colleagues who have come along to the debate today. I wanted to bring a specific point to the Minister’s attention—and my hon. Friend the Member for Birmingham, Northfield echoed this—which is that I have copies of the American Federal Aviation Administration’s presentations on the new Dreamliner, suggesting that cabin air was among the design considerations for the new 787. I would be happy to send those to the Minister, although I am sure he has the means to obtain them himself.

Notwithstanding the very good speech the Minister made presenting his position and the seriousness with which he took the issue, it seems unlikely that the controversy will diminish. I think it is reasonable to say that the studies he mentioned have not reassured many people working in the industry to date, and that must be our primary concern.

I echo what my hon. Friend the Member for Easington and the hon. Member for Horsham said, which was that, until we can rule out an adverse effect on health, it is reasonable to consider the precautionary principle. I certainly intend to continue my interest in the issue and to call for a full inquiry, and I urge hon. Members present to continue to do the same.
[Jonathan Reynolds] 3.44 pm

Sitting adjourned.

That this House has considered cabin air safety and aerotoxic syndrome.
Westminster Hall

Monday 21 March 2016

[SIR DAVID AMESS IN THE CHAIR]

BMA (Contract Negotiations)

4.30 pm

Sir David Amess (in the Chair): I call Helen Jones to move the motion.

Helen Jones (Warrington North) (Lab): Thank you, Mr Amess. It is a great pleasure to serve under your chairmanship. I beg to move.

That this House has considered e-petition 121262 relating to contract negotiations with the BMA.

This is one of a number of petitions on the website about the junior doctors’ dispute, including the perennial favourite “Consider a vote of No Confidence in Jeremy Hunt”. We have chosen this one for debate because it was begun after the Government’s decision to impose the contract, and therefore relates to the position that we are in now.

It takes a lot to make doctors go on strike; their nature and their years of training mean they are inclined to stay with their patients. So, when facing the first doctors’ strike in 40 years, it is fair to ask how we reached this position and what can be done to resolve it. I am sorry to say that I think most of the blame lies with the Secretary of State and the atmosphere that he has created. In saying that, I want to make it clear that I do not think the current contract is perfect by any means. It is too complicated, and it throws up some anomalies in pay. However, it has proved impossible to negotiate changes to that contract properly, due to the atmosphere of mistrust and suspicion that has been created by some of the comments made by the Secretary of State.

That atmosphere goes back some years, but it reached its lowest point in July last year, when the Secretary of State said that the NHS had a “Monday to Friday culture”. I have read since that he has never actually visited a hospital at the weekend. If that is true, perhaps he should, because he would find that many staff are working. So incensed were they at the idea that they did not think the current contract is perfect by any means. It is too complicated, and it throws up some anomalies in pay. However, it has proved impossible to negotiate changes to that contract properly, due to the atmosphere of mistrust and suspicion that has been created by some of the comments made by the Secretary of State.

The Secretary of State then went further by telling doctors to “get real”. I think that people who make life-and-death decisions every day, care for terribly sick patients, work with emergencies in accident and emergency while putting up with drunks and insults, work in special care baby units, and care for frail, elderly, often confused people know what reality is. They do so in a national health service under huge pressure. Much of the equipment is now out of date and there is a repairs backlog worth £4.3 billion, but the capital moneys available were cut by £1.1 billion in the Budget. Doctors are working with out-of-date scanners and computers that crash, and because the Government see all support staff as inessential bureaucrats, doctors are mopping their own operating theatres or doing data input that any competent clerk could do. I think that they know the reality of what they face. To be told that by someone whose gilded path to ministerial office went through Charterhouse, Oxford and management consultancy is beyond parody.

The Secretary of State, again, had to say more than that. He looked at weekend death rates, and jumped to the conclusion that they were caused by staffing levels. He said clearly:

“Around 6,000 people lose their lives every year because we do not have a proper seven-day service.”

He later used the figure of 11,000. Again, he said that was “because we do not staff our hospitals properly at weekends.”—[Official Report, 13 October 2015; Vol. 600, c. 151.]

I will spend a few minutes on the research quoted by the Secretary of State, because it does not actually prove that at all. The research paper that reached the conclusion that there were 11,000 extra deaths considered admissions from Friday to Monday, not just at the weekend, and considered death rates within 30 days of admission. Anyone who designs research will say that it is almost impossible to allow for all the things that could happen in 30 days. The researchers themselves did not draw the conclusion drawn by the Secretary of State. What they said was:

“It is not possible to ascertain the extent to which these excess deaths may be preventable; to assume that they are avoidable would be rash and misleading.”

In fact, being rash and misleading is exactly what the Secretary of State was doing.

Andy Slaughter (Hammersmith) (Lab): I thank my hon. Friend for her exposition of the petition. She is exposing behaviour by the Secretary of State that is not only insulting but misleading. This has been said to him time and time again, including by hon. Members in the Chamber. Does she draw the same conclusion as me?

The Secretary of State knows what he is doing. He knows when he quotes those figures that he is quoting them wrongly, and that they do not prove what he says they prove.

Helen Jones: My hon. Friend makes a fair point. First, the research has its critics, and various bits of research done on deaths following weekend admissions have reached different numbers: 3,000; 4,400; 6,000. The problem is that it is difficult to ascertain cause and effect. If the research is adjusted for the fact that we admit different kinds of patient at the weekend—people are sicker and there are more emergencies, and not many elective patients in most trusts—there remains a slight increase in the death rate. The problem is that ascertaining the cause is difficult. As the hon. Member for Totnes (Dr Wollaston) pointed out in a previous debate on this issue, when hospitals look back at such deaths, it is difficult for them to find out what could have been done differently in those 30 days.

When a complaint was made to the UK Statistics Authority about the use of those data, it said:

“We are speaking with Department of Health officials to ask that future references to this article are clear about the difference between implying a causality that the article does not demonstrate, and describing the conclusions reached by the authors.”

The reason is that although the research shows us that something is going on that we need to investigate, it does not show exactly what is causing it. I do not know
whether the Secretary of State understands that. If he does not, I must say that Oxford is probably not what it was. However, I suspect that he understands it very well.

Mr Andrew Smith (Oxford East) (Lab): I assure my hon. Friend that Oxford is certainly not only what it was, but better than it was. Therefore, the Secretary of State really ought to understand what is going on.

Helen Jones: I am grateful to my right hon. Friend for defending the university in his town. I am sure that he is right.

Any experienced negotiator will say that beginning negotiations by insulting the staff is never a good tactic. That is part of what the Government have attempted in muddying the waters: first, by drawing conclusions from the research that are not there, and secondly, by not being clear what they mean by a seven-day NHS. They have constantly said, “We need a seven-day NHS”. What they fail to tell us is whether they want a seven-day emergency service, which we already have but everybody accepts that it could be improved, or a seven-day elective service, which will require a huge investment not only in doctors and nurses but in diagnostics, support staff, lab technicians and so on. That failure to be clear has made doctors very wary of what the Secretary of State is trying to achieve.

Rachael Maskell (York Central) (Lab/Co-op): There is also a real issue around capacity for a seven-day service. If elective surgery is increased over the weekend, where will those patients go, because hospitals are already at capacity?

Helen Jones: My hon. Friend makes a very good point, and she is right.

The Government need to make clear what they are trying to do, then they need to negotiate with the staff in good faith. Unfortunately, there is not much good faith around at the moment. That is why 90% of junior doctors will go, but if the new contract is imposed on them. I do not think any experienced negotiator would say that that is the right way to go. Unfortunately, in this case they do: they can go to Scotland, or to Wales; or they can go and work abroad, where their skills are in high demand and where they will find, in many cases, they are paid more and work fewer hours than they do here. If even a small percentage of junior doctors go, what will the Government do to fill the gaps? We already have gaps in certain specialities, such as A&E, and paediatrics. What is the Government’s plan?

Mr Andrew Smith: I congratulate my hon. Friend on securing this debate—she is making a powerful argument—and I congratulate all the people who petitioned for it. Does not the threat—and decision—by the Government to impose the contract amount to an admission on their part that they were incapable of persuading the critical backbone of NHS clinical staff that their plans made sense? If so, is that an abject failure or an act of malevolence?

Helen Jones: It is a real failure, given the commitment of doctors and other staff to the NHS.

This dispute is taking away energy and focus from dealing with the real problems facing the NHS. The NHS is under huge pressure and many trusts have big deficits, yet the service as a whole is still expected to make over £20 billion worth of so-called efficiency savings, which no one with real knowledge of the NHS thinks can be made without cutting services. One in 10 people in A&E now wait longer than four hours for treatment, which is the worst result for a decade.

There is also huge pressure from the Government’s ill-conceived cuts to local council budgets, which has led a slashing of social care and which the Government were warned at the time would have an impact on the NHS. The real problem those cuts are causing is more admissions to A&E, often of elderly people who have had falls or who have become ill because of lack of care. There is also the problem at the other end, whereby people cannot be discharged because there is no care package in place for them.

Rachael Maskell: I thank my hon. Friend for giving way again; she is being incredibly generous with her time. Does she agree that it causes real concern that the specialisms that require people to work longer and unsocial hours are also the ones that are most difficult to recruit for, and that the contract is therefore putting clinical safety at risk?

Helen Jones: My hon. Friend is quite right, and I will come on to that point later. There are staff shortages in the NHS that the contract may well make worse.

In the end, as in any dispute, the issues can be resolved only by negotiation, and in truth the two sides are not all that far apart. Huge progress was made when Sir David Dalton was brought into the talks, but there are still outstanding issues to be resolved. For instance, the Government trumpet a 13.5% increase in basic pay. What they do not say is that that increase will be paid for by cuts elsewhere. For example, payments that are made as a reward for length of service will go. I have yet to hear from the Government their assessment of what impact that change will have on retaining staff in the NHS, or how it will work for members of staff who take time out, whether for academic study—we need doctors who are both academics and good clinicians—or for maternity leave. What will happen to women who work part time, and so on? If we lose a number of women doctors in the NHS, the service will be in a great deal of difficulty.

Guaranteed pay rates when people change specialities are also going. In the past, if someone changed specialty later on in their career, their pay was guaranteed. That will not be the case any more. That change is bound to have an effect on recruitment in areas where we are already short of doctors, and I have seen no real impact assessment of that yet.

Of course, the big issue for many doctors is the change to standard time and premium time. The Government are increasing standard time from 60 hours a week to 90 hours a week. In the past, doctors were paid extra for working between 7 pm and 7 am, and for working at weekends. Standard time will now increase to run to 9 pm on weekdays and 5 pm on Saturdays. Doctors who work more than one in four weekends will
get a premium payment. It is difficult to work out the effect of that change on individual doctors; it depends on how many weekends they work now, what their specialty is and so on.

The Government’s pay guarantee lasts for only three years, and given the Secretary of State’s remarks, junior doctors fear that the change is a back-door way of introducing longer hours. It certainly makes it cheaper to roster doctors at weekends. The Government say they will fine hospitals that roster people for more than a certain number of hours, but the doctors say that offer is not good enough. That is not an unbridgeable gap; it could be resolved. However, the result of what has happened and the Secretary of State’s comments is distrust and suspicion among doctors about what his real motives are. That is combined with a disastrous drop in morale in the NHS. The latest NHS staff survey shows that the percentage of junior doctors reporting stress has risen from 20% to 35% in five years. The proportion of staff saying that they feel pressured to come into work when they are ill has gone up from 16% to a whopping 44%.

That loss of good will and drop in morale matters, because NHS staff are known for going the extra mile, working longer than they are paid for and doing things they do not have to do. That extends from the consultants who come in on their day off to see certain patients to the nurses and support staff who bring in a birthday card for an elderly person who has got no one else. I well remember that when my son was born, I was there for three shifts in the maternity department. After he was born, the registrar from the first shift came back to see me, to check that I was all right and to see whether I had had a boy or a girl. It is impossible to put a price on such things, and the Government risk losing all that and doing huge damage to the NHS if they do not solve the dispute.

Jeff Smith (Manchester, Withington) (Lab): Will my hon. Friend give way?

Helen Jones: Yes, I will give way once more.

Jeff Smith: I am grateful to my hon. Friend. I met a group of junior doctors recently. For the first time, many of them are considering going abroad to work. None of them want to, but they are so demoralised by this Government’s actions that they are considering it. One of them told me how much she loved her job, but she said, “I would never let my daughter train as a junior doctor.” Does my hon. Friend agree that if the Government carry on down this route, we will not have a junior doctor workforce to rely on?

Helen Jones: My hon. Friend is right. That is an awful and sad thing to hear from people who are dedicated to the NHS, but yes, there has been a huge increase in the numbers of junior doctors thinking of moving abroad.

The answer is not the imposition of a contract, it is to get back into negotiations. It is about funding for weekend working, not just for doctors and nurses but for the lab staff, the diagnostic staff and the support staff that we need. It is about valuing the staff and showing that they are valued, because many junior doctors believe that the Secretary of State undervalues their work and has sought to undermine patients’ trust by implying that they are responsible for a number of deaths. That really needs to be corrected.

I have a message for the Secretary of State today: you get real. You are a member of Her Majesty’s Government—a senior Minister. Take responsibility. Yes, we need to get the BMA around the negotiating table again, but you need to make an offer that brings it there. You need to make that offer, because you are the person in charge.

It is already clear, in fact, that it is possible to improve weekend working without the new contract. There are trusts that have done that—Salford Royal is one example, as my hon. Friend the Member for Manchester, Withington (Jeff Smith) will know. There is also a rumour that the Department is close to a deal with consultants that will not require the proposed changes. Perhaps the Minister will tell us whether that is true.

To continue my message to the Secretary of State: man up. Admit that you got things wrong. Admit that you mishandled this. Make a gesture and get people back around the negotiating table. If you do not, it is not only the junior doctors who will hold you responsible. The public will hold you responsible as well—in fact, they already do.

When polls ask who is to blame for the dispute, the overwhelming answer is that it is the Government. That is not surprising, is it? If a member of the public is asked, “Who do you trust most, this nice doctor in your local hospital or Jeremy Hunt?”, it is not a difficult decision for them to make. It is time for the Government to stop heading down this road, before we end up with disastrous consequences. It is time for them to get people back around the table, because if they do not the NHS will suffer incredible damage, not simply through doctors leaving but through the loss of their good will. Both the staff of the NHS and the public in this country deserve better.

4.53 pm

Andrea Jenkyns (Morley and Outwood) (Con): Thank you, Sir David, for calling me to speak in this incredibly important debate.

There is no denying that this strike is totally unprecedented. No group of doctors has ever before been willing to walk out and put patient safety at risk over a dispute about pay, which is essentially what the dispute is about. It is about pay, about unsociable hours at weekends, about working the sort of hours that other people across the public and private sectors work every week. That is not to do down the incredible work that our junior doctors do. They work incredibly hard and entirely selflessly to keep us fit and healthy and I thank them for that but, like any other body of workers, doctors are not infallible.

Like the rest of us, doctors are driven by considerations of making enough to get by and to support their families, and of getting a fair reward for the work they do. Historically, they have got a pretty good deal, and like any other body of workers they have the right, through their union, to seek a better deal in pay and conditions. Seeking that better deal requires, as the petition notes, a meaningful negotiation between both sides in the debate.

I would like to cite the definitions of the two words that are so crucial in today’s debate. Meaningful is defined as “serious, important or worthwhile” and a negotiation is a “discussion aimed at reaching an agreement”. My argument is that it is the British Medical Association,
and not the Secretary of State, the Department of Health or any of their negotiating team, that has failed in its duty to hold a proper, meaningful negotiation.

The history of the dispute is littered with resentment and half-truths. The BMA has repeatedly had the chance to negotiate with the Government and come to an agreement that is acceptable to all sides and, most importantly, that is safe for patients. Patient safety should be at the centre of the debate but, unfortunately, it has fallen by the wayside in the BMA's entirely partisan quest to defeat the Government.

For many months we heard from the BMA that it was the Government and not the union who were not willing to come to the negotiating table. That is untrue, and it is backed up by the House of Commons Library’s account of the dispute, which I will not rehash in the short time we have available. Time and again the BMA has walked away from the negotiating table and baulked for industrial action, while the Department of Health negotiators have offered it the chance to come back to talks. The BMA even baulked for industrial action on the basis of the Government’s being unwilling to talk, when the Government had set a clear deadline for the BMA to come back to the table or risk imposition of the new contract. The BMA knew that imposition was a possibility, yet time and again did as little as it could to avoid it, all because it is driven by a desire, according to one of the doctors involved, to “be the first crack in the edifice of austerity”.

Again, I do not want to go over old ground, but it is well documented that the BMA’s senior medics are Corbynites of the most militant kind. [Laughter.] Dr Chand, the association’s deputy chair, tweeted: “Goebbels must be turning in his grave when he hears the lies and propaganda of Cameron.”

Dr Tom Dolphin congratulated the right hon. Member for Islington North (Jeremy Corbyn) on his victory and told him to take the fight to the Tories—if that is not partisan, I do not know what is. The BMA so misled its members when it put an utterly wrong pay calculator on its website, suggesting that doctors were in line to lose thousands of pounds, that the tool had to be taken down. Does that suggest that the BMA is taking the negotiation seriously? I would say that it does not. All the while, the Secretary of the State waited, and appointed the head of Salford’s trust to lead the negotiations, to ensure they were being led as well as possible by an expert in the field.

Andy Slaughter: Is the hon. Lady aware that 98% of junior doctors supported the BMA’s decision, and that her rather desperate attempt to portray the BMA as some sort of Scargill-like extremist organisation simply makes her look risible?

Andrea Jenkyns: I thank the hon. Gentleman. I think he needs to learn his facts. I think that it was 98% of BMA junior doctors, not junior doctors in their entirety. The imposition of the contract is not something that the Health Secretary wanted. He wanted to reach a meaningful resolution. He wanted the union, which got 90% of the things it asked for, to put its political gripes to one side, do what was best for patient safety and follow the will of the millions.

Andrea Jenkyns: I thank the hon. Lady for giving way. I want to point out that the opt-out clause for consultants is for routine work at the weekend. If they run an emergency service they are not allowed to opt out of emergency care.

Andrea Jenkyns: I thank my hon. Friend for that. We work together closely on many matters. At the end of the day, life has moved on from the time when the NHS was set up. Life has got to change.

Moving on to my next point, firefighters cannot turn down shifts. They are public servants, just like doctors. The new contract proposed by the Government is safe and fair. No doctor working legal hours will get a pay cut thanks to the 13.5% increase in basic pay and the unsociable hours pay for nights, Saturday evenings and Sundays. The NHS must adjust to the modern world if it is to survive. Seven-day working is vital to that, and the BMA needs to recognise that. The Government and the Secretary of State have gone out of their way to talk to the BMA and to accommodate its demands. A negotiation in which someone gets 90% of what they want would seem pretty successful to me, and it is a shame that the BMA does not see it that way.

5 pm

Margaret Greenwood (Wirral West) (Lab): It is a pleasure to serve under your chairmanship, Sir David. Today we are here to consider the e-petition that calls on Jeremy Hunt to resume meaningful contract negotiations with the BMA.

This is a matter of the utmost urgency. We have an unprecedented situation in our country: the Secretary of State for Health has turned what should have been constructive negotiations into a battle with junior doctors—the highly skilled and committed professional people on whom we all rely. The last strike by junior doctors was 40 years ago. This strike is one that nobody wants and to which everyone wants to see a resolution.

In the autumn last year I met a group of junior doctors in my constituency. They came to visit me at my office in Hoylake. They spoke in great detail about the
problems they had with the new contracts. Their stand-out concerns were: the impact on patient safety; the effect the new contracts would have on the ability of doctors to have a family life of their own; the damage the contracts would do to the prospects of those professionals who seek to pursue different specialisms as their careers progress; and the impact they would have on the careers of women in particular and in turn the impact that would have on the NHS.

One junior doctor who came to speak to me was nearly in tears—in fact, she told me that she had been in tears—as she described how she had wanted to be a doctor since the age of 10. She loves her job, but she also loves her children. She feels she is being forced to choose between being a doctor and being a mum, and that is an impossible decision for any woman. Her children need to see her on Saturdays, and she needs to see them, too.

The period for which doctors are paid at the standard rate, or plain time, is currently Monday to Friday, 7 am to 7 pm. Under the new contract, plain time will be extended to Monday to Friday, 7 am to 9 pm, and will include Saturdays from 7 am to 5 pm. Those are considerable changes that interfere with the prospects of junior doctors enjoying their weekends. They should be entitled to spend at least some of their weekends with their families.

That meeting happened last autumn, and we are more than six months further down the line. Instead of listening to the concerns of junior doctors, as so many MPs have, the Secretary of State has decided to impose a contract that the vast majority do not wish to sign up to. A couple of weeks ago I received an email from Charlotte, a junior doctor in Wirral. She told me:

“Since the announcement of the imposition juniors are scared, confused and do not know what the future holds for them...Junior doctors are angry that the government has failed to recognise and value the workforce through this imposition. Due to this, there is a big and real risk of exacerbating a recruitment and retention crisis as demoralised and demotivated doctors leave the profession or leave the country to work abroad.”

Of course, Charlotte is right. The threat of the NHS losing many junior doctors to Wales, Scotland and as far away as Australia is real. In the 10 days after the Government first announced their intention to impose a new contract, the General Medical Council received 3,468 requests for a certificate of current professional status, the paperwork needed to register and practise medicine outside the UK. In more stable times, the GMC might normally expect to receive 250 such requests at most. If there is indeed an exodus of junior doctors from the NHS in England, that will deliver a real blow to NHS operational capacity of the NHS and will come on top of the crisis in nurse training places.

Charlotte made other important points, and I assured her that I would raise them with the Minister. She said:

“The proposals governing non-resident on call (NROC) availability have not been properly worked out. The concerns are that the very low availability of allowance may contribute to recruitment problems (especially in psychiatry).”

That is a real concern now that we are all agreed that we should have parity of esteem between physical and mental health. She also said that

“the allowance does not reflect how busy NROC can be and the means of pay would be an estimate for hours worked...Pay protection on changing specialty is also an issue.”

That is something I have heard from other junior doctors in my constituency. She continued:

“At the moment if someone chose to train in another specialty (eg GP to A&E) the pay remains the same as a recognition that skills are transferable and that the doctor has beneficial experience that they can take with them...I myself spent a year in surgery before I realised it was not for me and transferred to A&E. Under the new contract if you transferred to another specialty, your pay would go back down to the lowest pay point which would be very problematic.”

I think we can all see how someone who has experience in surgery and who then decides to change course will be so much more useful in the new path that they choose.

Charlotte continued:

“Indeed, many juniors do not understand how to work out what their pay is likely to be under the new contract and it is likely to be after imposition in August that we find this out. Many doctors—an estimate of over 50%—do not follow a straight, continuous path through training. Maternity leave...time out for academic or other training, changes of specialty, or alterations to training mean that it is unclear to many what training or experience will or will not be recognised in the new contract...The failure to recognise the work junior doctors do throughout the 7 day week is another factor. We are not objecting to working weekends and indeed most juniors already do, but we just want the opportunity cost of doing so to be recognised in pay. It is disappointing that junior doctors are being seen as the barrier to seven-day services without the government defining what this means or adequately resourcing the whole multi-disciplinary team.”

Charlotte is right: the truth of the matter is that we already have a seven-day NHS. It operates 24 hours a day, seven days a week, and junior doctors regularly work at weekends and accept that as part of the job. That is not in dispute. In fact, the report by Sir Bruce Keogh into a 24/7 NHS acknowledged that and instead focused on the availability of consultants and diagnostic staff such as radiologists or phlebotomists, not junior doctors. The report said:

“our junior doctors feel clinically exposed and unsupported at weekends”.

Another junior doctor told me that he felt that the attack on junior doctors was just the start of the Government’s plans for NHS staff. He said:

“If they manage to force the junior doctors to take unsafe and unfair contracts, the rest of NHS staff will fall like skittles.”

It seems then that the Secretary of State has lost the trust of the profession, and that has to be of real and serious concern.

My hon. Friend the Member for Warrington North (Helen Jones) has ably raised the questions around what the Government mean by a 24/7 NHS, but it is important that we also consider the funding crisis facing the NHS. In the past couple of days, worrying news seems to be emerging that the Prime Minister knew in the last Parliament that the financial situation in the NHS was far worse than was being claimed. Simon Stevens, the chief executive of NHS England, calculated that the NHS needed £16 billion more over the course of this Parliament, but was ordered by Downing Street to halve the size of his cash demands. I would be very interested if the Minister could comment on that. If the Prime Minister did know that, it raises serious questions about what the Government’s stated ambition to expand NHS services does hold and whether it is realistic and costed? Is it rash or is it something else? I would appreciate an answer on those points. The issue of trust has been raised yet again.
There cannot be a single Member of the House who has not at some time in their life had reason to thank our junior doctors. We put our trust in them. They are there at difficult births and when people die, and the level of commitment and expertise that we receive at their hands—free at the point of need and paid for through taxation—is the envy of the world. We cannot let the mishandling of the negotiations lead to catastrophic damage to our most treasured institution. No one wants to see the Government inflict such a blow on the capacity of our national health service, and I urge the Minister to row back from the imposition of junior doctors’ contracts and to get back to the negotiating table.

5.9 pm

Andy Slaughter (Hammersmith) (Lab): It is a pleasure to be here under your chairmanship this afternoon, Sir David. I congratulate my hon. Friend the Member for Warrington North (Helen Jones) on her speech. In introducing the petition, which a large number of members of the public feel strongly about, she managed to explain in just a few minutes how the Government have put forward an entirely false perspective on the dispute from the beginning and continue to do so. I am sure that many more Members would be here for this debate this afternoon were it not for events in the main Chamber. I know that many people want to be present as witnesses or contributors to the dissolution of the Conservative party—not least members of the Conservative party—so perhaps the timing of the debate is unfortunate.

Mr Andrew Smith: I understand what my hon. Friend says about what is going on in the main Chamber, but is it not striking that only one Conservative Back Bencher has turned up to defend the Government’s handling of the dispute?

Andy Slaughter: I agree with my right hon. Friend, but I think that what the hon. Member for Morley and Outwood (Andrea Jenkyns) said was even more striking in its own way. I felt I could forgo the entertainment in the main Chamber because I feel so strongly about this issue, not least because my constituency hosts two of the main teaching hospitals in the Imperial College Healthcare NHS Trust, and because many thousands of junior doctors from that trust and other trusts live in my constituency. I have therefore followed the dispute with increasing anxiety and depression. I have met not only individual junior doctors but groups of them at Charing Cross hospital, and I have spoken to them at the BMA. The image of them put forward by the Secretary of State, and what we have heard from the BMA council, is an attitude of despair among junior doctors, which has led to some of the dispute. There is an attitude of using acrimonious terms against the profession and on a representative body such as the BMA in this despicable way. It is extraordinary. I will go further and praise those in the BMA who have had their positions undermined and suffered character assassinations in ACAS, but at the end there were still matters outstanding.

Andy Slaughter: First, the Select Committee on Health is on an away day today, otherwise there would have been more Members here. I should have been on the away day, but this is an important debate and I wanted to be here.

On the allegation that I have accused all junior doctors of being Corbynites, I said that key members of the BMA are strongly linked to the Leader of the Opposition. I was talking about not junior doctors but people on the BMA council.

Andy Slaughter: I will move on, because when someone is in a hole, they should really stop digging.

Margaret Greenwood: I could not let the comment made by the hon. Member for Morley and Outwood (Andrea Jenkyns) pass. Jeremy Corbyn is the leader of the Opposition, and the Conservative party is in turmoil today in the face of his leadership. Being a Corbynite and a member of the BMA is no bad thing—I just wanted to clear that up.

Andy Slaughter: I will try to put an end to this exchange, but it is tragic that a party of the stature of the Conservative party should turn its guns on the profession and on a representative body such as the BMA in this despicable way. It is extraordinary. I will go further and praise those in the BMA who have had their positions undermined and suffered character assassination and being idly quoted in tittle-tattle on Twitter. Last week the hon. Member for Central Ayrshire (Dr Whitford) hosted an open session for Members at which I was pleased to renew an acquaintance with Dr Johann Malawana, who has been a particular target of insidious and malicious personal attacks, supported by the jackals in the right-wing press. Is that really how a Government should behave in dealing with any industrial dispute, particularly one as serious as this?

Depending on when the debate ends, I may have to leave for a constituency engagement—I have said that to you, Sir David, and I apologise to you and to the Front Benchers—so I will make my comments brief to give other Members time to make theirs. I simply want to say to the Minister, who can no doubt take the message from this debate back to the Secretary of State, that there is nothing dishonourable about continuing negotiations in this dispute. There is an attitude of despair among junior doctors, which has led to some of the statistics we have already heard about those who now wish to leave the profession or move to other jurisdictions where they would be more appreciated.

The Government were initially resistant to going to ACAS, but at the end they agreed. Progress was made at ACAS, but at the end there were still matters outstanding. Everything that I have learned from talking to junior doctors suggests that not only do they not want to take industrial action, and not only do they want to continue serving their patients to the best of their ability, but they are prepared to sit down and compromise. However, they are faced with a wholly intractable Government.

Is the best that we can get from the Secretary of State the misappropriation of statistics to prove something that is clearly false on two levels? It is false because the so-called weekend deaths are not as he has presented to the public, and it is false to say that we do not have a seven-day emergency service now. Of course we do.
I strongly believe that we need to restore trust and faith in the relationship between the NHS and junior doctors, and the Government have an important role to play in that. Unfortunately, individual trusts are under such financial pressure, and their management under such strain, that it is tempting for them to exploit junior doctors.

On the guardianship system, we know about the assurances that have been given and the protections in the existing contracts. I do not think there has been a previous example of a contract being imposed on the NHS in this way. I simply urge the Government to think again. There is a deal to be done, there really is. The fact that they are not even prepared to sit down and negotiate again implies that they do not want a deal to be done. They want to play hardball, and they want to get something that is completely different from what they say. They already have their emergency service and they already have junior doctors working the way they want, and they say they do not wish to save money. They have different motives from those that they are expressing. They therefore need to return to the negotiating table. They need a pragmatic solution, and they need to step back and calm down.

I will read the Front Benchers’ speeches tomorrow if I am not here for them, but I hope we will hear a better spirit of conciliation than we have heard so far.

5.18 pm

Catherine West (Hornsey and Wood Green) (Lab): It is a pleasure to serve under your chairmanship, Sir David.

When someone decides to become a doctor, they do not expect it to be easy—there are years of study, huge student debts, antisocial working hours, and the pressure of knowing that the decisions they make every day can be the difference between life and death—but they have a right to expect that the Government will value and appreciate their training and dedication. Our NHS needs more doctors, not fewer. When we or our loved ones get sick, we all want the comfort of knowing that the staff we rely on are supported and valued. It is deeply worrying that the BMA has described the contract as “unsafe and unfair”, and that the Royal College of Paediatrics and Child Health has stated that it could “adversely affect recruitment, retention and the morale” of junior doctors. I look forward to hearing the Minister clarify those points.

The Parliamentary Under-Secretary of State for Health (Ben Gummer): That is not true.

Catherine West: If it is not true, I look forward to clarification from the Minister. We would not like to see a couple who are junior doctors having to leave their jobs because the cost of childcare is more than it pays to work as a doctor.

The situation is turning into a shambles. I hope that the Secretary of State for Education is watching, so that last week’s big announcement about the reorganisation of education does not end up in a similar situation in a year or two. First millions of pounds was wasted on an unnecessary top-down reorganisation, then staff and patients were made to pay the price of the Government’s financial mismanagement. Will the Minister clarify whether 75% or 80% of trusts are currently in deficit? We are already in the middle of a workforce crisis, so the last thing we need is more doctors leaving. I have heard that 1,644 physicians have registered with the General Medical Council for certificates to allow them to work overseas; will the Minister clarify the exact number? The GMC normally receives only about 20 applications a day, but since Christmas, with the Government’s disastrous handling of the situation, the number has shot up.

I have written to the Secretary of State to urge him to get on and sort out the situation. The Government have to accept that compromise is necessary. As my hon. Friend the Member for Hammersmith (Andy Slaughter) said, there is a deal to be done. Why put patient safety at risk when it is really not necessary? I was proud to stand in solidarity with the fantastic junior doctors at my local hospital, Whittington hospital, as well as those at North Middlesex hospital on the other side of my constituency. There really does seem to be a lot of willingness to talk; I just hope that that is reflected in the approach of Ministers.

The Government’s current approach is wrong. They should be much more flexible, and they should want to open negotiations and talk rather than impose things. Junior doctors are vital to the future of the NHS, and it is clear that if we want to move towards a seven-day NHS and improve patient care, we have to ensure that the staff we rely on are supported and valued. It is deeply worrying that the BMA has described the contract as “unsafe and unfair”, and that the Royal College of Paediatrics and Child Health has stated that it could be “gravely damaging to the health and wellbeing of children” and could “adversely affect recruitment, retention and the morale” of junior doctors. I look forward to hearing the Minister clarify those points.

5.23 pm

Rachael Maskell (York Central) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Sir David.

It is a privilege to be able to say that I worked in the NHS as a physiotherapist for 20 years—I remain on the professional register—and to bring that experience to the debate. The service that I worked on was changed
to cover seven days. The complement of staff was the same, but spread over the whole week. To provide a full seven-day service with every specialist in place would require a massive investment of resources on a scale nothing like what the Government are talking about, given that they are set on making £22 billion of efficiency savings. Before being elected to Parliament I had a dual career, because I was also head of health at Unite, representing more than 100,000 health workers. I therefore have real experience of dealing with the Government and of how the Department of Health handles disputes.

On 5 December 2011, proposals were introduced to cut unsocial hours for all “Agenda for Change” staff. The proposals were discussed with NHS employers throughout the country and with the trade unions. We sat around tables and discussed the proposals, and they were turned away, but the fear is that they could be coming back on to the table. The NHS Pay Review Body report said that the Department of Health and NHS employers recognise that “the cost of the unsocial hours premia makes the delivery of seven-day services prohibitive”. That is why the whole NHS is worried: the real prize for the Government is the savings they will make from cutting unsocial hours throughout the NHS.

If the Government are planning to expand services to cover seven days, if only in name, they will need more people to work at weekends. The cost of having more people working at weekends cannot currently be met, so if the service is to be expanded, obviously the prize the Government are after is the NHS’s “Agenda for Change” staff, who are often very low paid. According to a survey I conducted of these professional NHS employees, they are giving eight hours of unpaid overtime to the NHS every week, doing the many things we have already heard that NHS staff do. Why? Because they care, because they are professional, and because that is what happens in the NHS.

I do not recognise at all the caricature painted by the hon. Member for Morley and Outwood (Andrea Jenkyns). What she described is not my experience of some of the most highly professional people in our land. They deserve our respect and awe, not to be degraded as she degraded them today and as the Secretary of State has previously. I am ashamed to have heard her comments. I had a meeting with junior doctors in my constituency on Friday and listened to their concerns. They are seriously concerned about recruitment and retention in the medical profession, particularly in accident and emergency, where there is a serious recruitment and retention problem in my local hospital.

They explained to me that as junior doctors are leaving they are being replaced by locums. That destabilises the multi-professional team. It destabilises the ability of clinicians to work in teams where clinicians know one another, which is the safest way to operate. All the tutoring, mentoring and other input that staff so value and need—learning on the job right through their professional careers—is lessened by that destabilisation. They are seriously concerned about recruitment and retention because they want to get the best professional development so that they can give the best service to patients. That is why we are seeing junior doctors applying to work overseas: they want to ensure that their careers are enriched so that they can give patients the best care.

We should be really concerned that there are such problems with recruitment and retention in many of the specialisms that require weekend working and are involved in emergency services. We are not discussing some of those services that, frankly, could operate according to clinical need during a Monday-to-Friday service because the demand is not there for such professionals to be there at the weekend. We should be very worried, as should the public, because the reality is that if doctors are not in A&E, who is going to care for us in our time of need? That is the reality of what is happening.

Psychiatry is another profession that is currently finding it difficult to recruit, as are other areas of emergency medicine and the intensive therapy unit at my local hospital. They face real challenges, and they have concerns about the new regime that is being introduced to try to deter hospitals from making doctors work long hours—the new guardian of safe working role. They are concerned because the new regime is like the trust marking its own homework. If doctors report that they are working excessive hours, the trust will be fined, but the fines will go into a training and development fund, so we will just see less money going into that fund in the first place. It is a case of playing with the accounts and shuffling the deckchairs on the Titanic as it is sinking under the proposal. The reality is that it will not be an effective measure for preventing people from working longer hours, and doctors have real concerns about it.

Dr Whitford: I, too, have concerns about the hours guardian, because it will require junior doctors to complain. The NHS is a hierarchical system, and those doctors, who are often on the lowest rung of the ladder, will have to step up and make a noise. Something that depends on their whistleblowing on their own hours will not provide strong protection.

Rachael Maskell: The hon. Lady is absolutely right. Although Government Members say that the NHS has a much more open culture, the reality on the ground is that it is difficult to raise concerns in the NHS. Shopping the boss if they are making someone work longer hours will be difficult. The hon. Lady makes an excellent point.

We want to maintain the best in our NHS; we do not necessarily want to give that gift to the world. That is why it is so important that we return to the negotiating process. There was pressure from the Opposition to ensure that there was a process of independent arbitration so the talks could be resumed. When Sir David Dalton became involved, the dynamic of the dialogue changed, so a deal could be brokered and progress could be made. All that we ask—hundreds of thousands of people who understand industrial relations have written to us about this—is for professional dialogue with professionals to ensure a proper negotiating process so we can find a solution to this dispute. That is how negotiations work. That is the process of industrial relations. It is about sitting around a table and working through the difficult issues before us. When great minds come together, solutions can always be found.

I urge the Minister not to impose the contract and to withdraw from that position. Of course it is possible to do that. Anything is possible if the will is there. Withdraw, calm down, stand back and let some dialogue
continue. We need to find a solution that is good for NHS employers, for our doctors—do they not deserve a solution to this dispute—for the rest of the NHS, for patients and for the public. Why not make that small concession and open talks immediately?

5.33 pm

Thangam Debbonaire (Bristol West) (Lab): Thank you, Sir David, for allowing me to make my first speech on my return to Parliament after a nine-month absence in the care of the NHS. [Applause.] Thank you. Forgive me if I am a little unsure of the procedure. I thank my hon. Friend the Member for Warrington North (Helen Jones) for making an excellent opening speech and other colleagues for their contributions. My constituents asked me to speak in this debate on behalf of patients, junior doctors and other NHS professionals in Bristol West, and I am grateful for the opportunity to do so.

Junior doctors in my constituency told me that they already work in a seven-day NHS, and so do other NHS professionals. Although the subject of this debate pertains to junior doctors, it is relevant to mention other NHS professionals. As other Members have said, pushing this contract onto junior doctors appears to be a proxy for pushing for a fully seven-day NHS—and indeed, that is what Government Members seem to be hinting at—so it will affect all NHS professionals.

I have had a lot of opportunity recently to observe at first hand, and at close quarters, over nine months how hard NHS professionals, including junior doctors, work and how dedicated they are to all of their patients. During my treatment for breast cancer, the radiology department found just after Christmas that it was under severe pressure. There was a backlog of patients who all needed daily radiotherapy. I was one of them. People cannot just wait for radiotherapy to happen; it has to happen when it needs to happen. The staff worked out a way of meeting patient needs by offering extra appointments at evenings and weekends. Indeed, I went for my radiotherapy at 8 o’clock in the morning on a Saturday, to routinely go out of their way seven days a week—evenings, daytime and weekends—to do that. I do not have command of the staff work patterns. They all need rostering, and they do not all work in the same way. Lab technicians, nurses and others, such as receptionists and cleaners, would all need to work weekends for the proposal to work. I have not seen any sign from the Conservative party that the Government would provide funding for that. If they would, I urge the Minister to tell us about it.

My overwhelming conclusion is that the Government do not seem to be aware of where they are starting from or where they are going to. They definitely do not know how to work respectfully and honourably with the people they need to work with professionally to make the changes they want to make, whatever they are.

Rachael Maskell My hon. Friend is making an excellent speech. On the delivery of a seven-day service, where are the professionals going to go, as we have a recruitment crisis and have to use agency staff?

Thangam Debbonaire: I thank my hon. Friend for that excellent point. The Opposition are only too aware of that.

Catherine West: May I say that my hon. Friend is making a moving and eloquent speech? I am almost tearful that she is so well and back with us. Were it not for the NHS and its wonderful staff, she might not be with us today. I thank her for being here and for making such a beautiful speech.

Thangam Debbonaire: I thank my hon. Friend for her support. I will try not to get too emotional, although I find it difficult when I think of the impact that NHS staff have had on my life and what a difference it would make to have a Government who are truly dedicated to meeting the needs of patients. My hon. Friend reminded me of something that I did not write in my notes. In 2000, the Labour Government introduced the first ever national cancer strategy, to which I owe my life.

I met professionals in Southmead hospital, just outside my constituency, where I was treated, and in Bristol royal infirmary, in the heart of my constituency. I have met professionals individually and I received letters from them in my constituency postbag. They want only the best for their patients, of whom I am still one. They go out of their way seven days a week— evenings, daytime and weekends—to do that. I do not have command of the full statistics, facts and figures; I can only argue from the heart. I urge the Secretary of State to get back to the negotiating table. Most importantly, please go there to negotiate, not to dictate. Our NHS, NHS professionals and, most importantly, NHS patients—of whom we will all be one some day—deserve nothing less.

5.38 pm

Dr Philippa Whitford (Central Ayrshire) (SNP): We seem to have been negotiating this topic relentlessly since last summer. The Secretary of State has cited multiple papers showing the “weekend effect”, as it is described. Twice in his statement on 11 February—the day he imposed the contract—he talked about increased deaths at weekends. That is clearly not the case—it is increased deaths among those admitted at weekends. Despite being pulled up on that in the Chamber, he used exactly the same phrase on “Newsnight” the same evening.

I am very uncomfortable about the conflation of what the problem is and what the cause is. The papers show a statistical excess of deaths among those admitted at weekends. We know that those people are sicker: any
patient admitted electively on a Sunday is considerably sicker. Studies of elective patients only show that anyone admitted electively at the weekend has a 92% increased chance of death. Frankly, in the modern NHS we do not get to admit our patients the day before, so they have to have a lot wrong with them and a lot of morbidity.

What has not been done is to dig into that to discover what the issue is. Some of the papers that the Secretary of State cites discuss excess mortality and have no relationship to a weekend effect at all. Ozdemir’s paper clearly identifies—it is categorical—the fact that excess deaths do not relate statistically to the deployment of junior doctors, yet those doctors are described as a blockage to the achievement of seven-day services. We have not had a proper definition of what is meant, and we keep waxing and waning, going from one track to the other; do we mean to strengthen urgent and emergency care, which no doctor would argue against, or do we mean routine? That keeps slipping in.

Patients shop in Tesco seven days a week, and some shops are 24 hours—the NHS should be the same. As I have said in debates before, if someone goes to Tesco at 2 o’clock in the morning, the fresh bakery counter is not open, nor is the alcohol counter or the fish slab—it is not exactly the same. The NHS is comparable: the shops are 24 hours—the NHS should be the same. As we have touched on before, the term, “junior doctors”, describes people up to their mid-30s. Senior doctors and senior trainees may be committed to a place and may not move, but very junior doctors are not: they rotate every year, and they can easily go overseas, as mentioned—or if they want to come up the M74, we will welcome them with open arms, roll out the red carpet and bring them in. In 2011, 71% of foundationers—people at the end of their first two years—were applying for a post in the NHS to continue training. That figure has dropped every single year: last year it was 52%; and now, just after closure, 47%. Less than half of England’s junior trainees are applying to stay on in the NHS, which is a catastrophe.

Not recognising antisocial hours means that the very specialties that involve a large proportion of antisocial working time will become even more unattractive. Will the Minister tell us why consideration was not given to the BMA proposal? It was cost-neutral and had a lower basic rate, but it kept a stronger recognition of antisocial hours. It would allow antisocial jobs such as those in psychiatry, A&E, obstetrics and gynaecology, and general surgery to remain at least accommodated by salary.

We already have rota gaps. We are short of 4,500 doctors. I have read articles in the *Health Service Journal* that describe a rota in Basildon that should include 22 doctors, but has 13, so it has been decided that only one doctor will be on duty at night, instead of two. Social media is full of people who are carrying two pagers—the senior pager and the junior pager. What happens if they become busy?

For the Secretary of State, the biggest issue is the attack on junior doctors. He seems to be claiming that he is the only person in England who cares about patient safety. I am sorry, but I have been a doctor for 34 years, and every single doctor, nurse and member of the NHS is working to deliver care and to protect patient safety. It is insulting to imply that they are not.

How do we move on from where we are now? I agree that the imposition needs to be stopped. After Sir David Dalton had made so much progress in just a month, I was really shocked, the morning after the strike, having tweeted to say, “Great, let’s get back to the table”, to find a couple of minutes later on the BBC that the Secretary of State was imposing the contract. If Sir David Dalton got that close in four weeks, why could that process not continue? Why could consideration not be given to the junior doctors’ own cost-neutral solution?

We need research to understand the issue. Do we require more senior nurses, or better nursing ratios? Do we not need to ensure that it is consultants and, in particular, radiologists who are available? The problem is that with the rota gaps that we already have, we are endangering patients, because people are constantly being emailed or texted, “Can you do another shift?”, “Can you do a split shift?”, or “Can you stay on tonight?” Exhausted doctors are dangerous. I am asking Ministers to step back, to cool things down, to remove the imposition, and to allow both sides to come back to the table. That is important for patients and the NHS itself.

The situation is not unsolvable. A decision was made simply to raise the temperature, which has created a desperate attitude among junior doctors. To describe them as radicals or lefties—no insult to Labour Members—is flippant. Doctors are not generally known for
being particularly radical, and this was the first junior doctors’ strike in four decades. I went through my entire career without ever seeing a junior doctors’ strike. It is not something that people have embarked on lightly. We need a change of direction and a massive change of tone. Do not insult the junior doctors. They are the people who already provide a lot of seven-day work; they are not the obstruction.

People cite Salford Royal and Sir David Dalton, but I was there this morning, and he is clear that what he means by seven-day work is urgent and emergency work—and he is managing it on the existing contract. Let us be a bit more imaginative and get a solution.

5.48 pm

Justin Madders (Ellesmere Port and Neston) (Lab): It is a pleasure to serve under your chairmanship, Sir David.

I congratulate my hon. Friend the Member for Wirral West (Margaret Greenwood) on her contribution. She has great experience in this area and she spoke with that.

I will refer to contributions made by other Members. I congratulate the hon. Member for Morley and Outwood (Andrea Jenkyns) on being the only Conservative Back Bencher present. I know she is genuine in her concern about patient safety, but I was sad to hear some of the comments she made. I am afraid she repeated the mistakes that have characterised the dispute by demonising the BMA, portraying it as a militant faction. Let us not forget that these people have had 40 years without a strike, so can she not see that something has gone very wrong for them to decide to take industrial action and that they do have genuine concerns about patient safety?

I pay tribute to my hon. Friend the Member for Wirral West (Margaret Greenwood) on her contribution. She has great experience in this area and she spoke about the potential exodus of junior doctors that the proposals may mean. She rightly highlighted the serious questions about the proposals that need to be answered.

I am glad to see my hon. Friend the Member for Hammersmith (Andy Slaughter) still in his place. He spoke with great sincerity about how unhelpful the character assassination of certain members of the BMA has been and about how he believes—I believe most Members who have spoken tonight agree—that junior doctors are still willing and able to reach a compromise, but they have been met with an intractable Government.

My hon. Friend the Member for Hornsey and Wood Green (Catherine West) described what she considers to be a Government with a determination to sabotage the relationship with junior doctors. She has spoken to a number of constituents about issues of concern to them, and she was right to say—I wholeheartedly agree—that this is about valuing staff.

My hon. Friend the Member for York Central (Rachael Maskell) spoke with great personal experience and exposed the massive dichotomy at the heart of the proposals. She rightly paid tribute to the staff who, by their good will, will add so much more value to the NHS than will ever show up on a balance sheet. I agree with her that the dispute causes massive anxieties about what the future holds for recruitment and retention of our staff. She is right that industrial relations is about sitting down and getting into a constructive dialogue. I hope that, as many Members have said tonight, that is still possible.

The hon. Member for Central Ayrshire (Dr Whitford) spoke with the great experience that she brings to every debate on these matters. She correctly identified the Secretary of State’s wilful conflation of statistics. She highlighted that the ratio of trained nurses is a significant issue and gave good examples of how challenges were resolved in the past by dialogue in conflict—dialogue was raised numerous times by Members. She was right to ring the alarm bells about the fact that fewer than half of junior doctors apply to stay in the NHS and she talked with great knowledge about some of the current pressures in the system on finding staff.

Finally, I pay tribute to my hon. Friend the Member for Bristol West (Thangam Debbonaire). It is so good to see her back here and to hear from her about her recent personal experience of the NHS. She spoke with great passion and sincerity about the treatments and flexibility she was afforded by those staff. It is clear that she has received excellent treatment—she was hugely impressed by staff’s willingness to go that extra mile. The three words she highlighted should be reflected on by the Government: they need to treat staff respectfully, honourably and professionally. I could not agree more with that.

I am aware that in this Chamber we strive for a note of consensus, recognising that the main Chamber is where the theartrics, which do little to enhance Parliament’s reputation, tend to take place.

Steve Brine (Winchester) (Con): They are right now.

Justin Madders: Yes, I am sure there are plenty of theatrics going on at this very moment. I will try to be measured in my response on behalf of the official Opposition, but it is our role to point out where we believe there are shortcomings in the Government’s approach, and on this occasion I believe that the Government have been found wanting. The sad reality is that we should not be debating this matter today at all. It could have been different if the Secretary of State had demonstrated a genuine desire to listen, engage and negotiate.

We all know that from time to time an employer will want to change the terms and conditions of their workforce. As a former employment lawyer, I know that change can be sometimes be difficult to deliver, but rarely—if ever—have I seen one side approach a negotiation with such stubbornness, intransigence and provocation. Whatever
legal method the Government choose to draw this dispute to a conclusion, the reality is that it is far from over, and the well of resentment that has been built up by the Government’s approach will last for years. Everyone, including the BMA, has recognised the need to reform the current contract, but we have seen a Health Secretary giving the impression that he is looking for a fight, not a solution. In the past year he has described junior doctors as “militant”; implied incorrectly that they do not work weekends; insinuated that they are in some way to blame for deaths among patients admitted at weekends; questioned their integrity by suggesting that they may not be on hand to respond to a major terrorist incident; and insulted the intelligence of some of the brightest and best minds in the country by telling them that the 99% of them who backed industrial action had been somehow misled by the BMA.

I know how important junior doctors are to the smooth running of any hospital, how they consistently go the extra mile to deliver superb care—we heard that from many Members tonight—and how vital they are to the NHS’s future success. Yet they are repaid with insults. That is no way to treat any public servant, least of all those whose good will has kept our health service afloat as it has suffered from years of mismanagement and underfunding.

The dispute, unnecessarily inflamed by the Health Secretary, reached a new low last month when he claimed support for contract imposition from NHS leaders across the country only for many of them later to come out and confirm that that was simply not the case. That was the latest in a long line of statements he has made that do not stand up to any kind of scrutiny. Contrast that rapid evaporation of support when imposition was announced with the solidarity shown by representatives from every part of the health sector who believe that contract imposition was the wrong move to make. At least 10 professional groups, from the Royal College of Midwives to the Royal College of General Practitioners, have warned about the dangers of imposing a contract on junior doctors at a time when staff morale in the NHS is at rock-bottom.

If the Health Secretary, the self-styled patients’ champion, will not listen to the doctors and nurses, perhaps he will listen to the patients instead. The chief executive of the Patients Association, Katherine Murphy, said:

“The Government’s decision to impose contract terms on junior doctors is unacceptable. The health and social care system depends entirely on the great people who work in services across the community for the benefit of patients...It is clear that the acrimonious dispute over the junior doctors’ contract is unnecessary and damaging.”

Unfortunately, it appears that he is not listening to patients, either. He has tried to point the finger of blame at the BMA for the dispute, but if he wants someone to blame he should look no further than the mirror. His actions up to the decision to impose the contract are not those of someone trying to calm things down and reach a resolution: they are the very opposite.

What is in many ways just as unacceptable and unforgivable is the Health Secretary’s complete inaction after the decision was taken to impose the contract. A few weeks ago I asked him, in a written parliamentary question,

“what steps he has taken to avert further industrial action by junior doctors”.

The answer was quite telling. The truth is that since he announced imposition, he has not picked up the phone. Opened his door or lifted a finger to try to avoid the most recent industrial action. There was virtually a month from the announcement of imposition to when the Government knew perfectly well that there was going to be further industrial action, but they did absolutely nothing to avert it.

We all need to remember that the NHS is ultimately there to serve patients, and they are now suffering because the Secretary of State has sat on his hands. It has been a complete dereliction of duty. Therefore, when the Minister responds, I ask him to confirm that the Government have not taken, and do not intend to take, any steps to prevent further industrial action.

I have some further questions for the Minister. Was a risk assessment of the effect on patient safety carried out before the decision was taken to impose the new contract? What assessment has he made of the likely impact of the contract on the recruitment and retention of junior doctors, given the crisis that the health service already faces? Does he accept that imposing a new contract that does not enjoy junior doctors’ confidence will further damage morale? Is he concerned by the 10-fold surge in inquiries by doctors planning to emigrate on the very day that the Government announced imposition? What legal advice did he take about how an imposed contract would work in practice? Will he tell the House when we will see the final terms and conditions? It is important for us to see that final detail, particularly as the BMA claims that a cost-neutral proposal was personally vetoed by the Health Secretary. We have never had an answer on that, so I should be grateful if the Minister would confirm whether the assertion is correct, and what the impediment to a deal was, given that it was cost-neutral and we already know that junior doctors work seven days a week.

The Secretary of State has sought, in recent months, to present the negotiation as a symbolic battle to unlock the delivery of a seven-day NHS. If that is the case, can the Minister explain why seven-day services are not mentioned once in the original heads of terms for the negotiations set out in 2013? The truth is that the Secretary of State only decided that the issue was about seven-day services half way through the negotiations when it was clear that doctors were going to put safety first, and he was looking for a way to divert blame away from his disastrous handling of the whole affair. Given that junior doctors already work seven days and seven nights a week, I cannot see how they can be the barrier to the safety of patients. Can the Minister name a single chief executive who has told him that the junior doctor contract is the barrier to providing high quality care 24/7? Even the chief negotiator whom the Secretary of State personally appointed, Sir David Dalton, says that changes to junior doctors’ contracts will have the least impact on arriving at seven-day working.

We all want a seven-day NHS, but no evidence has been provided about how the contract will do anything to further that ambition. Nothing coming even close to an credible delivery plan has yet been provided to set out how the seven-day NHS will be delivered. The truth is that the whole dispute has been used by the Secretary of State to detract from the challenges facing the NHS;
those will only be harder to overcome thanks to his industrial relations approach, which is straight out of the Thatcherite 1980s playbook. Picking a fight with a group of people who will be critical to the future of the NHS is a mistake that I believe the Government will come to regret. The Secretary of State recently announced a number of measures aimed at making the NHS more open to learning from mistakes, and we of course support him in doing that, but when will he learn from his mistakes? When will he learn how to conduct a negotiation in a measured way?

On any analysis the Secretary of State has failed. He has failed to win the trust of the very people who run our hospitals, and the support of patients and the public. The Health Secretary may be content with a legacy of failure, but the way in which he has alienated a whole generation of doctors is something we will have to live with for many years to come.

6.3 pm

The Parliamentary Under-Secretary of State for Health
(Ben Gummer): It is a pleasure to serve under your chairmanship, Sir David, and it has been a pleasure to hear some of the contributions to the debate, which have included measured speeches, as ever, by the shadow Minister, the hon. Member for Ellesmere Port and Neston (Justin Madders), and the Scottish National party spokesperson, the hon. Member for Central Ayrshire (Dr Whitford). However, it disappoints me as much as it does many other hon. Members that we need to be here today. We would all have wanted the issue to be concluded some time ago. I hope that in the next few minutes I can describe why we are in this position and what we plan to do about it.

I will start by discussing something that the hon. Member for Hammersmith (Andy Slaughter) touched on, because I know he wants to leave early. I want to make these comments before he does. We are all here because we are interested in the future of the NHS, but, among various silly outbursts and fits of laughter, he described the speech of my hon. Friend the Member for Morley and Outwood (Andrea Jenkyns) as tragic. There is indeed tragedy behind my hon. Friend’s interest in patient safety, and that is that her father died as a result of a failure of patient safety. It is no coincidence that she is here today and that she cares so much about this important issue. It behoves hon. Members, and especially the hon. Gentleman, who is barely able to contain himself on matters of this kind, to pay a little attention to his mistakes. Perhaps the Minister will consider what I actually said.

Andy Slaughter: I will not give way, because I know the hon. Gentleman has to go, and he intervened enough earlier.

Ben Gummer: I will, and by way of return I hope that the hon. Lady will consider what the Secretary of State has actually said on a number of occasions, which—I am sure completely unintentionally—she misrepresented at numerous points. The hon. Lady said that the existing contract had moments of imperfection—I cannot remember her exact words. However, it had rather more imperfections than that, which is why the BMA recognised many years ago there was a need for significant change, and why the coalition Government entered into negotiations with the BMA early in 2013. The heads of terms were agreed between early 2013 and July 2013. The negotiations began in October 2013 and broke down a year later, with no notice to the Government. The BMA just walked out, and it took some time to explain why. It claimed, generically, that it was to do with patient safety, which was an odd thing to say given that there were doctors negotiating on the management side who were also concerned about patient safety. The negotiations were not rejoined until we involved ACAS in November last year.

Dr Whitford: When we had a debate about the issue in October, the Secretary of State was reluctant to go to ACAS, yet only when the negotiations went to ACAS was some progress made. The BMA wanted the contract changed to include recognition of quality training. The junior doctors are future consultants and leaders, and at the moment, while they hold multiple pagers and cover rota gaps, they feel that they are getting no training at all.

Ben Gummer: I will come on to the hon. Lady’s sensible points about rota gaps, which have persisted for many years and need to be addressed as a separate issue, and about training. However, the negotiations have been going on for more than two years. There is an idea that the Secretary of State somehow ended them peremptorily, but throughout the period of the negotiations there was a serious attempt to engage with the BMA. Progress was very slow, and the BMA unilaterally broke off the negotiations in October 2014. It did not come back to the table until the offer was made to go to ACAS.

On why the Secretary of State took the stance that he did, I have a different interpretation from the hon. Lady, because I was with him through that whole process. We were very keen to return to negotiations via ACAS, but we needed to ensure that the BMA would give its representatives full negotiating powers.
Justin Madders: Will the Minister give way?

Ben Gummer: I will in a second; I will just answer this point.

From that point, as many Members have pointed out, considerable progress was made through the negotiations that we had under ACAS from December 2015 to February 2016—far more progress than in the previous negotiating period, partly because the BMA knew that an imposition would have to come if there could be no agreement. As the shadow Minister will understand, at some point an employer needs to move both on issues where there is agreement and on those where there might not be.

The fact that the Secretary of State chose Sir David Dalton to lead negotiations undermines the argument that somehow he was not trying to come to a negotiated settlement. He asked one of the very best chief executives in the NHS to lead the negotiations on his behalf. Even Sir David Dalton was unable to come to a final conclusion of the negotiations with the BMA, because the BMA refused to discuss the last remaining substantive issue—the rates of Saturday pay.

Herein lies the rub: in the heads of terms of the talks it began through ACAS, the BMA had agreed to discuss Saturday pay rates, yet it withdrew that agreement at the end. Sir David Dalton was therefore forced to write to the Secretary of State saying that in his judgment, there was no prospect of agreement on the remaining matters because the BMA was refusing to discuss them. When the Secretary of State or any negotiator has no counterparty with whom to negotiate, it is impossible to negotiate.

Far from the title of the e-petition, which suggests that the Secretary of State has somehow been unwilling, he has been negotiating in good faith all through the period since 2013. It was the BMA, right at the last minute and at previous moments that has refused to do that. I myself have called on it a number of times, both personally and in public, to come back to the negotiating table.

Andy Slaughter: Will the Minister give way?

Ben Gummer: I will not, because I know that the hon. Gentleman needs to go. I said that I would give way to the shadow Minister.

Justin Madders: The Minister is correct that considerable progress has been made in negotiations since the start of this year. The consensus seems to be that 90% of the contract was agreed. Does he not agree that it was therefore a great shame that a decision was made to impose the contract when just 10% of the issues were outstanding?

Ben Gummer: It is a great shame that we were unable to discuss those final things with the BMA, but as I have just explained, the BMA did not wish to discuss that final portion, even though it had agreed to do so in the heads of terms that were in front of ACAS at the end of November 2015. It was impossible to have that final discussion. That was not of the Secretary of State’s volition; it was a decision of the BMA’s junior doctors committee.

I turn to the point that my hon. Friend the Member for Morley and Outwood made, which Opposition Members discounted so quickly. At no point has the Secretary of State ever claimed that there is militancy among junior doctors as a whole, nor has he said that the BMA as a body has sought to wind up the dispute. In fact, if he had said that, it would have been entirely wrong. It is, however, true that the junior doctors committee, which is a small portion of the BMA—it is not the whole body, and we have just come to an agreement with the BMA on the general practitioners’ contract—has become radicalised in the past few years.

We know that the committee did not wish to discuss Saturday pay rates, not because of any inherent merit or otherwise in the arguments but because of the tantalisingly close prospect of an agreement with the Secretary of State—one that the committee had been fighting against. We know that that dispute existed, because even when we made a revised offer just after Christmas, the committee refused to discuss it before talking to its members and committing to a strike. There has been an impelling force within the junior doctors committee to take action, which, I am afraid, has disrupted the course of the negotiations and made it far harder to have an open and honest discussion with junior doctors.

We come to the issue of junior doctors being misled. They are very bright people who I know take an interest in the news and in the contract under which they will be working. I have no doubt about that. However, the British Medical Association—a trusted body—has claimed to its members that they are going to have a pay cut of 20% or 30%. Despite the fact that the NHS and we in this House have rejected that claim numerous times, it has been repeated. The hon. Member for Hornsey and Wood Green (Catherine West) repeated it today. That claim is untrue. It was made in the summer, and it is no wonder that BMA members were worried. If I were a junior doctor and someone told me I was going to have a 20% or 30% pay cut and would have to work longer hours, I would be extremely worried, and of course I would be angry. The fact is, however, that the claim was not true. The gravity of that untruth is such that it can still be repeated in this Chamber as if it were true.

Junior doctors, who no doubt informed the hon. Lady—I know she is not willingly misleading the House—still think they are going to have a pay cut of 20%. If we are still in an atmosphere where people believe they are going to have something that they are not, and that they will have to work more hours than they will, it will of course be difficult to come to a resolution until we allow things to calm down. That is why it is important to move to a point where junior doctors have the contract in front of them, so that they can see the effect on their working patterns and see that much of what they have been told is simply not true. We can then, I hope, move to a much better position in individual trusts where we can start discussing the existing problems that the hon. Member for Central Ayrshire mentioned, such as rotas, training schedules and the like.

I will address some of the individual points that hon. Members have made during this interesting debate. Apart from misrepresenting the shape of the negotiations if somehow the Secretary of State had broken off talks, which he did not, the hon. Member for Warrington North questioned the research that led to the various statements that the Secretary of State and others—many
of them clinicians—have made about the so-called weekend effect, or avoidable excess mortality attributable to weekend admissions. I should make absolutely clear where the link is. Almost any clinician in the NHS will recognise that we do not yet have the same consistency of care over the weekends that we do during the week in every hospital or every setting where we need it. We know that, and the hon. Member for Central Ayrshire made a similar point herself.

Our manifesto pledge was translated into the mandate that is reflected in all the contract negotiations that are going on, and it concerns one particular issue—the need to standardise urgent and emergency care—and nothing more. It is not about elective care; I have made that point several times to the hon. Lady. People who are admitted at weekends—including, to some extent, those admitted at the shoulder periods at the end of Fridays and especially on Monday mornings, because of inconsistency of care over the weekends—will then be able to expect the same standard of care, which will contribute to lower mortality rates as part of a wider package to reduce mortality attributable to weekends.

The drive for that comes from clinicians. It comes from the seven days a week forum convened by the Academy of Medical Royal Colleges, which reported at the end of 2012 and gave the Secretary of State and the whole service 10 clinical standards that it believed would help to reduce variation in weekend clinical standards. It is those standards that we seek to bring in across the service. The academy has said that four of them in particular are the most important for reducing variation. They relate to urgent and emergency care, and it is those standards that we seek to fulfil across the service.

Helen Jones: The Minister is once again managing to conflate two different issues. Let me repeat what the researchers said:

“It is not possible to ascertain the extent to which these...deaths may be preventable; to assume that they are avoidable would be rash and misleading.”

That is the researchers’ comment on their own research. Of course, nobody wants to see preventable deaths, but the Secretary of State has tried to use the research to link those deaths to junior doctors’ working patterns. It simply does not prove that. He is wrong.

Ben Gummer: I will happily arrange for the hon. Lady to have a clinical explanation of the various studies that she has cited, because I think she will then understand why the part that she has quoted needs to be understood in context—[Interruption.] I am asking her a direct question: does she—and do other hon. Members, who are tittering about this on the Opposition Benches—really propose that there is no weekend effect? If they are saying that is the case, or if they are saying that there are 500 or 1,000 deaths and that somehow is acceptable and the Secretary of State should not address himself to it, that is a worrying statement of intent.

Dr Whitford rose—

Helen Jones rose—

Ben Gummer: I will not give way to the hon. Member for Warrington North. I give way to the hon. Member for Central Ayrshire.

Dr Whitford: The problem here is about exactly what it is the paper shows. What do any of these papers show? They show a statistical excess of deaths. We know that 25% more of the people are in the sickest category. We know that 15% more of them die on a Sunday. Maybe the NHS did an absolutely amazing job in saving the other 10%. We do not know the answer, so we do not know how many are avoidable. However, I would point out to the Minister, who referred to the standards, that the only mention of junior doctors in the 10 standards is with regard to review of outcome and focus on training. Not one of the 10 standards says there should be a change in how junior doctors work.

Ben Gummer: One of the studies that the hon. Lady cites does a control for acuity, which she has raised. I know that there is an understandable change in the acuity of patients and one of the studies allows for that.

As for the point about the 10 clinical standards—and here I will just move on from the points that the hon. Member for Warrington North was making—

Helen Jones: Before the Minister does, will he give way? He asked me a direct question.

Ben Gummer: I will in a second, but hopefully I will answer the hon. Lady’s point first. She says that I am conflating two things, but I am certainly not; I am saying that there is a recognisable weekend effect. We can have a discussion about the precise numbers involved, but the key answer is that clinicians themselves understand that something needs to be done to reduce variation. I will come to junior doctors in a second, but clinicians...
themselves have offered the 10 clinical standards, which lie at the base of this. We are not doing anything extra beyond what clinicians are recommending. The four key clinical standards lie at the heart of our changes to urgent and emergency care to ensure consistency of standards, and it is right that one of them relates to the training of junior doctors. The standard at the moment is not as good at the weekend, because they do not have consultant cover, and that is something we are hoping to change. It is also true that the 10 clinical standards refer to senior decision makers, and there is a discussion about precisely who that might be. I will give way to the hon. Lady now, and then we will move on.

**Helen Jones:** Had the Minister listened to what I said, he would have heard me say that there is a weekend effect, even when the control for acuity is put in, and that more research is needed to find out exactly why that occurs. No one on the Opposition side wants to see preventable deaths in the NHS, but the Minister has to explain why this contract that he wishes to impose is so important in preventing them, when many trusts have already managed to improve weekend working—including Salford—without it.

**Ben Gummer:** On the issue of the response to the mounting clinical evidence of a weekend effect—I am glad that the hon. Lady recognises it—clinicians have said that we need to reduce variation by changing the clinical standards that we hold clinicians to, and that is what we are seeking to do. That is why all the contracts relating to clinicians are being reformed. It is part of a package. I have made that point in this Chamber many times before, so Members who keep repeating that somehow we are loading everything on to junior doctors are just not listening to the points that the Government are making—that it is part of a piece.

The recommendations of the DDBR—the Review Body on Doctors’ and Dentists’ Remuneration—asked for far more radical changes to Saturday working. We have moderated those in an effort to bring about negotiations and discussions with the British Medical Association, but it has refused to do that.

I will answer one more point that the hon. Lady made in her speech. She said that a point of contention was payments and reward for length of service. I think she was referring to increments. That issue was resolved with the BMA as part of the 90%, so I hope she therefore sees that it is not a substantial part of the argument, despite what she pretended.

The hon. Member for Wirral West (Margaret Greenwood) mentioned issues around psychiatry, which was a legitimate point to make. That is precisely why, as part of the new contract, flexible pay premia will be paid to psychiatrist trainees, so that we can provide an incentive to get more trainees opting for this specialism. It is clear that across the service, there are specialisms that, for decades now, have not recruited the numbers that we would all like to see going in. We have identified three where we think a particular incentive is appropriate, because of the difficulty of going into those specialisms—general practice, emergency medicine and psychiatry. This is one that we proposed. It was disagreed with and then agreed with by the BMA, and we hope, therefore, to address precisely the point that she made in her speech.

**Dr Whitford:** Will the Minister clarify whether the protection for GP registrars has been re-established? We obviously do not have access to the terms and conditions that have been agreed, because they have not been published. However, one of their concerns was that they had pay protection when they became GP registrars, and that was going to be taken away.

**Ben Gummer:** All trainees working within legal hours will have pay protection and that includes GP registrars. That was one of the bottom lines of our negotiations all the way through the process and precisely why we are so disappointed that the BMA consistently misrepresented our position.

I have addressed the point the hon. Member for Hornsey and Wood Green raised about the 20% fall in income. She asked me to say expressly whether that is right or wrong. It is wrong. No one will see a fall in their income if they are working the legal hours. Indeed, we think that 75% of doctors will see an increase through the course of this pay contract.

The hon. Lady raised the issue of maternity and cited a doctor who claimed that they were earning £22,600. I would be interested to know the detail of that because the foundation year one minimum pay rate is £23,768, which is slightly above the figure she quoted. She made an entirely valid point about the need to make sure that women especially, but I hope under shared parental arrangements, women and men in the service have the flexibility to be able to take time out of the service to bring up children. That is why the increased base rate of pay is particularly good because it will increase the parental pay, as we should now call maternity pay, under shared parental leave when people take time out to look after children.

The hon. Member for York Central (Rachael Maskell), who is no longer in her seat, talked about guardians, but was factually wrong to claim that there would be no payment to junior doctors. They will be able to get one and a half times their salary as part of the payment fines made to guardians. The guardians will not, as the hon. Lady suggested, just respond to complaints. They will have an overall duty to maintain the wellbeing of junior doctors. Theirs will be a critical position in trusts and I hope it will grow into being a substantial one, making sure juniors have the opportunities for training they wish for and the levels of welfare to which they are entitled.

The hon. Lady spoke about whistleblowing, and her comments concerned me because this is precisely an area where we should be asking juniors to speak up. If working longer hours is dangerous—we all agree with that—like any other patient safety issue, not only should they morally speak up to their guardian, but they are under a duty to do so under GMC guidelines.

**Dr Whitford:** Does the Minister recognise that if someone is the most junior person in a very hierarchical system, it is difficult and harder for them to complain about something they perceive is being done to them as opposed to something they see concerning a patient?

**Ben Gummer:** I recognise that speaking up is difficult in the current NHS culture. It is precisely what lies at the heart of Sir Robert Francis’s second report. That is why we need to change that culture. It is also the reason
why we said that guardians, in receiving proactive complaints from juniors, should have an overall duty of care for the juniors in their trust and make sure they are treated properly. That is why this is an exciting role. It is a tutorial role in sense with a responsibility, especially for the youngest trainees, to make sure they are in the right place and supported in what can be difficult times.

**Dr Whitford:** May I ask the Minister again about not having the chance to see the details? One concern of junior doctors is that they would not have a voice or a role within the guardianship. They asked to have a representative as part of that function. Has that changed, or are they still excluded from that?

**Ben Gummer:** They are not excluded. It is important that that person does not become a BMA nominee, but we want the guardian to make sure they command the respect not only of the junior doctor workforce, but the trust itself. It is important to make sure that person gets that degree of buy-in from both sides, and I hope that the final solution we arrive at will satisfy that.

**Catherine West:** Does the Minister agree that, traditionally, whistleblowers have not been treated respectfully and that perhaps the current approach of imposing things is not the right step forward in changing the culture?

**Ben Gummer:** There has been a problem for decades with whistleblowers being listened to. That is what gave rise in part to the tragedy at Mid Staffs and the Secretary of State is trying desperately to do something about it. He cares passionately about it and his recent speech, which the hon. Member for Lewisham East (Heidi Alexander) welcomed, was about trying to create those safe spaces within trusts so that people feel they can speak openly. Indeed, recently at the social partnership forum, which I chair and where we hear contributions from trade unions, I heard of a very effective scheme recently developed in Somerset which showed a good way of getting people of all grades in a trust able to speak up.

I, too, am delighted that the hon. Member for Bristol West (Thangam Debbonaire) has been able to take her seat again. She has come back at an exciting time in politics—one that may be more exciting for her than the last six months. She asked about the funding for seven-day services. All I would say is that within the five-year forward view are two parts that are connected. The first is the commitment to have seven-day services in urgent and emergency care, which is reflected in our mandate of the trust's decision-making. It is for the hospital to make that decision. Our key in changing these contracts has been to concentrate on urgent and emergency care. That is the focus of the contract changes.

The whole debate has become intemperate in an extremely unfortunate way, but I have sat through every single speech that the Secretary of State has made on this matter and every single press utterance—I have also made a number myself—and never once has he attacked junior doctors as a body. He has only the utmost respect for them, not least because, like everyone else in this Chamber, he has been the beneficiary of their care. But it is true that they have been let down by their trade union.

I repeat—I know that the Opposition Front Benchers know this—that the BMA has let down its members, because first, it has allowed a series of statements to persist that it knows to be untrue, and secondly, the junior doctors committee has not engaged in meaningful negotiations in the way that it should have done and in the way that other parts of the BMA have been happy to do, and they have concluded better contracts as a result.

That brings me to the points that the shadow Minister, the hon. Member for Ellesmere Port and Neston, made. He asked quite a lot of questions, and I commit to giving a full answer later to the ones that I do not answer today.

**Ben Gummer:** I am afraid that I have sat in the House and listened to the Secretary of State talking about having elective services across seven days and how great that would be for patients. Of course it would be great, but we would need thousands more doctors whom we have absolutely no chance of finding. It has not been clear. In Salford Royal today, Sir David Dalton again said one crucial thing is for the Government to define exactly what they mean by seven days. Doctors have not objected to strengthening urgent and emergency care.
The contract dispute does not have anything to do with safety, as the BMA itself has implicitly accepted. It is to do with Saturday pay rates. The BMA and its members really have to think about whether they wish to take the dispute about Saturday pay on to the street time and time again.

The hon. Gentleman asked whether there has been a risk assessment on patient safety. We have risk-assessed that at every single stage, and the way in which we have dealt with the industrial action has been concentrated solely on the effect that it has on patient safety, but the best way of ensuring patient safety is for the BMA to cease its unnecessary action.

In relation to an assessment of recruitment and retention, the whole contract has been framed to try to ensure that doctors have a better work-life balance. That is precisely why we have reduced the number of consecutive long days, consecutive long nights and consecutive weekends, and it is why the contract is better for junior doctors and why we hope that it will aid recruitment and retention in the long term. However, we are conscious of the fact that there are ongoing morale issues that go all the way back to 1999 and beyond. In fact, when the previous contract was negotiated, precisely the same points were made about morale as are being made now, so clearly the old contract did not fix those issues. That is why we have asked Professor Dame Sue Bailey to look at wider issues of training and morale in the service as they pertain to junior doctors, to see what else needs to be done to ensure that they are getting the training opportunities that they require, the welfare standards that they expect and the quality of work-life balance that they rightly wish to have.

The hon. Gentleman asked about the BMA’s proposal that it claimed was cost-neutral. Our judgment was that it was not cost-neutral, and given that the BMA was refusing to negotiate on the contract that was on the table and had been worked on for several years, it was rather odd—and, one might think, a political gesture—to throw an entirely new idea on to the table, knowing it not to be cost-neutral. I would say that that was more for effect than to actually try to further the aims with which everyone approached the contract renegotiation.

In short, I am afraid that I reject the premise of the petition, because the Secretary of State has attempted at every stage in the process, over a period of nearly three years, to have meaningful contract negotiations with the BMA. At every point at which contract negotiations have broken down, it has been the instigator of that breakdown, so the petition would better serve itself by being addressed to the junior doctors committee of the British Medical Association, which has broken off meaningful contract negotiations not just once but three times. It is with that committee that the responsibility lies for the failure to find a solution to the final 10% of the contract negotiation, as Sir David Dalton concluded.

Justin Madders: I am grateful to the Minister for giving way; I could tell that he was about to reach a crescendo. He has set out what he intends to do to reduce the temperature and avoid further industrial action. I have to say that I think his response was inadequate, but his central contention was that he hopes to persuade the majority of the BMA's membership that the new contract is beneficial for them. To that end, can he confirm when the full details will be publicly available?

Ben Gummer: I expect the full details to be available shortly. The Secretary of State is studying, and will continue to study, the draft final terms, together with the equality impact assessment. It is important that when he has studied that assessment, he can make a judgment about whether any changes are necessary. Once that process has concluded, the final offer will be made, and that will be the point at which we proceed with the implementation of the contract. I hope very shortly to be able to give the hon. Gentleman a timetable for that. It is in my interests as well as his to see it happen as soon as possible, and I hope to be able to provide junior doctors with the reassurance that the contract will provide—that this is not the tragedy that they have been led to believe it is.

This has, none the less, been a difficult period for the service and, in particular, for junior doctors, who have been led to have unnecessary worry as a result of a series of misrepresentations by their union. I hope that in the next few weeks and months we can allay their concerns, and I hope that we can then get on with the job that we are all mindful of the need to achieve, which is better quality of care whatever the day of the week, a reduction in avoidable mortality whatever the cause, and an improvement in our national health service.

6.46 pm

Helen Jones: Sir David, I apologise for demoting you to the ranks in my opening remarks.

This has been an interesting debate, although I was disappointed by the Minister’s reply. He is normally a very reasonable man, except when he is attributing things to Opposition Members that we have not actually said. His problem is that he is being sent here time after time to defend the indefensible. It is clear that there is a deal to be done, as Opposition Members have said, but there is no movement from the Government to get people back around the table to do that deal. If the contract is so good that it provides a land of milk and honey for junior doctors, as the Minister seems to imply, one wonders why they are not dancing in the street at the prospect of it.

We have heard clearly from Opposition Members about junior doctors’ worry that the contract will lead to excess hours and that they are moving from being part of a team, where they learn and progress properly, to being just another rota of shift workers to be shifted around. We heard from my hon. Friend the Member for Bristol West (Thangam Debbonaire), whose return I too am very glad to see, about her experience in the NHS and the staff who went the extra mile for her, and we have heard about the weekends that people work.

We have also heard some extraordinary attacks from Government Members on a respected profession. I understand that the hon. Member for Morley and Outwood
(Andrea Jenkyns) may have suffered a personal tragedy, but that does not in any way justify her attempts to smear all junior doctors as a bunch of militants who are endangering patient safety.

**Ben Gummer:** She did not say that. Withdraw.

**Helen Jones:** Yes, she did say they were endangering—

**Ben Gummer:** She did not say that. Withdraw.

**Helen Jones:** She did. She said they were Corbynites—

**Ben Gummer:** Withdraw!

**Helen Jones:** No, I am not going to withdraw that remark. [Interruption.]

**Sir David Amess (in the Chair):** Order.

**Helen Jones:** And she said they were endangering patient safety. It is that attitude among Government Members that is preventing a solution to the dispute. There are constant attempts to stigmatise staff and to accuse them of things that they have not done and are not doing. The Minister, for example, says that junior doctors are misled about their contract by the BMA. That is patronising, because it implies that they are not able to look at the evidence and judge for themselves. We have heard no attempt from the Minister to outline the Government’s plan B if some doctors leave and do not sign the contract. Well, I am not surprised that the Government do not have a plan B because they do not even appear to have a plan A.

I appeal to the Government to change course and to take steps to get the BMA and junior doctors’ representatives back round the table so that the dispute can be sorted out for the benefit of patients and for the benefit of the whole NHS. If they do not do that, we are really heading towards serious problems in the future.

*Question put and agreed to.*

*Resolved.*

That this House has considered e-petition 121262 relating to contract negotiations with the BMA.

6.50 pm

* Sitting adjourned.*
Faulty Electrical Imports

9.30 am

Carolyn Harris (Swansea East) (Lab): I beg to move, That this House has considered the importation of faulty electrical goods.

May I say what an absolute pleasure it is to serve under your chairmanship, Mr Davies? I am very pleased to see you in the Chair today, and you may be aware that I am speaking today as the recently elected chair of the all-party parliamentary group on home electrical safety.

Today we take electricity for granted. Unlike gas, it is everywhere; it is in every room in our homes. Electricity created a United Kingdom that was able to shake off the cobwebs of the first industrial revolution. Today, electricity supports the economy, provides jobs, helps British businesses, and is used for practical and recreational purposes in homes across the country. However, I am not here to give a historical lecture on the value of electricity.

As I say, we take electricity for granted. However, in taking it for granted, we often forget its power and perhaps more importantly its danger. This debate is about how we make electricity and its use through electrical products safer in this country. Often, however, safety is being undermined by cheap, poorly constructed, substandard or blatantly counterfeit electrical goods. All our constituents are at risk from electric shock; from a fire in their home that is caused by one of these products; or even from death.

I will focus today on several issues: the importation of counterfeit and substandard products; their sale, which is often via the internet; the safety of legitimate electrical products; and enforcement of the law.

How do we prevent these faulty items from appearing in the marketplace? How do we help to protect British businesses and consumers? A UK charity, Electrical Safety First, which has been of great support to me in preparing for this debate, campaigns to improve awareness of how to use electricity and electrical products safely, and I sincerely commend its efforts in that regard. It has informed me that across the country around 70 deaths each year are caused by electricity, which is more than one death per week. Sadly, these deaths are usually not reported in the media, unlike deaths from gas. Incidents involving gas cause headlines, even though they kill only around 18 people each year. Electrical Safety First has also informed me that each year about 350,000 people suffer some form of electrical accident in their homes. Of course, many of these accidents will happen because people have been sold a product that is either substandard or blatantly counterfeit.

Electrical is being exploited by rogue individuals who sell substandard or counterfeit electrical goods to UK consumers. This trend is being fuelled by the internet and a lack of monitoring of sales: sales from well-known websites; sales from fake websites that are not based in the UK but appear to be; and sales through fulfilment houses, which are based in the UK.

My interest in this subject began following the tragic case of one of my constituents, Linda Merron, who sadly died as a result of a fire in her home in March 2015. The Mid and West Wales Fire and Rescue Service said that the fire was caused by a faulty electrical product—an electrical air freshener that was bought by Linda through eBay. Linda lost her life because of a small imported electrical item from China that had enormous and tragic consequences for her and her family.

Such a tragedy could quite easily happen to any one of us. Many homes throughout the UK will have electrical products in use that are either substandard or counterfeit. When I talk of a substandard product, I am talking about those products that are poorly designed or constructed, that could even have live parts openly accessible and that could cause a fire. When I speak of counterfeit electrical goods, they are not just almost always substandard but actually mimic a major brand’s products. Often they look identical, including having identical packaging, and consumers are frequently unaware that they are dangerous, both to themselves and to UK businesses, which will lose out because of the trade in fake goods.

Of course, there is legislation that should have ensured that that particular item in Linda’s home was safe to use, and all imported items should comply with that legislation. But are the laws working? Have they kept up with the development of the internet? Are they stopping faulty items from being imported through the major internet shopping sites? I do not believe that they are. I say to the Minister that I am no expert when it comes to the legislation and I am sure that he is not either, because it can get rather technical. However, I understand that the Electrical Equipment (Safety) Regulations 1994, which is a mouthful to say, the Plugs and Sockets etc (Safety) Regulations 1994, and the General Product Safety Regulations 2005 exist to ensure the safety of the public and to help to prevent faulty electrical products from circulating in the UK market.

I appreciate the response given to me in July 2015 by the Minister for Small Business, Industry and Enterprise when I tabled a written question on the efficacy of the Plugs and Sockets etc (Safety) Regulations 1994 in regulating online trading of electrical products. I was informed that the Government believe that those regulations continue to act as a practical and robust means of keeping both unsafe electrical products and those that do not have a safe means of connection to standard UK power sockets out of the UK market. But how would Linda Merron and all those individuals who buy items online know that? After finding items that are not appropriate for use in the UK, that are substandard, that cause injury or even tragic deaths, I ask: is the legislation robust enough to prevent tragedies such as the death of Linda Merron? In fact, it is not just substandard and faulty items that are a concern. Counterfeit electrical goods are now big business. They are sold openly online, often through sites such as Amazon, Marketplace, eBay and Alibaba, a site I recently discovered that sells job lots of items to UK-based buyers, who then sell them on.
Electrical Safety First published its report into the increase of counterfeit electrical goods, “A shocking rip off”, in November last year, just before the main season for buying electricals online—what we now commonly call Black Friday or Cyber Monday. The Minister will know that counterfeit electrical goods present a threat to the consumer, undermine UK business and legitimate manufacturers, and can be very dangerous, posing a risk of causing fire or serious electric shock—even electrocution. I agree with the report’s view that it has never been easier for counterfeit electrical products to enter the UK marketplace.

We need to recognise that the internet is fuelling the growth in the sale of faulty items, with sellers appearing, then disappearing, in quick succession. Also, legitimate sales websites, such as Amazon, Marketplace and eBay, are falling foul of these unscrupulous sellers, as are Facebook and other social media channels. Faulty items are being sold openly.

I am not suggesting to the Minister that the Government should regulate the internet—certainly not—but those companies that facilitate these sales must do more to prevent dangerous, substandard and counterfeit electrical goods from being sold in the first place. They know who the sellers are—they are their own customers—but what are they doing to stem the flow? More than £90 million is now spent on counterfeit and substandard products each year, and in 2013–14 customs officials detained 21,000 consignments of fake goods at UK borders.

That is all part of the huge increase in the number of counterfeit, substandard or faulty products being imported into the UK. Over the last three years, there has been an increase in the use of social media to advertise these products. According to Electrical Safety First, a quarter of people interviewed said that they had seen fake products being openly advertised on social media websites. Furthermore, 24% had knowingly bought a counterfeit product and 21% had done so to save money.

Those activities are damaging British businesses and costing jobs, and big brands—some of the most popular of which are NutriBullet, BaByliss, gh, Dyson and Apple—are suffering from the might of the counterfeiters. Electrical Safety First mentions in its report that it obtained a fake NutriBullet through eBay as part of its research. When a locked rotor test—a test that simulates something such as nuts or a mass of ice jamming in the blender—was carried out, the fake appliance caught fire. That potentially would have caused a fire in someone’s kitchen.

Hair straighteners are commonly counterfeited, with a number of the premier brands, particularly gh, faked. A genuine item usually retails for £100, but counterfeiters are on sale on market stalls and on the internet for between £30 and £70. I have seen the packaging, and can testify to the fact that fake ghds are packaged so well that it is very difficult to tell the difference between counterfeit and genuine.

Fake Apple products are probably the most popular of the counterfeiters entering the UK, chargers in particular. I am certain that most hon. Members, probably unknowingly, have in their possession a counterfeit Apple charger, for I put my hands up and say, “I know that I have”. According to Electrical Safety First, those were the items that were shown to be most dangerous during testing. I am told that a genuine charger contains more than 60 individual components, while a counterfeit has at best 25, and some have as few as 19. The charger casings are also a cause for concern, as they are often only clipped together and not properly sealed, meaning that the user can access live parts and that moisture can enter the product. During testing, the products also had a greater probability of heating up and catching fire. The plastic used in counterfeits is often not the polycarbonate used in the genuine article but an acrylonitrile butadiene styrene—ABS—polymer, which is less resilient and has no fire retardant properties. The London fire brigade reports that the material gives off a thick, toxic smoke when burning, which poses additional hazards.

Therefore, is the legislation robust? Has it kept up with sales over the internet? I do not believe it has. I hope that the Minister will consider working with the all-party parliamentary group on how we all can not just raise awareness with our constituents but come forward with a strategy to tackle the issues, working with the likes of eBay and Amazon to prevent the sale of the items. Clearly, it is not possible for the average consumer to tell the difference between a genuine and a counterfeit article. Consumers do not have X-ray machines to tell them what components are inside—although, worryingly, I understand that you can buy an X-ray machine from Alibaba. That is how ridiculous the situation with online sales has become.

Of course, trading standards, prevention and enforcement are a big part of the solution. City and County of Swansea Council, with which I have spoken at length, has had its own difficulties with fulfilment houses that operate locally and sell on substandard and counterfeit goods but, given the funding cuts, it now has to prioritise the most dangerous articles to remove them from sale. It was only at Christmas that we saw the significant problems of house fires caused by substandard hoverboards imported into the UK—my assistant fell off one and broke her wrist. That is why we need experts working at ports and at airports such as Heathrow, where much of the mail with items bought on the internet enters the country.

The Minister for Small Business, Industry and Enterprise helpfully replied to me on 13 July last year, through a written answer, when I asked what steps the Government were taking to prevent counterfeit electrical products from being sold in the UK, to protect customers from electrical accidents:

“In February this year the Department for Business, Innovation and Skills pledged an extra £400,000 to help trading standards officers prevent dangerous goods being sold in the UK, and this includes £182,000 for its ports and borders project which is improving surveillance”.

That is welcome, but is the level of funding really enough? Can the Minister confirm whether the Secretary of State intends to extend the funding, given the cost to UK businesses if the goods enter the market? Trading standards are essential, including on the frontline at ports, but what about online? Is the Minister able to explain what support the Government are providing to officers for enforcement regarding the internet? What help can the Department give to trading standards to assist them in working closer with the likes of Amazon and eBay and to do more to remove offending electrical items that either are not compliant or are fake? How does he intend to tackle the scourge of fulfilment houses?
I appreciate that the Department has recently carried out a review of trading standards, but I believe that more needs to be done, with investment in officers who can look online, and work with the likes of eBay and Amazon to prevent the items from being sold in the first place. Perhaps the Minister can outline specifically what the review considers. If knives, pornography and other dubious articles are not allowed to be sold on the websites, the same should apply to substandard electrical goods that can kill.

I am mindful that the debate is about the importation of faulty electrical products. It is a great sadness that many appliances that used to be made in the UK are now made overseas. That manufacturing provided significant employment for our constituents, particularly in Wales—I believe my hon. Friend the Member for Merthyr Tydfil and Rhymney (Gerald Jones) will touch upon that in his contribution. I am certain that when the goods were produced here they gave local people skills and jobs, and they benefited both the local community and the companies that were making the components in the United Kingdom, not in countries such as China. How do we know that the component supply chain is of good quality and, most importantly, is safe?

I note that the Department recently published the Government’s response to Lynn Faulds Wood’s review on product safety, but will the Government’s direction address what Lynn sought to achieve? Lynn has been at the forefront of campaigning on product safety, particularly in electrical goods, since the 1980s when she coined the phrase “potential death trap”. With recent events with Whirlpool tumble-dryer fires and the importation of other faulty electrical products, are the Government seeing the issues as a priority?

Hon. Members on both sides of the House have recently raised concerns on the issue, and my hon. Friend the Member for South Down (Ms Ritchie) wrote to me as chair of the all-party parliamentary group about her concerns for the safety of her constituents and asked what action was being taken. The Minister knows that Whirlpool has issued a safety notice on some of its tumble dryers, but it is not calling for a product recall. I do not seem to have seen a Government response to the concerns, so can the Minister give us reassurance today about public safety and the recall system in this case? Is it acceptable that consumers will have to wait such a long time for repairs to their imported machines? He will know that the Chartered Trading Standard Institute has said that 11-month waits are unacceptable when the machines are potentially dangerous.

Can we also ask therefore whether manufacturers in the UK—not just Whirlpool—can have absolute confidence that components in these appliances are of sufficient quality? What market surveillance is being done to protect consumers, and what traceability is there of components in appliances that are manufactured abroad but sold in the UK? What comparison is there between recalls of goods manufactured in the UK and recalls of those manufactured elsewhere? Those are a few questions that the Department needs carefully to consider.

Mark Durkan (Foyle) (SDLP): My hon. Friend is opening the debate powerfully. Two years ago, the House was dealing with the Consumer Rights Bill. I tabled amendments and new clauses to the Bill, precisely to address the issues of the safety of electrical goods and recalls, which were well supported by the then Member of Parliament for East Lothian. However, the Government tried to say that there was no issue—there was no gap, there was no problem—despite all the figures and all the evidence showing that there was.

Carolyn Harris: I appreciate my hon. Friend’s comments, and I am sure any speech he makes later will reflect his thoughts.

Members of the House can help through the APPG on home electrical safety to find solutions and raise awareness. I am not sure whether the Minister has seen a counterfeit electrical product up close, but I hope he will join the APPG later this year. We have an event planned that will look at examples of counterfeit electrical goods that have been gathered. Perhaps then he will understand better.

In conclusion, the importation of faulty electrical products is an increasing issue, fuelled by the internet. It is costing lives. How many more incidents will happen before action is taken? How will trading standards be able to tackle the issue in an era of increasing change and with cuts to officer posts? I hope the Minister will give reassurance today that the Department for Business, Innovation and Skills is treating the importation of faulty electrical goods into the UK seriously. Government must have a role to play, even if it is only one of co-ordination. Action is needed now to protect our constituents and businesses in the UK. I hope he intends to outline how he can help us to achieve that.

Several hon. Members rose—

Geraint Davies (in the Chair): We have a limited amount of time. Front Benchers will start to contribute at half-past 10, so it would be helpful if Members can try to keep their comments down to around five or six minutes.

9.51 am

Margaret Ferrier (Rutherglen and Hamilton West) (SNP): It is an honour to serve under your chairmanship, Mr Davies. I thank the hon. Member for Swansea East (Carolyn Harris) for securing this important debate. She is the chair of the all-party group on home electrical safety, of which I am also a member.

The importance of the subject cannot be overstated. In my constituency in South Lanarkshire, which is home to the headquarters of the Scottish fire and rescue service, 214 house fires were caused by faulty electrical items in the past five years alone. That accounts for 13% of all accidental house fires during that period. Further south, the London fire brigade estimates that there is, on average, one fire in the capital caused by faulty white goods every day. Faulty and substandard electrical goods pose a real safety hazard. They can overheat, catch fire or cause electrical shocks.

The problem of counterfeit electrical goods is becoming more prevalent. Modern technology has changed consumer habits and counterfeit goods have greater and more widespread availability. Research from the charity ElectricalSafetyFirst shows that a quarter of people have seen fake products openly advertised on popular social media sites. Thousands of items are now advertised every day
on such sites, which have fast become counterfeit marketplaces. Perhaps the rise in social media is a key factor in the huge increase in the number of counterfeit and substandard electrical goods coming into the UK. I would like to see the Government working closely with social media websites to counteract the sale of such goods. Trading standards faces increasing digital challenges, and it is only through working with sites acting as digital marketplaces that proper enforcement can take place. There has been a boom in the trade in counterfeit versions of must-have electronics. The number of fake mobile phones seized has risen by more than 50%.

The message that buying counterfeit electrical items is a risk not worth taking does not seem to be getting through. The demand for fake items continues to rise despite the risk to personal safety, which can sometimes prove deadly. Without a more accurate picture of the problem, however, it is difficult to know how it can best be tackled. I hope the Minister will consider conducting an assessment of the number of counterfeit electrical goods being imported into the UK, so that the full extent is laid bare. We need a greater understanding not only of the scale of the problem, but of the trends in popular items and marketplaces. A real strategy needs to be brought forward, and the trading standards review must include consideration of online shopping and the importation of faulty electrical goods into the UK. One thing that the hon. Member for Swansea East did not mention was that many people are now buying retro items online. They are a must-have, but the problem is that we do not know whether such items adhere to electrical safety.

Trading standards has become incredibly localised, and it is time to rethink that and ask how best we can enforce against illegal sales of counterfeit and substandard electrical goods, particularly over the internet. In addition to enforcement, public awareness should be utilised as a key method to combat the trade in such items. We are all no doubt aware of the craze last Christmas for so-called hoverboards, which the hon. Lady mentioned, and the many reported occurrences of fires starting while those devices were charging. Supply chains are increasingly globalised, and when such product crazes with huge demand come around, substandard products can be distributed to consumers much faster than ever before. It is important that consumers are fully aware of the risks posed. The problem with buying fake electrical items is that people do not know what they are going to get. There are records of people being electrocuted and seriously burnt by fake phone chargers.

We need to get the message across that buying counterfeit electrical items is a risk not worth taking, as it could risk a person’s safety or worse, their life. According to research, about 2.6 million adults in the UK say they have knowingly ignored a recall notice. Some 77% of people say they would be more likely to respond if they knew they could be damaging business and undermining consumer confidence in the UK.

In Merthyr Tydfil, we have a proud history in the manufacture of washing machines. The Hoover factory opened in Pentrebach in my constituency in 1948 as part of the Labour Government’s work to ensure manufacturing advances in the UK after the war. Hoover’s major global expansion saw factories making washing machines in Merthyr Tydfil and its famous vacuum cleaners being manufactured in Scotland. Hoover soon became the market leader in the UK because the products were made here to high standards and were not imported.

Hoover’s UK manufacturing in Merthyr Tydfil gave people jobs for life. Many generations of my constituents worked in the factory. In 1973, Hoover’s 25th anniversary in the town, 5,000 people were employed making washing machines, tumble dryers and dishwashers. Perhaps bizarrely, in the 1980s, as the Minister may recall, the Sinclair C5...
vehicle was made in Merthyr Tydfil, although that mode of transport had a quick demise. Manufacturing in the UK had reached its peak, unfortunately. Tragically, it has been allowed to drift away and we now rely on imports.

On 14 March 2009, manufacturing came to an end in Merthyr Tydfil with Hoover’s closure, which meant that 337 people lost their jobs. The site is now virtually empty. The headquarters remain, along with a warehouse facility. Despite the closure and the decision to move production to the far east, Hoover is still revered in Merthyr Tydfil by its former workforce. Appliances were built locally, giving jobs to the local economy and benefiting people’s lives.

I do not want to focus just on Hoover’s decision, as devastating a blow as it was in 2009. Many other manufacturers have decided to send production overseas and now import electrical goods into the UK. How can we be sure of the credibility of the component supply chain to large companies, and how do we ensure proper quality of the finished product and that it is built to last? When production was in Merthyr Tydfil, Hoover benefited from local component manufacturers, which in turn benefited from Hoover. Hoover had greater control over the supply chain and was able to assess whether components were of sufficient quality.

My hon. Friend the Member for Swansea East has already mentioned the issues with tumble dryers that many of our constituents face. Given the wet weather in Wales, many of my constituents rely on tumble dryers, many of them made by Whirlpool, which owns the Hotpoint and Indesit brands. As we know, Whirlpool has issued a safety notice for its large air-venting tumble dryers, owing to a fire risk. The Minister will be aware of the ongoing issues, as the matter was raised in Business, Innovation and Skills questions last week. The manufacturer has advised that the machines should not be left unsupervised. Some 4.3 million machines need to be fixed, so it is clearly an enormous task for the company.

I understand that our constituents will have to wait potentially 11 months or more for appropriate repairs to be made to the faulty imported appliances. How many fires could break out in that time? Can the Minister give us an assurance as to what his Department is doing? Has he, or have his ministerial colleagues, met Whirlpool to discuss the issue?

What is even worse is that the company is trying to sell its customers who contact them with concerns a new tumble dryer for £99 that is also subject to safety concerns. As my hon. Friend the Member for Swansea East highlighted, the Government tasked Lynn Faulds Wood with reviewing product safety, and the Minister for Small Business, Industry and Enterprise said in the Government’s response to that review that she takes the issue very seriously. I am pleased to note that. However, the Whirlpool issue is a key case that needs to be given serious attention, and quickly. The UK charity Electrical Safety First, which campaigns to protect consumers from electrical accidents in the home, has provided a briefing to the all-party group.

Given the time available, I want to move on and flag up the issue of hoverboards, which the trading standards department in my constituency, along with others across the country, has recently dealt with. As the two previous speakers have highlighted, we know that more than 15,000—88%—were unsafe and detained at the border, but I am concerned about those that got through. That issue had much publicity across the country at the end of last year. Some of the stories we have heard are deeply worrying, and I want the Minister to consider what more can be done to raise awareness of the issue.

Geraint Davies (in the Chair): Jim Shannon, you have five minutes.

Jim Shannon (Strangford) (DUP): It is a challenge to do five minutes, but I will do my best, Mr Davies. I congratulate the hon. Member for Swansea East (Carolyn Harris) on securing this debate. She focused comprehensively on the subject.

I think it is important that we give thought to the 13 people killed in Brussels on the metro and at the airport, and to the many others who have been injured. Prayerfully, physically and emotionally, we commend them all in our hearts and thoughts at this time.

To come back to the debate, 24% of household fires in the past five years were caused by electrics, as hon. Members have said. Irresponsible behaviour and accidents can happen, but the majority of cases are due to faulty electrical equipment. People’s lives and livelihoods are literally at stake as a result of the trade in faulty or illicit electrical goods. In December, my hon. Friend the Member for East Londonderry (Mr Campbell) tabled an early-day motion, which I was happy to sign, urging families and friends to take extra care and be aware of electrical safety, especially in the homes of elderly relatives and friends, during the Christmas period. We had a chance to highlight the issue at a reception here. It is important to use our positions as public representatives to raise awareness of the risks and urge people to take heed of warnings, but, no matter how aware people are of the risks, there is still the problem of electrical faults that happen without any human error on the part of the consumer.

The hon. Member for Forde (Mark Durkan), who is no longer in his place, has been a champion for consumer safety and I commend him for his hard work. More than £90 million is spent on counterfeit products each year, and in 2013-14 customs officials detained some 21,000 consignments of fake goods at UK borders. In just one operation alone, almost 170,000 dangerous and counterfeit goods were stopped from entering the UK by border staff at Dover docks in one of the biggest ever hauls at the port.

As hon. Members have mentioned, the manufacturing base in the United Kingdom has long eroded. Manufacturing has gone to the far east, China and eastern European countries, where the same levels of control are not as apparent as they are back home. That has been a disappointment not only because of the jobs that have been lost, but because the quality of goods cannot be secured in the way that we would like.

There has been a huge increase in the number of counterfeit and substandard electrical goods coming into the United Kingdom of Great Britain and Northern Ireland. These counterfeit products follow the trends in must-have items. The must-have item is incredible; everybody must have it irrespective of what it is. The number of fake mobile phones seized has risen by more
than 50%, as have other top electrical fakes, including hair straighteners, which I do not have to use, and games. Those are simply examples of things that people want. Despite campaigns to heighten awareness of the risks of counterfeit electrical goods, 24% of people have knowingly bought a counterfeit product; 21% would consider buying one to save money; and 16% do not think counterfeit products would put them at risk.

Clearly, the public have to be educated. They have to understand what might happen. By and large, if they buy it cheap, they buy a problem as well. Is legislation robust enough? Shortly, I will come on to the things that trading standards have said we must do. We need a two-pronged approach to continue and strengthen the campaigns to raise awareness, but the Government must have a role in this, too. I am pleased to see the Minister in his place. I know we will get a robust response from him, and also from the shadow Minister as well.

The UK’s electrical safety experts, Electrical Safety First, want to see a review or an assessment of the number of counterfeit electrical goods being imported into the UK and a strategy from the UK Government to support trading standards to tackle the problem. Electrical Safety First is largely considered the most reputable in the sector, so it is worth listening to its recommendations, which are important. It is calling for a proper assessment of the number of fulfilment houses and their involvement with the distribution of counterfeit/substandard goods; ensuring that all electrical goods sold to UK consumers, including those sold online, are compliant with British electrical standards such as the Plugs and Sockets etc. (Safety) Regulations 1994; asking the large online sales auction sites to work with sellers and have a charter mark for safe electrical goods; and ensuring that the trading standards review includes consideration of online shopping and the importation of faulty electrics into the UK and how trading standards can enforce against illegal sales of counterfeit and substandard electrical goods.

We need to address the issue of eBay purchase when the driver for the person on eBay is what is cheap rather than what is best or safe. Electrical Safety First also recommends that the Government ensure the product safety recall system is robust, and it supports the setting up of the steering group by the Department for Business, Innovation and Skills to ensure a way forward to protect consumers. Those are not unreasonable requests. Indeed, further to my earlier point, there is only so much that raising awareness and taking care can do. Accidents and incidents still happen that could be prevented by better Government action to tackle the issue of faulty and counterfeit electrical products.

Parliamentarians need to come together and raise awareness in all constituencies throughout the country; and the relevant bodies, both public and private, need to play their part, but it is also clear that further Government action is needed. There have been fatalities as a result of counterfeit and faulty electric goods. Awareness campaigns can only do so much. We need action from the Government to protect citizens from the harm of counterfeit goods and action to bring to justice those who import and distribute these goods.

Several hon. Members rose—
£100. I might want to buy a set without realising that they are counterfeit: I might think it is just a good deal. I might buy them, not at a market for £30, but online for a “Today’s special deal” of £90. That is close enough to the right price for people to think the straighteners are genuine. They pay the money, thinking they got a good deal, but in fact they got a death trap. Online marketplace sites must take responsibility for the goods and sellers on their sites, and the Government must take action against retailers whenever the goods they are selling are not up to standard.

Finally—despite my history lesson, Mr Davies, I am keeping to the time limit—it is important to raise public awareness. As my hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) said, it is not enough just to talk about the recall of particular items. Tell the public the reasons why and what can go wrong. Give them photos. Make them aware and educate them so that they can make informed decisions about the goods they buy.

Several hon. Members rose—

Geraint Davies (in the Chair): Order. Your timekeeping and history were commendable, Ms Monaghan. I call Jim Fitzpatrick.

10.16 am

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies. I congratulate my hon. Friend the Member for Swansea East (Carolyn Harris) on securing this important debate and thank her for her effective presentation of all the issues, many of which have also been covered by the colleagues who have followed her. I am happy to follow the hon. Member for Glasgow North West (Carol Monaghan). We southsiders are always happy to learn from the north of the city and, having learned, take the lead and show the way. I will try to copy her timekeeping as well, Mr Davies.

I am secretary to the all-party group on fire safety and rescue. Several colleagues present are active in the group. The next meeting is at half-past 1 today, but I understand that colleagues might be conflicted given what will be going on in the Chamber at the same time. I express my appreciation to Rob Jervis-Gibbons and his colleagues at Electrical Safety First for their briefing for this debate. I do not intend to repeat the many issues raised so clearly and effectively by previous speakers, so I expect my contribution to be brief. I look forward to the responses from the Front-Bench spokespersons, especially that of the Minister, who this morning has to be not only the authentic voice of the Conservative party but its only voice. Given the importance that the rest of us attach to the debate, that is a wee bit sad. That is not a criticism of him or his Department. As has been articulated, we are all looking for reassurance on this matter.

My hon. Friend the Member for Swansea East has raised the important issues: brand imitation, substandard products, the risks from online sales and unscrupulous sellers, and the ability of trading standards officers to respond to growing risks in the face of budget restraints and cuts. Additional risks are posed by consumers who do not respond to manufacturer recalls, as the hon. Member for Strangford (Jim Shannon) mentioned. He cited the very worrying statistic that only 10% to 20% of recalled products are returned or repaired. ESF’s analysis found that consumers did not respond because they were worried that they would be targets for future marketing campaigns. Although that sounds strange, it has a realistic ring to it. Manufacturers have to address that worry.

Given the growing threat, I am interested to hear how the Government feel they are doing in protecting the public. As has been mentioned, ESF estimated the counterfeit trade to be worth £90 million in 2013–14—in that year alone, customs detained 21,000 consignments at UK borders. I have several questions for the Minister that are similar to those asked by the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier). In fact, I think some are the same as hers, which should save the Minister’s time. Hopefully he will be able to provide responses.

Do the Government believe that the ESF analysis covers the scope of the problem, or do they think it is far more serious? The lack of a proper assessment leads to concerns that perhaps the figures are even worse than those in the public domain. Do the Government have a strategy to support trading standards officers in tackling the problem? What efforts are the Government making to tackle online sales of dangerous products? What liaison has there been with online companies and social media sites?

When was the last review of the legislation covering these areas? As my hon. Friend the Member for Swansea East said, and as ESF highlighted, the legislation is from 1994—well before the explosion of internet trading. Are the Government confident that the law as it stands is robust enough for the present day? Have they reviewed the recent trend of fires in domestic premises caused by electrical sources? If so, what evidence did they find? If not, will they do so in conjunction with the Minister for Policing, Fire, Criminal Justice and Victims?

I do not for a second question the Government’s intention; they take this matter very seriously. We simply seek reassurance that we are doing everything possible to ensure that the good people on the frontline have the resources and tools they need to do their job and protect society. As many colleagues know, I was in the London fire brigade for 23 years before I was elected to represent my constituency. Fire service personnel will always put themselves at risk to deal with fires, but despite the efficiency of the British fire service 70 people died. The fire brigade cannot protect everybody, so the Government must ensure that things do not get that far. The purpose of today’s debate is to ensure that matters do not come to such a tragic end. However consumers buy electrical goods in the UK, they must be able to do so in the confidence that they are not buying a product that could harm them or their family.

Geraint Davies (in the Chair): Thank you for your brevity. To continue the melody of Celtic voices, I call Martin Docherty-Hughes.

10.21 am

Martin Docherty-Hughes (West Dunbartonshire) (SNP): It is nice to see you in the Chair, Mr Davies. I am pleased to take part in this debate, and I congratulate the hon. Member for Swansea East (Carolyn Harris) on
securing it. I must declare an interest: I was formerly the secretary of the Scottish Accident Prevention Council, so I am keenly aware of many of these issues. For the record, I have never used hair straighteners—faulty or otherwise.

Geraint Davies (in the Chair): Nor have I.

Martin Docherty-Hughes: Households face the continuing challenges of squeezed incomes and rising prices for essential goods and services, so consumers are increasingly vulnerable to making distressed purchases. Many are tempted to buy fake and often faulty electrical goods. Like others, I am particularly worried about my constituents on low incomes. The elderly and others in disadvantaged situations are particularly susceptible to exploitation by unscrupulous businesses seeking to benefit from consumer vulnerabilities.

Inferior electrical goods pose a host of dangers to the public, and often leave behind a legacy of safety concerns and property damage, about which we have heard today. As other hon. Members highlighted, counterfeit electrical goods follow consumer trends—fake Fendi handbags cannot really injure people, but a faulty fake washing machine can kill people in their beds with smoke and fire.

Fake items often contain faulty parts that can overheat, catch fire or cause electric shocks. Like many other hon. Members, I have read the Electrical Safety First report, “A shocking rip off”, which found that a key reason why fakes are sold so cheaply is that they often have no short-cuts, lack specific components or contain substandard ones. According to the charity, the increasing sophistication of fake production means that often the only way of identifying items as counterfeit is by checking their internal components, but that is not on many of my constituents’ minds when they make a purchase, particularly if they do so online.

It has never been easier for counterfeit products to enter the UK marketplace, given the number of internet-based sales portals and social media marketplaces. Anyone with a bank account and internet access can import products from anywhere in the world. I do not want this debate to be about preventing them from doing so; that is not what we are talking about. At the same time, the resources of the agencies tasked with tackling the counterfeit menace are being spread even more thinly, making it hard to identify and take robust enforcement action against the supplies of faulty electrical products.

Faulty electrical products are thought to cause billions of pounds-worth of damage every year, both from the economic impact and from the fires and injuries they cause when they malfunction. Although the figures for fires caused directly by counterfeit electrical products are hard to come by, fires caused by electrical products are responsible for nearly 3,000 domestic house fires in Scotland alone per year. The average cost of a house fire is estimated to be about £44,500. Even if only a small proportion are due to faulty electrical goods, the direct financial impact is likely to be significant, leaving aside the human cost of such fires.

In my constituency—the one and only West Dunbartonshire—between 2009 and 2015, more than 11% of all accidental house fires were caused by faulty electrical items. I was further worried to learn that Citizens Advice Scotland reported a 17% increase in annual calls from consumers who have concerns about electrical products. Although much has already been done to tackle the importation of faulty electrical goods into Scotland and the rest of the UK, those figures show that there is a real need to fully understand the issue and to deal with it sooner rather than later. In liaison with partners, including Electrical Safety First, the Scottish trading standards services are working hard to identify and take robust enforcement action against the supplies of faulty electrical products.

In my constituency, West Dunbartonshire trading standards officers work tirelessly to protect consumers from imported and often unsafe electrical products. In the run-up to Christmas 2015, they prevented 1,000 non-compliant hoverboards—that ubiquitous item—from entering the UK. We have all read about the safety issues surrounding that newestfad gadget. In that case, it was deemed that the boards contained faulty plugs, cabling, chargers and batteries, which could have led to the devices overheating, exploding or catching fire.

Recently, the West Dunbartonshire trading standards office, like many other trading standards offices across the UK, has been contacted by worried consumers who have fire safety concerns about recalled tumble dryers. One of my constituents who has responded to the recall has been told that they will get their modification visit in May 2017. That is a scandal. They are supposed to continue to use the potentially dangerous product in the meantime or to take up the company’s generous offer of a new machine for £99 in place of modification.

The Scottish Government have proposed to the Smith commission that consumer protection be fully devolved to Scotland. I ask the Minister, why is it not? Why are we not helping consumer protection organisations to work together across the rest of the UK? More importantly, why are we not bringing consumer protection closer to the consumer?
There has been an interesting change in the way that such items reach us over the years. Previously, we might have picked them up in a market or a small shop, but since the legislation was introduced in 1994 there has been a move to online shopping. At about that time, eBay and Amazon were founded. We could not have predicted the increase in the volume of online shopping and the way that trend changed over time. A lot of hon. Members have talked about that. When people buy things online, it is difficult to ascertain their quality and legitimacy. The legislation is rife for review. We must address those issues, because those changes to the market could not have been anticipated in 1994 when the legislation was introduced. The work that has been done to highlight these various issues is very important. The hon. Member for Swansea East talked about monitoring these issues and the sale of such items, and I support her call for action. The Government must do something about this.

Although it is important that we all raise public awareness in our communities, as the hon. Member for Strangford (Jim Shannon) said, that is not enough. We can raise awareness as much as we like, but without the legitimacy of legislation to crack down on traders on popular websites such as Amazon and eBay, we will be stuck. Nothing will help our consumers more than legislation. If illegitimate sellers suffer no penalty for what they are doing, they will continue to do it.

My hon. Friend the Member for Rutherglen and Hamilton West (Margaret Ferrier) said that it was important to have a full investigation of trading standards throughout the UK to see where there are gaps and to ensure that people are protected equally around the country.

Another interesting issue is that of retro items, older electrical goods that people want to have in their homes but might fall foul of the legislation—perhaps they were made just before 1994, or are much older. Such items are being sold and kept in homes, although people might not realise the potential difficulties because of the safety standards that are not present.

Jim Shannon: Some of the advertising on eBay and Google advertises a genuine product. However, an Apple product cannot be genuine if it is only £2.89—let’s be honest. Perhaps the Government need to look at the advertising as well.

Alison Thewliss: The advertising issue is significant. During the speeches, my hon. Friend the Member for Glasgow North West (Carol Monaghan) and I were looking online at such advertising, and the products are all described as genuine. People should not be fooled into thinking that “genuine” means genuine in such cases, because they simply cannot be so.

The hon. Member for Merthyr Tydfil and Rhymney (Gerald Jones) spoke passionately about the history of manufacturing in the country and in his constituency, with particular reference to the Hoover factory. That is a critical point: when we employed people locally in the UK to produce the goods, we all had a stake—we knew, or we could trace the supply chain back to, the people in the factories. Everyone had an interest in ensuring that the products or their components were safe and legitimate, because everyone knew who would be buying the end product. Producing locally has an impact—people know who will buy the products, and we can all feel more secure when we have a stake in their production.

Margaret Ferrier: I pay tribute to the people in my constituency, in Cambuslang, where we had a Hoover factory that started in 1946. As my hon. Friend said, people have a personal pride in what they produce. As soon as the manufacturing left the UK and went abroad, we had no safeguards as to quality. It is a bit like the steel industry today: we do not know what the quality of the steel coming into the UK is. More than 2,000 people in my constituency worked in the Hoover factory—I pay tribute to them. In fact, I thought that the word for a vacuum cleaner was a hoover, because it was so well known.

Alison Thewliss: My hon. Friend is absolutely correct. A side issue is the unknown conditions in which those items are produced; we do not know the standards for the factories that staff are employed in, and, often, stories in the media show factories to be a kind of sweatshop. People employed in such conditions do not have the same stake in ensuring a quality product at the end of the day. They are being exploited as much as consumers in this country are being exploited.

The hon. Member for Strangford mentioned the must-have items, and that they drive demand is an important point. People are persuaded to buy cheap and cut corners in order to meet the demand and to make their consumer choice.

We also need to think a bit more about the points about price, as my hon. Friend the Member for Glasgow North West said. There is a cost involved in buying any product, but it seems that many of the big, legitimate companies retailing electrical goods know that too and they are putting a premium on many of their products; they are making a significant profit on these items and, as a result, people choose the cheaper route. The big retailers need to be a bit more responsible about their marketing and the price points they choose.

My hon. Friend also spoke passionately about the history of electrical items. It is absolutely true that electricity has always involved risks; the difference now is that we ought to have legislation in place to control them. In our era, we understand the risks—in particular, with physics teachers up and down the country, we understand a lot more about how electricity works, as well as its accompanying risks. We need to be a lot more careful about how we control electrical products in this country.

I am glad to welcome the contribution made by the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), who is a former firefighter of 23 years’ service. I served on the board of the Strathclyde fire and rescue service, which does a great deal of outreach work as well and would echo what he said about house fires. Firemen do not want to have to rescue people from house fires resulting from something that could have been prevented far further down the line.

There have been two serious house fires in Glasgow in the past week, and the people affected are very much in my thoughts and those of my colleagues in Glasgow. I do not yet know the cause of the house fires, but if there is a way to protect people and prevent house fires—as my hon. Friend the Member for West...
Dunbartonshire (Martin Docherty-Hughes) said, they cause so much damage—given both the human and the financial cost, there is work that we must do.

On the matter being devolved to Scotland, work going on shows that there is a will in Scotland to tackle the issue of counterfeit goods. A lot of good practice is happening in Scotland, but we are mindful of the ports around the country—we are on an island and can control, to some degree, what comes in through our ports. I would like to see greater investment in that. As we see from media reports, when things are stopped in port, they can be taken out of the market altogether.

One other point to throw in is that people are now importers of goods themselves. They can get around the ports and so on by ordering things from abroad. A constituent of mine even ordered a Taser over the internet and had it delivered to his house—to be clear, he immediately took it to the police. If people can order something such as that, ordering a plug charger or something is pretty easy. I want to see more control over what we can order ourselves and over what can be imported.

Again, I thank the hon. Member for Swansea East for securing the debate.

10.36 am

Yvonne Fovargue (Makerfield) (Lab): It is a pleasure to serve under your chairmanship, Mr Davies.

I, too, associate myself with the remarks of the hon. Member for Strangford (Jim Shannon) about the people in Brussels. Our thoughts are with them today.

I congratulate my hon. Friend the Member for Swansea East (Carolyn Harris) on securing this important debate. I wish every success to her all-party group on home electrical safety. The issue is really significant, and in common with many Members throughout the House, I pay tribute to Electrical Safety First, not only for its briefing but for the work it has done in the past, and I am sure will do in future, to highlight this important subject.

As we have heard, there is clearly a problem with the importation of faulty electrical goods, which seem to be flooding into the UK at the moment. As the hon. Member for Poplar and Limehouse and the hon. Member for Rutherglen and Hamilton West mentioned, a charter mark would be an extremely sensible move so that such items are easily identifiable.

More than £90 million is spent on counterfeit products each year. As we heard from my hon. Friend the Member for Swansea East, the issue is partly one of intellectual property—many of the goods imitate those of well-known manufacturers, which have spent years building their reputations and garnering good will. My hon. Friend the Member for Merthyr Tydfil and Rhymney (Gerald Jones) spoke passionately about how the Hoover factory was integral to his constituency and about the pride people felt in that product.

Even now, undercutting the real thing damages legitimate businesses, wherever they are. Of course, the customer suffers. Made of cheap materials and shoddily put together, counterfeit goods perform badly and often break down, leaving the customer dissatisfied and out of pocket. More importantly, however—certainly to the debate today—such goods are not only substandard, but often dangerous to use. There is a real risk that they will increase the number of domestic fires. My hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) knows well the associated risks and the cost of domestic fires, whether human or economic.

As we heard from my hon. Friend the Member for Swansea East, over Christmas there was a spate of stories about counterfeit electrical goods—NutriBullets, hoverboards, dangerous hair straighteners, Apple accessories and so on. According to Electrical Safety First, more than 17,000 domestic fires a year in this country are caused by faulty appliances, with 40 to 45 deaths. Surely they should be more preventable.

Of course, it is easy to say that customers should be a bit more careful and check what they are buying, but often it does not occur to them that what they are buying could kill them. People tend to trust implicitly goods bought on trusted internet sites, assuming that they must be legitimate to be accepted on to sites such as eBay. We need more legislation to make websites responsible for the products that they sell.

People assume, like when they buy a fake leather bag when on holiday in Turkey, that they are simply getting a good deal, because the real thing seems overpriced. As we heard from the hon. Members for Glasgow North West (Carol Monaghan) and for West Dunbartonshire (Martin Docherty-Hughes), people on a low income always want to save money on goods, and the real thing is often overpriced. Many people—a quarter of people—buy fake goods knowingly.

We need more public education. I admit that I spent the weekend checking my iPhone chargers to see whether they are genuine, and it is really difficult to tell. What are the Government doing to increase consumer knowledge of the dangers of counterfeit goods and, equally importantly, of how to identify them? I had a magnifying glass out to look at some of the chargers to see whether the words were spelt correctly and whether they had a CEE notice. Surely, as the hon. Members for Strangford and for Rutherglen and Hamilton West mentioned, a charter mark would be an extremely sensible move so that such items are easily identifiable.

On consumer protection and the need to ensure that goods do not find their way into Britain, we have heard about the ports and border agents. Counterfeit goods should be quickly confiscated if found. However, we need to look again at product recall. Only last month the consumer campaigner Lynn Faulds Wood completed her independent review, in which she branded the product recall system as “out of date” and not working well enough.

Many people have mentioned the case of the Hotpoint tumble dryer that caught fire and destroyed a house. Two weeks on from news breaking of the Hotpoint, Indesit and Creda tumble dryer safety alert, the manufacturer had still not listed the affected products that potentially posed a fire risk. When a safety risk is discovered, the onus to initiate recall seems to be entirely on the manufacturer. That is not effective; the onus needs to be elsewhere. Certainly, as my hon. Friend the Member for Poplar and Limehouse and the hon. Member for Strangford said, people do not always fill in the little
cards to register their goods. Why not? Because they assume, like everything else, that they will get loads of manufacturer information landing on their doorstep daily.

What happens to those who move house? No one keeps manufacturers up to date—I cannot remember doing that—which is why I support Lynn Faulds Wood’s central recommendation for a national product safety agency, endorsed and backed by the Government. It would be good to know whether the Minister feels that would be effective. Surely it is no coincidence that recall works so much better for unfit food, for which we have the Food Standards Agency.

Underlying the central recommendation is a call for improved funding and resources for enforcement agencies. We have heard a lot about how legislation needs to be strengthened, but it is no use having legislation unless we enforce it. Trading standards in particular has had huge cuts under this Government and the coalition Government—it has suffered a 40% cut since 2010. Some offices report a halving of staff; in fact, I have heard of offices that have only one staff member to protect the public.

In a recent exchange with me, the Minister said: “Trading standards services are merely one of the enforcement mechanisms for consumer rights. Consumers can enforce their own rights, as established by the Consumer Rights Act, and mechanisms for consumer rights. Consumers can enforce their own rights, as established by the Consumer Rights Act, and trading standards services are working more efficiently across the country.”—[Official Report, 15 March 2016, Vol. 607, c. 781.]

I would be interested to know how he believes consumers can enforce their own rights when they are not aware of problems with faulty and unsafe electrical goods, or of the criminal rogue traders who deliberately flout the law. I would also like to hear what evidence he has for his statement that trading standards services are “working more efficiently”, given that the Government decided not to publish the trading standards review completed before Christmas, which undoubtedly found that trading standards are under-resourced.

Figures released by trading standards in March 2015 showed that more than 6,500 items a day were detained, and that nearly two in five interventions at ports and borders identified unsafe or non-compliant items—64% of all LED lamps tested were unsafe. That is thought to represent a very small proportion of the volume of such products entering the country. Again, we need an assessment of that, and the enforcement agencies need resourcing. The £400,000 is welcome, but that is for National Trading Standards. It is often local trading standards offices that are the first port of call for worried consumers, and they are dropping in numbers.

This is not about cheap fake handbags that will not kill anyone; it is about counterfeit and dangerous electrical goods, and about the recall of goods that have been found to be dangerous. I finish with a quote from Lynn Faulds Wood’s review, which found “the lack of adequate market surveillance to be a major problem in the UK, possibly the biggest problem.”

10.45 am

The Minister for Skills (Nick Boles): It is a pleasure to serve under your chairmanship, Mr Davies, on this sad day. I associate myself with the comments about the victims in Brussels. I congratulate the hon. Member for Swansea East (Carolyn Harris) on securing the debate and making such a comprehensive and thoughtful exposition of the issues that not just worry her but led directly to the death of one of her constituents. I also congratulate Electrical Safety First, which has clearly done a superlative job of engaging with Members from all parts of the House and providing them with compelling briefing.

In the debate, the hon. Member for Rutherglen and Hamilton West (Margaret Ferrier) got to the heart of the matter—the question of whether the arrangements we have to protect consumers are fit for purpose in the age of the internet, with globalised supply chains, where enforcement at a very localised level, as she called it, does not really address some of the bigger problems and sources of risk. It is for that reason that we did not feel that the previous review of trading standards had gone far enough: it did not really address her question. That is why a more fundamental review, not so much of trading standards as such, but of consumer protection in an internet age, has been launched by my hon. Friend the Minister for Small Business, Industry and Enterprise.

In the meantime, I will explain in the brief time available what the Government are doing with trading standards and other enforcement bodies. I hope thereby to answer most of the questions posed to me in the great range of excellent contributions from hon. Members.

The Department for Business, Innovation and Skills provides £14.5 million a year to National Trading Standards and to Trading Standards Scotland, which use that money in large part to focus on the problems of faulty goods, counterfeit goods and the various different ways, whether through fulfilment houses or online trading sites, in which they find their way into the country. National Trading Standards has a safety at ports and borders team that focuses in particular on the physical import of those goods, but there is also close work between National Trading Standards and major sites such as Amazon, eBay and Facebook, which are clearly one of the main ways in which consumers are being sold either faulty or counterfeit or both faulty and counterfeit goods.

I will give one vivid and recent example of the enforcement action being undertaken. Operation Jasper involves 63 local authorities’ trading standards officers and has led to 4,300 Facebook listings being taken down, 12 premises raided and 200 warning letters sent to other traders. That is the kind of proactive enforcement that we want to see. I am sure that there is always more that can be done, but National Trading Standards and local trading standards are working closely with sites such as eBay, Facebook and Amazon on such measures. As another example, some brands of hoverboards and LED Christmas lights—items that were mentioned in the debate—were removed from eBay last October as a result of enforcement activity by trading standards.

The question of counterfeit goods is in a sense a subset of the issue we are debating, rather than a different matter. Some of the goods in question are not counterfeit; they are just faulty. Others are counterfeits but not faulty, and some are both. In September 2013 the coalition Government launched a dedicated intellectual property crime unit, run by the City of London police. That has been taking action against sellers who use Facebook, and those who use the more traditional route for counterfeit goods—the much-loved tradition of car boot sales. In legislation in 2014 we introduced a
criminal sanction against the sale of counterfeit versions of goods that have registered trademarks or patents, to give legitimate producers a greater enforcement ability against those who persistently flout their intellectual property rights.

I want briefly to mention fulfilment houses, because they are one of the routes through which faulty and counterfeit goods can make their way to the consumer. As the hon. Member for Swansea East mentioned, there is one such fulfilment house in Swansea that has been the subject of enforcement action by trading standards and Her Majesty’s Revenue and Customs. That action is continuing, but it has led to a large quantity of non-compliant goods being removed from sale, including unsafe electrical products and counterfeit goods. I hope that that goes some way to reassuring hon. Members that there is quite a range of enforcement activity—some that is more traditional, as well as other approaches that address the new globalised problem created by the internet. We should acknowledge, as I think we all do in our own lives, the massive opportunities that the internet has brought us.

**Jim Fitzpatrick:** I am not sure whether the Minister mentioned the timescale for the review of trading standards. Can he suggest how long it will last and what the outcome might be?

**Nick Boles:** I do not know off the top of my head, but I am happy to write to the hon. Gentleman about that, and to copy in other hon. Members who have attended the debate. We have quite a range of expertise in the debate, and it would be useful to have contributions from hon. Members on both sides, including, perhaps, representatives of the Scottish Government, who I know also do a great deal of work on the question.

**Martin Docherty-Hughes:** The Minister mentioned the problem of the internet. Does he recognise that the internet is also a hope for the future, in relation to consumer rights and protection? People can put reviews on eBay and Facebook, and there are greater opportunities through technology than we have been giving credence to in the debate. I hope that the Government will take cognisance of the changes that are coming in technology, in the next 20 years, because what we have seen so far will pale into insignificance.

**Nick Boles:** I entirely agree. Before I took the intervention from the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) I was coming on to the fact that, for all that the internet has created opportunities for criminals and those who would abuse freedom, it has nevertheless also created even greater opportunities for legitimate traders and consumers. As the hon. Member for West Dunbartonshire (Martin Docherty-Hughes) says, there are opportunities through the internet to share information about suppliers who have failed to live up to their obligations, and products that do not do what they are supposed to do, or are counterfeit or faulty.

In the debate, several hon. Members picked up on the idea of introducing a new charter mark, but I want to warn against viewing that as a panacea. As hon. Members will be aware, electrical goods are already required to carry the CE mark, and the problem is that lots of people fake that; so introducing a new charter mark would not itself necessarily deal with the problem. I presume that people would fake the new mark just as they did the previous one. It is more a question—and perhaps this is what was being suggested—of asking social media sites and trading platforms such as eBay, Facebook and Amazon to take responsibility themselves for having the kinds of review information that the hon. Member for West Dunbartonshire mentioned, and to be proactive not just in taking products down but in kicking traders off their sites. Of course the traders would all go off and set up in a new guise two months later, and return to the sites, but consistent and persistent work to try to prevent consumers being ripped off or put at risk is needed. I assure the hon. Member for Swansea East that the Government will continue to work with her and other Members, and Electrical Safety First, to try to ensure that we have the problem under control.

**Geraint Davies (in the Chair):** Because of excellent time keeping, I can call Carolyn Harris to wind up.

10.55 am

**Carolyn Harris:** Thank you, Mr Davies. As a fellow Swansea Jack it is with great pride that I have served under your excellent chairmanship today.

Today’s debate has demonstrated a depth of concern and strength of feeling about an important issue. I, like other MPs, pay tribute to Robert Jervis-Gibbons and Phil Buckle of Electrical Safety First for their excellent guidance, and their determination to bring the issue to the fore. I sincerely thank all hon. Members for their contributions. It has been an absolute delight to spend the morning with them all. I urge the Minister to work with Members and the all-party group to raise awareness, protect consumers and, potentially, save lives.

**Question put and agreed to.**

**Resolved.**

That this House has considered the importation of faulty electrical goods.

10.56 am

**Sitting suspended.**
War in Yemen: First Anniversary

11 am

Peter Grant (Glenrothes) (SNP): I beg to move, That this House has considered the first anniversary of war in Yemen.

I am grateful for the opportunity to hold a brief debate as one of the ways to mark one year of the dreadful human suffering that this poor country has witnessed. I am also grateful to all those who have taken time to attend the debate this morning.

Yemen is a country of just under 26 million people, with a land area comparable to that of the state of California. It occupies part of the southern tip of the Arabian peninsula, and its position means that it has always had immense strategic importance; it guards the narrow entrance between the gulf of Aden and the Red sea. Credit to the building of the Suez canal, that route has been of immense importance to nations much further afield than the immediate middle eastern area.

There are records of civilisation in Yemen going back at least 5,000 years, and probably significantly longer. Yemen has taken such certainly the interest and is the biblical kingdom of Sheba. It has been known for great wealth, great pomp and great power. Today, sadly, it is known for quite the opposite. Its nearest land neighbours are some of the wealthiest empires on the planet, and I ask Members to bear that in mind when I go on to talk about the desperate plight facing tens of millions of ordinary men, women and particularly children in Yemen.

For most of the country's history, Yemen has been divided. In the 19th century, the British used military force to take over part of the southern area around Aden. Until then, most of Yemen had been under the Ottoman empire. The Ottomans remained in the north until their empire fell at the end of the first world war. British rule in the south continued until 1967. A few years later, the south came under Marxist rule, closely aligned to the Soviet bloc. When the Soviet bloc then collapsed in 1990, the two halves were reunited again, at least nominally.

However, the tension, suspicion and regular outbreaks of violence between north and south Yemen that marked the latter half of the 20th century have continued unabated since the country was notionally combined under a single ruler. The present war started after the Houthis, one of the main factions in the country, attempted to take charge of the country when there is an end to the present conflict?

War in Yemen: First Anniversary

there is a lot of uncertainty and no definite right and wrong answers as to who the Government should be. One problem is that going back to the days of empires, colonial powers and so on, it is hard to find a single period when anyone who governed Yemen cared very much about the 25 million to 26 million people who live there. I do not think that either of the factions now fighting for control of the country are really that interested in the welfare of civilians.

In the background, and moving very much into the foreground, is al-Qaeda, which has had a presence in Yemen for a number of years. It has taken advantage of the instability and the conflict to seize more and more territory. Al-Qaeda in the Arabian Peninsula, as it now styles itself, is probably the most powerful, influential and dangerous element of al-Qaeda anywhere in the world. We should be concerned about that, and we should be looking for a peaceful and just resolution to the conflict so that different sides in the dispute can start to concentrate on removing al-Qaeda and the threat it carries.

An indication, perhaps, of just how complex and often incomprehensible the whole situation is are the credible—and I believe thoroughly accurate—accounts that Saudi-led coalition forces have fought alongside al-Qaeda forces at times during the conflict. If a war leads to Saudi forces and al-Qaeda fighting on the same side, it should tell all of us that we have to think very carefully about how we get involved.

What there can be no room for any doubt about whatsoever is the desperate plight of tens of millions of ordinary men, women and children just like us in Yemen. Save the Children provided a helpful briefing for us a few weeks ago, and I will quote some of its figures. It is producing a much more detailed and up-to-date report tomorrow; I do not want to pre-empt that launch, other than to say that the report does not change very much from Save the Children's description a few weeks ago of the severity of the situation. It has reported, as have others, that more than 2,000 children have been killed or seriously injured in the past 12 months. The initial report states that “1.3 million children under the age of five are suffering from acute, life-threatening malnutrition.”
Peter Grant: It continues:

“In 2015, more civilian deaths and injuries from explosive weapons were recorded in Yemen than in any other country around the world.”

Yemen is the most dangerous place in the world in terms of civilians being killed by bombs and missiles. It is also regarded by the United Nations High Commissioner for Refugees and, I believe, by Save the Children as the country with the most people in desperate need of humanitarian aid. Estimates of the number of people who are in a life-threatening situation through a lack of humanitarian aid start at around the 10 million mark. As I said, 1.3 million children under five are suffering from life-threatening malnutrition. For a four or five-year-old, the time it takes to go from life-threatening to too late is not very long at all. We have to act, and we have to act now, to establish safe and secure routes for food and other essential supplies to get to those children, their families and their parents.

There have been reports—again, reliable ones—that when explosive weapons have been used in built-up areas, 95% of the casualties have been civilians. If that is the case and attacks keep happening, we have to ask ourselves: is that really accidental? Is it really unintentional? It cannot be claimed to be unforeseen, and my view is that anyone who undertakes any act of violence when civilian casualties are foreseen or foreseeable must be held fully responsible for wilfully and recklessly causing deaths.

Jo Cox: I congratulate the hon. Gentleman on securing this timely discussion. As he will be aware, the UK is Europe’s largest donor of humanitarian aid to Yemen, but at the same time the UK is also the largest arms supplier to Saudi Arabia. Does he agree that it would be great to have an answer from the Minister today about how the Government can reconcile that stark contradiction?

Peter Grant: I am grateful for that intervention, and I agree entirely. I do not remember the exact figures—I have them somewhere—but I can say that UK emergency aid to Yemen is measured in the tens of millions, whereas UK arms sales to Saudi Arabia are measured in thousands of millions. The disparity is stark.

I come to the question of arms sales. The Government have previously defended them, essentially by saying, “We can’t find any evidence that weapons from British sources have been used actively in this oppression and in killing civilians,” but that is not good enough. The United Nations panel of experts has identified 119 cases in which Saudi-led coalition forces have undertaken military action in breach of international humanitarian law, either because they have deliberately targeted civilian targets or because they knew that by attacking military targets, there was a significant risk that civilian targets would be affected. That is why we are seeing schools, hospitals, roads, railways and mosques—the very fabric of society in Yemen—being destroyed.

Alison Thewliss: My good friend mentions hospitals in Yemen. Does he share my horror that Médecins sans Frontières hospitals in Yemen have been hit by projectiles and missiles, and that even ambulances have been hit as part of the conflict, putting at risk medical staff and the people they are desperately trying to help?

Peter Grant: Again, that is a very valid point. It seems to me that whereas Governments the world over—if they are doing anything—are siding with the Saudi-led coalition, the only people who are really putting themselves out to help those in the most need of it are organisations such as Médecins sans Frontières, Save the Children and other non-governmental organisations. Many of them put their staff and volunteers at enormous risk and many of them, including Médecins sans Frontières, have seen colleagues lose their lives in air strikes, which I do not think can credibly be laid at the door of anyone other than the Saudi-led coalition.

I draw Members’ attention to an answer given on 10 March to a written question from the right hon. Member for Carshalton and Wallington (Tom Brake), who is one of a number of Members who have pressed the Government on aspects of the conflict. He asked specifically what the response of the Government of Saudi Arabia was to the representations that had been made about the attack on the hospital and about a number of other reports of attacks on civilians and breaches of human rights. As is so often the case, the Government provided a reply but not an answer; they gave no indication that they had had any response at all. I ask the Minister today: in response to United Kingdom representations, have we yet had a substantive answer from the Saudis explaining specifically the destruction of the Médecins sans Frontières hospital?

My view is that it is not enough to say that we cannot find proof that the Saudis have done this deliberately, or even that the Saudis have done this at all. It is not enough to say that we cannot find substantive proof that weapons or weapons components—some of which are manufactured by Raytheon in my constituency, incidentally—have been used. By this time, there should be conclusive evidence that they have not been used. The UK Government’s position appears to be, “We are not going to investigate it particularly carefully; it is up to the Saudis to investigate what their military forces are doing.” What kind of system of international justice would we have if an accusation of mass murder was investigated only by the accused person?

Jo Cox: The hon. Gentleman is making a powerful speech. As he will be aware, a recent UN panel of experts found that all sides in the Yemen conflict have committed serious violations of international humanitarian and human rights law, yet at the UN Human Rights Council, the UK Government and Saudi Arabia blocked the establishment of an independent international commission of inquiry into the allegations. Does he agree that it is now time for our Government to push for that independent international UN commission of inquiry so that we get to the bottom of these crimes against humanity?

Peter Grant: Absolutely—and I should say that questions have been asked about how exactly the Saudis put that position on the Human Rights Council and who wielded influence. That is possibly a debate for another day, but Her Majesty’s Government still have questions to answer in that area.
I want to give the Minister as much time as possible, because I am aware that responses to Westminster Hall debates fall into two camps. One is when a Minister gives a reasoned, thoughtful and helpful response, and although they are perhaps not able to give commitments, they certainly recognise that concerns have been raised and give an undertaking that the Government will seriously consider the representations that have been made, which the House no doubt accepts in good faith. The other kind is when a Minister reads a brief that could have been prepared and read by anybody, and really takes us no further forward. I hope that the Minister’s response today is of the former kind, because we need answers, including the answer that has not come yet to the right hon. Member for Carshalton and Wallington. What responses have the Saudis given, as of today, to the serious and urgent questions that the Government asked them several weeks ago about reports indicating that the Saudi-led coalition is in breach of international law? What responses have they given on the bombing of the Médecins sans Frontières hospital, for example?

Of the 119 documented cases where it appears that Saudi-led coalition forces have committed war crimes and acted in breach of international law, can the Minister point to any one that he is satisfied has been properly investigated? The Saudis are investigating in general terms, and it is quite clear that they will not take it on themselves to investigate individual incidents. If nobody investigates individual incidents when there are accusations of war crimes, the war criminals will get off scot-free.

Most importantly, I want a commitment from the Government that they will use their full influence to call for an immediate and lasting ceasefire across the whole territory of Yemen, because until that happens, we cannot start to get essential food, medical and other supplies brought into the country. Yemen relies heavily on imports for its food, fuel and other life essentials. I commend the Government for the action they were able to take to ease the blockade that was imposed on the main port of Yemen, but we still have to ask how anybody could blockade the major port in a country that relies on imports to feed its children and not stand accused of deliberately using the starvation of children as a weapon of war. Whatever else may come out of the investigations into individual military airstrikes, I believe that those who sanctioned the blockade and those who helped to enforce it have a case to answer. I want to hear a commitment from the Government that they will press for those responsible to be brought before an international court if evidence can be found against them.

We have to turn off the tap to stop the bath from overflowing. If we operated a country sports shop and heard claims that one of our customers was shooting children as well as deer in the forests, would we wait for them to be convicted, or would we say to them next time they came in, “We are not selling you any more bullets”? There are surely enough credible, documented cases for the United Kingdom Government to say immediately, “We will no longer provide weapons of war, or the components of weapons of war, until we have cast-iron evidence that none of them have been used for the killing of children in Yemen.” Otherwise, all those who have condoned the military action in any way, whether they are brought to account soon or much later on, will be faced with the accusation, “I was hungry and you cut off my food supply. I was sick and you bombed my hospital. I was a child and you denied me the right to go to adulthood.”

11.18 am

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): It is a pleasure to work under your chairmanship, Mr Davies. I very much welcome this debate, which is one of a series we have had—and, I hope, will continue to have—that scrutinises what the Government are doing with the international community to assist people to see the atrocities and tragedy taking place in Yemen, and not least to raise the profile of what is happening there, bearing in the mind the other challenges that we face in the middle east. I very much congratulate the hon. Member for Glenrothes (Peter Grant) on securing this debate.

The UK counts itself among Yemen’s strongest friends, with a relationship, as the hon. Gentleman outlined, that dates back centuries. Aden was the main refuelling stop for ships between Britain and the far east and many Yemeni immigrants form some of the oldest Muslim communities in the UK, particularly in the port areas of Liverpool, South Shields and Cardiff.

Yemen is the poorest country in the middle east. For some years now, the UK has taken the lead in trying to tackle poverty, support state institutions and address the dire humanitarian situation. Furthermore, peace and stability in Yemen matter to the UK because that is the best way to mitigate the terrorist threat emanating from the Arab peninsula. Well-established groups in Yemen, such as AQAP—al-Qa’ida in the Arabian Peninsula—and now Daesh, are a threat to our national security and we remain resolved to tackle this.

Regarding the conflict, the House is aware that Yemen had been making steady progress towards improved stability. A Gulf Cooperation Council-brokered initiative back in 2011 committed all parties to talks, to a new constitution and to national elections, but regretfully the Houthis stepped away from the talks. They chose conflict instead of consensus and in September 2014, with support from forces loyal to former President Saleh, they staged a takeover of the legitimate Government of President Hadi and took control of key state institutions. That was clearly unacceptable, but also a clear violation of the 1994 Yemeni constitution and the principles of the 2011 Gulf Cooperation Council initiative.

The legitimate President of Yemen, President Hadi, called for help to deter Houthi aggression. A Saudi Arabian-led regional coalition responded to enable the return of the legitimate Yemeni Government. The UN then passed Security Council resolution 2216—the House has become very familiar with it—condemning the unilateral actions of the Houthis and the destabilising actions of both the Houthis and former President Saleh.

The Houthis consistently failed to implement commitments made in the so-called peace and national partnership agreement of September 2014. Houthis
and pro-Saleh forces seized territory and heavy weapons across the country. They are holding the Minister of Defence and other senior members of the Yemeni Government under house arrest and have shown total disregard for the welfare of civilians. They have also failed to adhere to UN Security Council resolutions.

It is important to remember that this is the context of the Saudi Arabian-led coalition’s military intervention. Saudi Arabia and the coalition have played a crucial role in reversing the military advance of the Houthi forces loyal to former President Saleh. I want to make it clear that the UK is not part of the Saudi-led coalition. We are encouraging the coalition and the Yemeni Government to use their military gains to drive forward the political process.

I can share with the House the fact that in recent days there has been some encouraging progress. We have seen de-escalation along the Saudi border in the north and prisoner exchanges. We welcome the announcement on 17 March by the Saudi Arabian-led coalition that it intends to scale back its military operations in Yemen. A political solution is the best way to end the conflict and to bring long-term stability to Yemen.

The hon. Gentleman raised human rights violations. Hon. Members have mentioned several alleged violations of international humanitarian law by actors in the conflict. We are aware of the allegations that have been made by a variety of sources, including the UN panel of experts in its recent report. We looked at that very closely and take the allegations seriously. However, as I shared with the House, the report was conducted by people who did not enter the country, but used satellite technology to make their assessments, so we must place that in context with our ability to do our own assessments. The Ministry of Defence monitors incidents of alleged IHL violations using available information, which in turn informs our overall assessment of IHL compliance in Yemen.

I have previously committed to raising the allegations with the Saudi Government and did so most recently on my visit to Saudi Arabia and with the Saudi ambassador last month. I will continue to raise any such concerns. It is of course important to determine the facts of any incident and the Saudis set out their own internal investigation procedures, which are very welcome, at a press conference on 31 January.

Hon. Members also raised the issue of arms sales, but I ask whether the humanitarian situation would be any better if the UK were not selling arms to Saudi Arabia and that country was not engaged in supporting President Hadi. The hon. Member for Glenrothes questioned that. Without the coalition, the Houthis would have pressed down to the port of Aden and the scale of the humanitarian disaster in that country would have been a lot worse than the one we are facing now. The fact is that the Houthis have been forced to the political table, and we now see the potential for a ceasefire table, and we now see the potential for a ceasefire forward the political process.

I was pleased the hon. Lady recognised—the hon. Gentleman did not mention this—that another adversary is in breach of many humanitarian laws, not least the use of child soldiers and so on. This is not to exonerate any alleged breach or violation or the fact that they must be looked into. In its resolution in October 2014, the UN Human Rights Council made it clear what the process would be. It offered UN assistance to make sure violations are looked into and a report will come back to the council in the next month.

Mr Ellwood: No, I did not say that. The hon. Gentleman is leaping and almost putting words in my mouth. I want to make it clear that we have discussions with the Saudi Arabian regime and say that if there are alleged violations, they must be looked into. The Médecins sans Frontières hospital is an example of that and of when the regime should put its hand up. We have experienced this in the past in operations in Afghanistan and Iraq when collateral damage took place. It is important that procedures are in place to make sure the hand goes up, investigations take place and the necessary reparations are made. We do not want violations glossed over, which is why we are firm with every partner in the coalition to make sure they are clear about their targeting processes.

Jo Cox: Will the Minister give way?

Mr Ellwood: I am running out of time, but I am happy to give way.

Jo Cox: Given the growing number of serious allegations, does the Minister believe it would be right for the UK Government to call a pause in arms exports to the Saudi Arabian regime until we get to the bottom of those allegations? Would that not let him sleep at night?

Mr Ellwood: What would make me sleep at night is making sure people come to the table. We are now embarking on that, thanks to the work of the UN envoy and those involved in the discussions. That is the direction we are heading in. Yes, there are allegations and we make it clear that we are doing our own assessments to understand whether the equipment we sell has any participation in that and indeed whether the violations are by the Houthis or the Saudi Arabians.

I was pleased the hon. Lady recognised—the hon. Gentleman did not mention this—that another adversary is in breach of many humanitarian laws, not least the use of child soldiers and so on. This is not to exonerate any alleged breach or violation or the fact that they must be looked into. In its resolution in October 2014, the UN Human Rights Council made it clear what the process would be. It offered UN assistance to make sure violations are looked into and a report will come back to the council in the next month.

Mr Ellwood: There are two and a half minutes left. This is the hon. Gentleman’s debate and I will give way if he wants me to, or I can conclude.

Peter Grant: Will the Minister give way?

Mr Ellwood: I am grateful to the Minister for giving way. I think he misunderstood or missed part of what I said. Let me be clear: I believe that both sides in this conflict are guilty of appalling crimes and that neither is fit to take over the Government of Yemen. I do not make a distinction between good war criminals and bad war criminals. There is only one sort of war criminal in my book.

Mr Ellwood: I am glad I gave way and that the hon. Gentleman was able to place that on the record. It is very much appreciated.
In the limited time left, I want to say that the British military have some of the highest standards in the world governing our conduct in armed conflicts, including with regard to civilians. We have drawn on our experience in Iraq and Afghanistan and we certainly want to share that with other nations, but we are not part of the targeting process in Saudi Arabia or the coalition.

The humanitarian response is important, but also complex. As the hon. Gentleman said, 82% of the population is in need of assistance. That is why the Government have pledged more than £85 million to date, making it the fourth largest humanitarian donor.

The Government are doing all we can to support a meaningful peace process and to seek an early political resolution to the conflict. At UN-facilitated talks in December 2015, the parties committed to further dialogue and that offers some hope for the future. We continue to support the UN special envoy in his efforts to convene those talks over the coming weeks and to review the ceasefire.

The Government’s position is clear: the conflict in Yemen must end and the humanitarian situation must be addressed. The legitimate Yemeni Government must be allowed to return to the capital. A political solution remains the best way to end the conflict, to bring long-term stability to Yemen and to avoid a humanitarian catastrophe. All parties must engage constructively, without preconditions and in good faith. We are working closely with diplomatic channels to make this political solution a reality and to bring this devastating conflict to an end.

Question put and agreed to.

11.30 am

Sitting suspended.

GPS and Heavy Goods Vehicles

[SIR ALAN MEALE in the Chair]

2.30 pm

Craig Mackinlay (South Thanet) (Con): I beg to move,

That this House has considered GPS satellite navigation and heavy goods vehicles.

This is an increasingly complex issue because of the proliferation in recent years of devices and, more importantly, software available across Android, Apple and Microsoft-driven smartphones. The issue is not new but has been bubbling in the background for well over a decade. In-vehicle information systems, or IVISs, have received Government attention over the years, including in the Road Traffic (Driver Licensing and Information Systems) Act 1989 and the Driver Information Systems (Exemption) Order 1990, which concentrated on a licensing scheme for providers of real-time on-the-move information, such as Trafficmaster.

There was also a Government consultation in 2006, which sadly received just 111 replies. The results of that consultation were published in May 2008, but there were no firm recommendations for action. However, the sat-nav problem was highlighted in the consultation. In those days, very few heavy goods vehicle-only systems were available, which shows how technology has moved on at an exponential rate. The report concentrated heavily on the safety issues of—this is quite bizarre nomenclature—the human-machine interface, or HMI.

There was subsequently one welcome legislative amendment, in 2011, giving local highways authorities the ability to implement advisory signs without formal traffic orders needing to be made.

On 6 March 2012, the Department for Transport hosted a “Delivering the best information to all in-vehicle satellite navigation users” afternoon. It was intended to encourage appropriate sat-nav use, local authority involvement with the mapping companies, and consideration of using the insurance market to force HGVs to require appropriate HGV-robust sat-navs. That is especially important when hugely expensive bridge collisions occur, as happens in many constituencies. Those collisions can stop train services while the damage is assessed. That has not been an uncommon occurrence on the north Kent line running through Strood.

Kent County Council, as the highways authority for Kent, issued a freight action plan in October 2012 to cover the four-year period from 2012 to 2016. It highlighted the problem, unique to Kent, of having the active cross-channel ports of Dover and Sheerness, the port of London, the then fully operational Ramsgate port, and the channel tunnel. Kent has a uniquely high level and density of foreign trucks on its roads because of the port activities, and that presents unique problems. The KCC action plan highlighted inappropriate sat-nav use and particularly the necessity of appropriate advertising of strategic road use across the county.

The Under-Secretary of State for Transport, my hon. Friend the Member for Harrogate and Knaresborough (Andrew Jones), told the House on 20 July 2015 that legislation might be an inappropriate and bureaucratic means of addressing these issues. Despite a number of
TomTom was an early market entrant, and for many it is my contention that it is getting worse and more widespread than ever. The A257 Sandwich to Canterbury road suffers from inappropriate HGV use, and, importantly for the historic fabric of our nation, there are far too regular occurrences of economic standstill in the historic town of Sandwich as inappropriate vehicles that have absolutely no cause to be there become literally stuck, sometimes for hours.

I apologise in advance for the technical nature of my next comments, but I think it is worth while to lay out the framework of the advanced wizardry behind this now routinely used technology. The global positioning system comprises 31 US satellites orbiting 12,500 miles above the Earth. The system became fully live in 1995, but was available before then at lower levels of accuracy.

James Cartlidge (South Suffolk) (Con): I congratulate my hon. Friend, who is making an excellent speech on a subject that is important to my constituency. He mentions the wizardry involved. He may be interested to learn—I will talk about this later—that one of the houses in my constituency that is most frequently damaged by HGVs was used for the set of the Harry Potter film. Unfortunately, that wizardry is not available to us.

Craig Mackinlay: I thank my hon. Friend for that intervention. I am sure that if we asked just about every Member of the House, they would be able to cite similar problems of historic buildings being hit.

I will develop a little further my point about the technical wizardry. The GPS concept is based on time and the known position of specialised satellites, which carry stable atomic clocks that are synchronised to one another and to ground clocks. The satellites’ locations are known with great precision. The GPS receivers that we all have on our phones and cars and wherever else also have very accurate clocks. GPS satellites transmit their current time and position, and a GPS receiver, looking at multiple satellites, solves a complex equation and determines its exact position.

As can be imagined, given the usefulness of such technology, it was designed in the US primarily for military use, but its use rapidly spread to marine navigation and has now spread to road navigation, as accuracy levels are now down to 5 metres or less. The system is free to any user on the planet who has a GPS device and the known position of specialised satellites, which makes the point about devices losing their accuracy as new roads are built. It is also still a problem that they cannot tell how big or small a road is. In my constituency there is a place called New Smithy, near Chilney. Wagons continually get sent down the road there. The county council, which I rarely have a good word for, has done what it can with signage, but devices lead drivers down to a low bridge that they cannot get under. They have to turn round and they knock the bridge, and the costs of having to keep repairing the bridge are ridiculous. That is all because of sat-navs not being able to tell that there is a low bridge under which drivers cannot get their wagons.

Craig Mackinlay: My hon. Friend highlights exactly what the debate is all about. I will be coming to exactly that issue in a moment.

There are now a host of portable devices—they are actually called nomadic dedicated devices—that people can put in their pocket and in different vehicles that they own. They are available at varying costs, with new brand names now commonplace in the market. TomTom was a market leader in the early days. Now there is Garmin, which was traditionally a big player in the marine navigation market, and there are names such as Mio, Navman, Magellan and many others. The price of those machines for car use is now as little as £50. For larger screen sizes, the prices can be up to £250.

The market has changed, because we now have the ability to download smartphone software, often for free, across the major phone operating systems. A search of Google Play or Apple’s App Store would reveal a huge choice of available software. Some is free if one is prepared to accept adverts, and some is free for a limited trial period. There are also fully paid systems, but even those are at a remarkably low cost, sometimes of less than £20. Practically every personal digital assistant device that we own—smartphones, iPads, other tablets—now has GPS functionality, and they can all support such software. Many operate on the widespread Google Maps application, which, as with everything Google, is becoming dominant.

James Cartlidge: I want to go back to the point that my hon. Friend the Member for High Peak (Andrew Bingham) made. My hon. Friend the Member for South Thanet (Craig Mackinlay) is talking a lot about technology, and I must admit that I do not have the same level of expertise that he does. Is there any sign in the industry that the technology is reaching a point at which, without us having to legislate or regulate, it could tell a driver, “This road is inappropriate relative to the size of your vehicle”?

Craig Mackinlay: If my hon. Friend will let me continue just a little bit further, I will address the potential solutions.
We all realise the dominance of Google in our lives and on every machine that we own. Google Maps is a widely used application, but the downside for many of us is that it needs data transfer and use while on the move. That is not particularly helpful for people who are travelling abroad, given the data charges for foreign use. Software-based systems—the dedicated TomTom-style devices—have underlying, in-built maps called geographic information system data. They are installed so that there is no mobile data use. That is often the underlying framework used by nomadic and smartphone devices.

I think the solution lies with the base maps that the systems use. Only a few are actually used. A market leader is Navteq’s SDAL map, which is now called HERE. The Tele Atlas system drives TomTom and provides Apple Maps with its data. Of course, Google Maps has its own system. There is also an open source system called OpenStreetMap. There are 100 or more software variants that can run across different types of map data, and there is interchangeability in some software and devices so that they can accept and read any maps, from wherever they are sourced.

Royston Smith (Southampton, Itchen) (Con): I appreciate my hon. Friend giving way and congratulate him on securing the debate.

The emergency services sometimes have a problem if, for example, a road has been cut in half because something has changed, with a housing estate being built or something of that nature. However, they tend to make that mistake only once. Can something be done along the lines of what the emergency services do, so that updates to roads can be fed in to the companies that supply us with devices?

Craig Mackinlay: On the Navteq website, the public have the ability to put in new data as they arise. The company will then check those data and, if it is satisfied with their quality, they will become a new variant of future maps that it produces. Everybody is able to update those maps on a regular basis. It comes down to the fact that the data are out there if one could only find them.

For anybody who uses such systems, other data sources can be laid over the map data—often speed camera information or locations of points of interest such as museums, restaurants or even petrol stations—but, again, another problem creeps in. There is a huge black market out there of free downloads across so-called torrent sites, and that is becoming a huge industry. Therein lie the problems of accuracy and reliability, and questions about whether the data driving the devices are actually up to date at all.

Within a huge majority of the systems with which we are now becoming familiar, choices are available, including voice type and whether the data are required in metric or imperial. One can set up advanced warning alerts, choose whether travel is on foot or by car and decide whether one wants to take the shortest route, the fastest route, or a route with or without tolls. Wrong data or out-of-date devices are issues. If that is applied just to driving in a car, the worst that could possibly happen is that one could lead to a fine if entering a changed road layout, for example. In HGVs, the problem—and this is at the heart of the debate—can be infinitely more serious.

On that point, I come to the key issue. The use by HGV drivers of those cheaper car devices—available for £50, as I mentioned earlier—is all too common. That is compounded by smartphone software that is designed for car use only and, overlaid on that, the use of out-of-date map data that are perhaps downloaded illegally or from dubious sources. I am pleased to say that the problem is not largely seen across the UK lorry fleet. I pay tribute to the Freight Transport Association for its attempts to encourage its 15,000 members to buy HGV-compliant devices. It even has its own industry specialist shop, and provides a high level of advice to its members. I am pleased to say that common sense prevails across its wide membership and influence.

I do not particularly want to single out foreign drivers as the main culprits, but the example I want to present is from Sandwich in my constituency. I am sure that in almost every constituency in the country there are instances—such as those that have been raised by hon. Members today—of HGVs too often using inappropriate roads. A common excuse is usually advanced, and it always runs something like, “Oh, my sat-nav told me to.” After that, there is often a mad struggle for Google Translate to solve the communication problem.

Kevin Hollinrake (Thirsk and Malton) (Con): I congratulate my hon. Friend on securing the debate. These issues might sound trivial to some people who do not have constituencies that are constantly affected by them. In my constituency, the A170 runs up Sutton Bank and there are two one-in-fours divided by a hairpin bend. There are two incidents there a week with lorries having to back up all the way into the village, often causing damage to property and huge tailbacks for several hours. Does my hon. Friend know the combined economic costs of all these issues nationally?

Craig Mackinlay: My hon. Friend makes a very good point about not just the physical damage that occurs to road structures and historical buildings, but the economic cost of hours of tailbacks. One could probably make a reasonable guesstimate of what that cost would be in an individual place but, as my hon. Friend points out, this is happening in virtually every town in every constituency on a weekly basis.

Andrew Bingham: My seat is very rural so we have all the economic difficulties but there are also safety issues. Wagons are being shoehorned down lanes such as Mainstone Road, which is related to the problem in my constituency that I have already mentioned. Large wagons go down little lanes and roads, often at times when schools are turning out and so on. There is a safety issue as well as all the inconvenience, and the problem is particularly acute in rural areas.

Craig Mackinlay: I am grateful to my hon. Friend for raising that point. Not only do we have physical damage but we have the economic costs and the serious issue of road safety in areas that should not be affected by having such huge lorries in the wrong places.

Sandwich in South Thanet is the best preserved medieval town in the country—I am sure other Members will be on their feet claiming the same of towns in their constituency—and HGVs have caused damage to its roads, kerbs, signs and, perhaps more importantly, its
historical buildings. There is a particular junction—Members will realise the historical nature of Sandwich—called Breezy Corner, and just a little way away is a barbican dating back to 1559 and an ancient toll bridge. Those structures are damaged on an almost weekly basis. In addition—and this addresses the economic points raised by my hon. Friend the Member for Thirsk and Malton (Kevin Hollinrake)—40-foot HGVs are completely unable to negotiate the tight corners in such an historical town, which often leads to the complete blockage of the town for many hours while emergency services attempt to sort out the mess. That is time that the emergency services, particularly the police, could and should use to deal with other issues.

The A257, the Sandwich to Canterbury road, is served by lots of little feeder roads, some barely wide enough for a car. That is just within 10 miles of Dover so, again, it is commonplace to find foreign HGV drivers slavishly following their sat-nav’s guidance after selecting the shortest route option.

Royston Smith: My hon. Friend rightly mentions the physical damage to buildings and the economic damage, but there is also the emotional damage and the frustration caused to residents when lorries constantly drive into residential areas.

Craig Mackinlay: My hon. Friend makes the perfect point. I have many residents in Sandwich who are fearful for their property and for their very life, and he raises that problem well.

I would never call myself a luddite, but consulting a good old-fashioned road map always seems to result in greater awareness of my location and how to get to my destination. When using a sat-nav, I am reduced to the state of a compliant zombie, like an automaton at the wheel doing exactly what I am told by the artificial voice from the machine. “Turn left in 300 yards,” and so on. I am sure hon. Members have all felt the same.

I have consulted various retail websites and—this is the important point—HGV-compliant sat-navs are available. For instance, the TomTom Trucker is available at £290, with little obvious difference in screen size or functionality from the car model available for a third of the price. As part of my research before the debate, I consulted a nationwide haulage company, R Swain & Sons. The company’s head office is in north Kent and I know the owner, Mr Bob Swain. He explained the approach taken by his business. He uses no sat-navs at all in his fleet—not one—but he ensures that his drivers are provided with maps and given time to plan their routes before setting out. I know of no instance where one of his lorries has caused such problems.

Of course, it is easy to highlight in Parliament the problems that we face, but I like to come at such problems with potential solutions. In this case, there are six potential solutions. We could implement legislative change to force the use of the right HGV-compliant sat-navs. If we go over and drive in the continent, we face the requirements under French law to carry high-vis jackets, reflective triangles and alcohol breath testers, and we accept those requirements without complaint.

I do not propose the mandatory use of sat-navs so that they have to be carried by HGVs, but I suggest that, if they are used at all, they should be compliant and suitable for the vehicle or else face potential forfeiture once found not to be appropriate.

I have encouraged Kent County Council’s highways authority, and I would do the same for all highways authorities, to ensure that maps of Kent that clearly highlight strategic road routes that should be used, and clearly mark the towns and villages that should be avoided, are provided free at ports of entry. With the implementation of an Operation Stack truck-stop solution coming to Kent in due course, providing such maps could serve a useful double purpose. I imagine that advertising sponsorship could be found to defray or cover the costs of such maps.

I would like to see greater use made of the freedoms of the December 2011 road signs measures so that local areas can clearly advise of dangers ahead. As a Government we could encourage data standards for the submission of data by the highways authorities to the mapping companies, because those companies are key. It is frustrating that all the data are known for every road in the country—but it heights, widths or road changes—but they are not being appropriately consolidated and provided to the mapping companies.

I recommend a benchmark standard for the sat-nav manufacturers and software providers to which they should be encouraged to adhere. The benchmark would include—this is the key—a mandatory lorry option across every single device. There is already an option to choose whether one is on foot or in a car, so let us add a mandatory lorry option. That would require manufacturer and software producer buy-in to a voluntary industry code of practice.

I would also like to see a widening of local authorities’ civil powers to levy fines outside of the police’s powers. We have seen a general reluctance among authorities to enforce fines across borders on foreign lorries, as we have seen with Transport for London, the congestion charge, the Dartford crossing and general parking enforcement. It sounds good, but it might not prove as effective as imagined.

I close by highlighting that we face an unprecedented free-for-all in current sat-nav use, with inappropriate devices and software in play across many HGVs—mainly, I am sorry to say, foreign ones. I am not one for draconian legislation, but our towns, villages and historical locations need protection. I would be happy to work with the Department for Transport to find a workable and practical solution and I look forward to the Minister’s comments.

2.57 pm

James Cartlidge (South Suffolk) (Con): It is a pleasure to serve under your chairmanship, Sir Alan. Again, I congratulate my hon. Friend the Member for South Thanet (Craig Mackinlay) on securing this timely debate. I am here because I receive constant email correspondence on the subject, which I regard as one of the biggest issues in my constituency.

In the past couple of weeks, we have had a major incident in Sudbury, a big market town in my constituency, which I will address in a moment. The purpose of my speech is simply to emphasise that there is a problem that we need to address. My hon. Friend has come up with many interesting solutions, and I will not pretend to share his technical expertise, but I will emphasise what is happening in my constituency.
Lavenham is a fine medieval village. I will not be undiplomatic and get into a competition about how it compares with Sandwich, but suffice it to say that they clearly share a great and ancient heritage that is threatened by HGVs. I recently received an email about Lavenham from a chap called Tony Ranzetta, who lives in Water Street—his house dates back to the 15th century and was used in the “Harry Potter” films. He says:

“Along the A141 as it enters the village of Lavenham, is a unique set of houses, the longest uninterrupted terrace of medieval hall houses in England, followed by one of the hall houses owned by the Earl of Oxford and recently forming much of Godric’s Hollow in the Harry Potter films.”

I do not know the significance of Godric’s Hollow. My wife and daughter are very keen on “Harry Potter.” The email continues:

“The wider issue of the risk to our heritage across the county and the opportunity to use this current issue and the incident in Sudbury as the spur should only be grasped if it leads to the establishment of a county wide approach to diverting heavy goods traffic from ‘heritage’ villages and towns. We need to show a united and strategic front in the face of a problem shared across the county.”

Another resident of Lavenham, Mrs Simonetta Stonehouse, lives in one of the most beautiful houses on the High Street there. She recently wrote to me, saying:

“HGVs travelling through Lavenham High Street mount the pavement outside our house then negotiate the left turning into Water Street. I’m sure you are aware that the Swan Hotel— a famous and ancient hotel—”

“has been damaged on numerous occasions, our property has also been hit. Houses on Water Street are regularly damaged and not so long ago a car was written off by a six-axle 44-tonne vehicle. It is not only the damage that these vehicles are doing to our medieval village but also the issue of safety to the residents and tourists.”

I was recently in Lavenham and witnessed an HGV of extraordinary proportions—I have never seen a lorry that big—attempting to go down Water Street, which is very narrow, although unfortunately technically an A road, which is part of the problem. The houses on it, including the house to which I referred, are beautiful and ancient. Lorries are scraping past them and tearing them to pieces, and it is incredibly sad to see. That is the heritage of the constituency that I represent, and I have come here to stand up for it and to find a way to protect it. Lavenham is also one of our biggest tourism draws, and tourists do not come to villages to see massive HGVs go through them. The lorry on that occasion was an articulated lorry, but I am not sure how articulated the driver was.

Another village that is similarly ancient and has the same problem, and which probably creates as much correspondence for me, is Clare, a very pretty village on the Suffolk-Essex border. Only last week, I received the following email from a man called Bob Ferguson, who did not know about this debate:

“We, the villages/residents along said A1092 Baythorne End to Long Melford road, require a stop to the 55 feet, 60-ton articulated lorries that are destroying our communities and infrastructure. The only lorries we should see in Clare are those delivering along the A1092 or along local side roads leading off the A1092, this is sadly not the case as approximately 92% of HGVs are passing through without stopping, merely using this road as a short cut…Clare alone has approximately 160 listed buildings”.

There is a pinch point in the village where lorries struggle to get through.

We see it all over the constituency. Nayland is another beautiful village near the Stour with the same problem, as are my two main market towns, Sudbury and Hadleigh.

In Hadleigh, the problem is in Bettehe Street, which is narrow but is the main route by which my constituents access the A12 and Manningtree mainline station in order to get to London or Chelmsford. It has been a long-running problem. We thought that we might have solved it when I got Highways England to put new signage on the A12 to make clear the weight suitability and to say that HGVs should not use that route, but they continue to do so because of sat-nav, which is of course the same thing sending them down inappropriate roads in Lavenham.

I have had an email from a lady called Sue Monks, who lives on Benton Street. She makes a point about safety. In an incident two weeks ago,

“a resident on Benton Street had a car seat she was carrying knocked out of her arms by a passing vehicle whilst on the side of the pavement...Fortunately for her and us all, the seat was not occupied by a child.”

However, she emailed me the following day to confirm that there was a baby in it. Fortunately, it was a car and not an HGV. If it had been an HGV, I suspect that the event would have been tragic.

Finally, in Sudbury, the main market town in the constituency, a recent incident occurred at an intersection in a key retail part of my constituency. A lorry that should never have come down that road attempted the bend, severely damaging the frontage of a retail outlet selling ladies’ fashion. It is fair to say that in a town like that in a rural constituency, such things are a big deal. The incident occurred right next to the site of a major fire last summer, which was probably the biggest incident in my constituency since I was elected. It is demoralising for the town, and people want action to be taken.

I am not naive. I mentioned Harry Potter, but I know that there is no magic wand that can easily solve the problem. I have had frequent meetings with Suffolk County Council. Although we do not have Harry Potter, we have Councillor James Finch, who holds the transport portfolio for Suffolk. He is doing his best for the area. We are constantly considering issues with Highways England, but there is one thing that the county council cannot control: sat-nav. My hon. Friend the Member for South Thanet has hit upon the nub of the problem. He mentioned the TomTom Trucker and other solutions. I would have thought that the industry could come up with a solution, given all the technology available; I am interested to hear from the Minister whether there is anything that the Government can do to force the industry’s hand.

All I can say is that, whatever steps my hon. Friend wants to take to raise the issue and to keep up the pressure—forming action groups or whatever— I will be more than happy to support him. I commend him for securing this debate and hope that we can find a way to keep HGVs out of these beautiful ancient villages and stop them damaging the infrastructure that is key to quality of life for our constituents.

3.5 pm

Alan Brown (Kilmarnock and Loudoun) (SNP): It is a pleasure to speak under your chairmanship for the first time, Sir Alan. I congratulate the hon. Member for South Thanet (Craig Mackinlay) on securing this debate. He made an excellent speech covering a wide range of subjects, and I commend him for it.
When the hon. Gentleman apologised for the technical nature of the debate, I started wondering whether I was the right person to sum up on behalf of the Scottish National party, as I am a bit of a technophobe at times. However, it was good to hear about GPS and how all these things come together. He clearly understands the heart of the issue. It is an important constituency matter. I am not very familiar with the local geography of Kent, but when I looked at a map before coming to this debate, I promised myself to get back to the area. It has been a long time since I travelled through there—I was much younger—on my way to continental trips.

In terms of some of the examples that the hon. Gentleman gave, things in my constituency are not quite so intense, because where I come from we obviously do not have that level of traffic or any ports. However, there are some small villages in my constituency with issues involving the HGVs that traverse them, so I can empathise on that basis, although on a much smaller scale. Householders complain about vibrations and say that frequent HGVs loosen manhole covers, which seems trivial but becomes a regular noise issue and an irritant for residents nearby. It is another hidden consequence of heavy traffic that people do not realise. In my area, I have asked for improved signage to keep HGVs on motorways and the dual carriageway network, so we will see where that goes. It is a slightly different matter from sat-nav, but the hon. Gentleman also rightly spoke about signage appropriate for HGVs.

Other hon. Members made some good points as well. The hon. Member for Thirsk and Malton (Kevin Hollinrake) highlighted how serious the issue is in his constituency, where the average is two incidents a week. The hon. Member for South Suffolk (James Cartlidge) taught me a wee bit more about Harry Potter. Likewise, I do not know much about Harry Potter, but it must be serious when a Harry Potter film set is being damaged. He quoted clear, important personal testimonies about how dangerous and concerning the issue can be for his constituents. He is absolutely right to highlight those.

The hon. Member for Southampton, Itchen (Royston Smith) correctly spoke about the general stress and pressure suffered by his constituents as a consequence of this problem.

The hon. Member for South Thanet correctly spoke about the good and bad uses of sat-nav. If it is used properly, it is generally safer, as drivers are less likely to get lost. Equally, drivers can become too dependent on sat-nav. At one time, it was normal practice to check a map before setting out in order to understand the geography of the route. He cracked a joke about being a Luddite and going back to looking at maps, but there is definitely merit in looking at a map. It made me remember a time when it was commonplace to try to drive, look at signage and look at a map in the passenger seat, which is clearly not the safest means of driving either.

It seems from previous Government consultations and reactions that there has been a reluctance to legislate. I agree with the suggestion about decriminalisation and allowing local authorities to undertake civil penalties, which would allow much greater local control, local signage, local understanding and local action. It would resonate well with constituents, who would understand and who like to see their local representatives taking action.

Another potential issue that I have identified ties in with the high frequency and volume of foreign drivers going through hon. Members’ constituencies due to the international nature of ports. There is a skills gap in the UK HGV industry at the moment. The industry estimates there is a shortfall of some 50,000 drivers. If the skills gaps are not being filled in this country, that will result in the roads being used even more frequently by drivers less familiar with the geography.

Royston Smith: It is interesting to hear foreign drivers and sat-navs talked about, although it is not all about sat-nav, as it happens. We in Southampton had to put in an engineered solution to prevent HGVs from going through a residential area. We had an expensive traffic regulation order and an expensive engineered solution, and within a couple of months a foreign driver following a sat-nav got stuck in the engineered solution that was there to prevent him going into the road. Is that something that the hon. Gentleman recognises?

Alan Brown: It is not something that I have personal experience of, but it ties in with the points made by the hon. Member for South Thanet about the need to update the technology, to share data and perhaps to make it mandatory not to use out-of-date equipment. If someone is caught using out-of-date equipment or non-HGV-compliant equipment, it could be taken away, and that would solve the problem that the hon. Member for Southampton, Itchen has identified.

I mentioned the shortage of skills in the HGV industry. Perhaps the Government could subsidise a training course and help to fill the skills shortage in the UK. I think that would lead to safer driving as well.

Again, I commend the hon. Member for South Thanet for securing this debate, which has been excellent. He has identified solutions to the problems, which is commendable because it is too easy to identify a problem but not advise how to address it. Given that not much seems to have happened on the back of previous Government consultations, which we are now some years on from, I urge the Minister to consider the sensible recommendations that could lead to substantial improvements.
he described it, the wizardry involved in GPS and other satellite navigation systems. Not only is he familiar with the high-tech end of it, but he was able to use the word “map”, which we do not do enough.

Other hon. Members made important points about the impact on their constituencies. The hon. Member for South Suffolk (James Cartlidge) mentioned something that I did not know about; he said that the problem has actually affected a Harry Potter set. If that is the case, it is certainly serious. The hon. Member for Kilmarnock and Loudoun (Alan Brown) also made some really important points. I welcome the Minister to the debate. I know roads are not her normal area of responsibility, but I have no doubt that she will respond to the debate in detail. I have a sneaking suspicion that she might even say something about how this problem affects her own constituency.

Our freight and logistics sector keeps the shelves in our shops stocked, and, in a literal sense, drives economic growth. Our lorry drivers in particular deserve to be commended for that. There are not many other occupations in which someone’s place of work means they are unclear about where they are going to get their next meal, where they will next sleep, and even when they will next get to use the toilet. We have heard today about the chaos that has been caused in Sandwich and in other parts of Kent, often due to the inappropriate use of the wrong kind of GPS systems, which can have far-reaching consequences not only in the south-east but across the country. The problem not only puts the health, welfare and safety of drivers at risk but, as we have heard, can be a blight on the lives of residents in urban and non-urban areas alike, on the experience of other road users and on businesses.

The problem reflects the much wider challenge of better connecting our roads and vehicles using technology. Technology and innovation are important keys to better, smarter, greener motoring and road transport. To achieve that, we have to get the system working together far better than it is at the moment through information sharing, and enforcement has a role too. We need to consider the wider factors that contribute to congestion everywhere. I will come on to the factors that specifically affect South Thanet and Kent.

Royston Smith: We are talking now about sat-navs in HGVs, but eventually we will have driverless cars. That is the way we are going. All vehicles will depend on sat-navs, so does the hon. Gentleman agree that it is really important to sort this out sooner rather than later?

Richard Burden: The hon. Gentleman makes a really important point. I say that with my other hat on, because as well as being shadow Transport Minister, I chair the all-party motor group. The expansion of technology in the automotive industry has made us talk about the extent to which information systems are attached to motor vehicles, but given the way things are now moving, it might be more accurate to talk about motor vehicles being attached to information systems. That could apply to other modes of transport as well.

Technology is certainly changing the game as far as safety standards in the freight sector are concerned. The quality of bespoke HGV sat-navs, where they are used, offers everything from digital route shaping and traffic updates to active lane guidance and HGV-tailored road information. That is a good thing, but given the sheer volume of HGV traffic passing through places such as Sandwich, it is clear that top-of-the-range HGV-specific sat-navs can be really important. The hon. Member for South Thanet was right to pay tribute to the Freight Transport Association for promoting the use of such systems, but not enough drivers rely on such equipment. Too many HGV firms and drivers rely on generic sat-navs or free-to-use options.

It is important that Ministers consider the extent to which drivers take up bespoke sat-navs and what can be done about that. As the hon. Gentleman said, there was a sat-nav summit in 2012—I cannot remember the name of it, but he mentioned it—and it was not clear what flowed from that. I am concerned about the apparent absence of objective targets or a means of assessing the take-up of bespoke systems, which makes it difficult to track progress. It will be important to work with sat-nav manufacturers and the other technical companies involved to improve the accuracy of all the systems on the market. That was started in 2006 under the previous Government, as I think he mentioned, but progress has not been as fast as it should have been and certainly has not kept pace with the technology.

As the hon. Gentleman said, lobbying for better data sharing with manufacturers was included in Kent County Council’s freight action plan of 2012. I have a question for the Minister about that. What are the Department and Highways England doing to support local authorities in their communications with mapping and technology companies, to ensure that lorry-appropriate routes are better ingrained in as many sat-navs as possible—hopefully in all of them? With better information on all map applications, we will go some way towards improving the spread of knowledge.

We also need to look at some of the wider factors that I have referred to. Highways England must play a leading role in promoting joined-up thinking between local authorities, the emergency services and others. Unfortunately, recent incidents on the M5 and M6, where there were avoidably long closures of the whole road, show that things are not up to scratch in that respect at the moment. Without such strong partnership working and live information sharing through road signage, HGV drivers will inevitably make their own decisions, including about diversions.

A second question for the Minister, therefore, is what lessons her Department has taken from recent motorway closures about improving live traffic updates and the management of such incidents. I ask that because of a worrying response that I received to a recent parliamentary question, from which it appears that only half of all local authorities have a major incidents contingency plan in place with Highways England, a year on from its establishment. Surely sorting that out should be one of its priorities. Can the Minister get to the bottom of that, or ask her departmental colleagues to do so? Will they also find out why in so many places a course of action has still not been established for managing HGV traffic and other road users in the event of a motorway closure?

It is important for local authorities to have plans, but also that they should have the resources to enforce them. In a written answer last July the Under-Secretary of State, the hon. Member for Harrogate and Knaresborough
haulage companies in those countries, to make sure that the Department working with other countries, and road with drivers coming in from across the channel, how is they need, particularly at times of major snarl-ups such channel ports, know where to find the live traffic information road users, particularly HGV drivers arriving at cross-Kent. What is the Department doing to ensure that all point is how we ensure that traffic keeps moving through Kent. I look forward to the Government’s response to that report.

Concerns about traffic enforcement bring me back to the specific enforcement issues and other factors that affect the south-east and Kent. During a recent visit to talk to businesses in Kent, I heard at first hand about the traffic chaos that accompanied 32 days of Operation Stack last year. It was made clear to me that support and assistance from central Government are essential. They seem what the Opposition have been saying consistently: this is not just an issue for local authorities, the police and others in Kent. Keeping the roads clear through Kent is an issue of national importance, and the Government’s preparations should reflect that.

I was therefore astonished to read late last week a written answer from the Department for Transport confirming that the Home Office will not provide any additional funding to avert a repetition this year of last year’s chaos. That is despite the fact that the police and crime commissioner for Kent stated in a press release in August that the Government had given her assurances that funding would be available. My question to the Minister—if she does not have the answer today, perhaps she will ask her colleague the Roads Minister to write to me—is whether the PCC for Kent was wrong about the assurances she said she was given in August, or whether that was a broken Government promise.

The situation certainly does not bode well for this year. Ministers have not satisfied anyone about what they are doing in the short term to prevent a repetition this year of last year’s scenes. There are plans for lorry parks and for improvements to slip roads at junction 10a, but they will not help this year. They are for future years. Without additional central Government assistance, it seems that the region is being left to handle congestion on its own. It cannot be said that last year was exceptional.

HGVs are already being turned away from existing lorry parks, so how likely is it that the effect will be drivers rerouting back along roads and parking at inappropriate places? I asked the Roads Minister about his action plan for that in Transport questions recently, and I did not get any clear answers.

That issue is relevant to the debate, because the key point is how we ensure that traffic keeps moving through Kent. What is the Department doing to ensure that all road users, particularly HGV drivers arriving at cross-channel ports, know where to find the live traffic information they need, particularly at times of major snarl-ups such as the summer months? If there is a particular problem with drivers coming in from across the channel, how is the Department working with other countries, and road haulage companies in those countries, to make sure that all HGV drivers know of the routing restrictions in the south-east? How can technology be used to assist in that process as quickly as possible? Is Highways England reviewing again any short-term management techniques such as contraflow, with more notice for people to prepare, so that safety concerns can be addressed? Have the Department and Highways England talked to ferry companies about making the best use of their capacity in the event of lengthy episodes of congestion?

It is clear that the GPS problem that the hon. Member for South Thanet has rightly raised today exists not only in his area but throughout the country. It is an important issue that ties in closely with fundamental questions about the Government’s wider policies on HGVs and traffic management. They have serious questions to answer about technology and about how they can get hold of the problem. How can they expect existing laws and rules to be enforced if local authorities and the police do not have the necessary resources? How proactively will they promote the partnership working between local authorities, the police and the private sector that all hon. Members know is vital, particularly when we know that even on the issue of major incident contingency plans, Highways England has not yet reached agreement with more than half of the local authorities involved?

There are serious questions to answer about the specific factors of congestion in the south-east that I have mentioned today, but there are wider issues as well, and I hope that the Minister will clarify some of them. Doing nothing is clearly not an option.

3.27 pm

The Parliamentary Under-Secretary of State for Transport (Claire Perry): It is as always a pleasure to serve under your chairmanship, Sir Alan. I associate myself with the remarks of the hon. Member for Birmingham, Northfield (Richard Burden) about what has shocked many of us in the transport world today. I happened to be giving a speech to a delegation from the Chinese airport authorities as the news came through, and it focused us once again on the issue of security. We are all vulnerable, across the country, and I pride myself on the work that our police forces, special forces and citizens do in keeping us safe. I know our thoughts and prayers are with those affected today.

My goodness, Sir Alan; we might have thought this would be a very dry debate, going by the title, but we have heard all sorts of things. We have heard an expert description of the GPS service, for which I am grateful. We have learned that the original barbican is actually in Sandwich. We have heard about the village of Clare—I feel a visit coming on; Clare for Clare strikes me as very exciting. We have heard about Godric’s Hollow and about TomTom Truckers, which sounds to some of us like a rather unsavoury form of specialty video, but there we are. It has been an interesting and informative debate, and I am extremely grateful to my hon. Friend the Member for South Thanet (Craig Mackinlay) for doing his research and bringing in so many interesting points.

The SNP spokesman, the hon. Member for Kilmarnock and Loudoun (Alan Brown), showed up well briefed as always. I appreciated his comments about looking at maps. The shadow spokesman, the hon. Member for Birmingham, Northfield, knows the subject of the debate inside out, but I was the Minister responsible for road
freight in the previous Parliament, so I have some knowledge of the sector. Indeed, I was very proud of the work that we did in trying to reduce some of the burden of the whole system will become dependent on the accuracy of the information being put into such systems and that makes the issue that we are debating even more important.

Although we directly associate satellite navigation with in-vehicle driving guidance, of course there are enormous applications in terms of aviation, fleet management and logistics. Indeed, on the railway, the use of GPS technology, both for managing train movements and for providing more information to customers, is an area of extraordinary innovation.

I turn now to some of the questions around sat-navs, HGVs and what the Government have been thinking and doing. It is in no one’s interest for HGV drivers to make the wrong decision or to rely on inaccurate information. We heard tellingly and powerfully this afternoon what happens when things go wrong: tight corners; historic houses; and congestion. We have all seen the jack-knifed lorry that tried to get through the tight road bridge. Indeed, in my own constituency, we had an almost tragic incident when a large lorry tried to get across a bridge and knocked a piece of masonry on to the mainline track between London and the west country. It was only because of a lot of very quick thinking on behalf of the train crew that an accident was avoided.

Consequently, we have been very assiduous in this area, particularly in linking freight associations, local authorities and sat-nav companies to ensure that responsible HGV drivers are aware of the issue and have the latest information available to them. Indeed, properly equipped lorry drivers now have the tools to avoid low bridges and narrow lanes, and of course that saves them fuel, time and money. No lorry killer wants to be sitting there blocking a village street; that is not a pleasant experience for anyone. Therefore, as we have heard, there are specialist sat-navs that assist.

Neither central Government nor individual local authorities have direct powers over the routing of sat-nav devices, but sat-nav companies and users can help to ensure that they have the latest information available to them that their device maps are up to date. I confess that my hybrid vehicle had an in-dashboard sat-nav and I do not think that I ever once updated the maps. I hold my hand up in shame now as I say that. That was, of course, before my ministerial career and making that admission might actually be the end of it. There is an element of personal responsibility and indeed corporate responsibility to make sure that the maps are up to date.

Of course, the routing guidance is only ever advisory. Motorists, including HGV drivers, are responsible for determining the best route for their journey and for determining whether there are appropriate road conditions, even if a route is signposted as being appropriate and open. Drivers are responsible, of course, for ensuring that they follow routes that are legal—that they do not breach height or weight limits, which are set and enforced by local highway authorities and the police.

I have some sympathy—again, based on the experience of my own constituency—about the ping-pong there can be between a local authority and the highways agency as to who is responsible for signage on a particular road and the consequences of re-signing a particular road, which may push congestion over the border into another constituency or on to other roads that are less suitable, so it is not a trivial exercise to get the signage right. Clearly, however, when it is done, it can work.

What we must not ignore is the ability of GPS data to provide such an enormous level of innovation, both in transport and logistics, and in society in general. On trying to mandate specific technologies, such as commercial sat-navs or other route guidance systems, that is difficult. In my view, the heavy hand of Government mandating anything in the technological space tends to act as a drag on innovation, and by the time we have tried to solve one problem the world has moved on and we are all using entirely different systems or devices. My hon. Friend the Member for South Thanet referred to other competing global systems that may well be operational within the next few years and it would be a difficult process then to start that conversation with those specific road users.

The Government still believe that the private sector remains best placed to develop new products and services, and the market—sensibly regulated—should determine whether those succeed. However, I also want to pay tribute to organisations such as the Freight Transport Association, because there are very responsible industry bodies out there that work with Government and local authorities and that are absolutely committed to making sure that their members are using the most appropriate systems. It is important that we continue to improve those communications and that co-operation to ensure that everyone is using the right technology and equipment.

There is an Act—the Traffic Signs Regulations and General Directions Act 2002—that equips highway authorities to apply warnings and restrictions to the parts of the local network that they manage where they feel it is appropriate for HGVs to avoid using inappropriate routes. As I have mentioned, that can be a complicated exercise, but it is important. One of the things that the last Government were proud of doing was making it easier for local communities to do things such as applying
[Claire Perry]

particular speed limits and putting up signage to give communities the ability to manage their road conditions more appropriately.

There is more work happening. The Government are taking direct action now to improve the quality and sharing of transport data; £3 million has been dedicated to create a digital road map that will enable better data sharing between local authorities and service providers. The map is being developed by the Ordnance Survey and it will be launched later this year. It will include information such as road widths, traffic calming measures, and height and weight restrictions, which could then be linked to other public sector data sets, such as planned road works and cycle paths.

Unlike some of the Ordnance Survey data in the past, I believe that this will be open data, so it can be taken up by the various providers of information to the mapping companies, as my hon. Friend the Member for South Thanet pointed out. It is a really important step forward to take Ordnance Survey data, which is of very high quality, and to put it on to the existing digital maps, which in some cases are not of particularly high quality or not particularly detailed about local conditions. I think that this has big potential to improve the quality and accuracy of the routing advice offered by sat-navs, as well as to cut bureaucracy.

James Cartlidge: Obviously, I agree with the Minister about not wanting to regulate if we do not need to, and I am aware of the point about signs. However, my experience is that signs often do not work with HGVs. If, as the years progress, we continue to have these problems, if the signage is not stopping them and if we have these villages and areas that are being damaged by HGVs that, if you like, are abusing routes because of sat-nav, do the Government have any power to intervene with sat-nav companies to try to ensure that they can guide lorries on to the correct routes?

Claire Perry: I do not believe that we have the statutory power to do so currently. Again, this is one of those slightly concerning paths down which to go, but I can certainly look to see whether anything has ever been proposed for the statute book on that basis. We talk about technology, but it is not in anyone’s interests, including those of a fleet manager, to have an HGV trying to force itself down a road. It will be entirely obvious if an HGV is trying to do that long before the problem arises and any responsible fleet manager would then communicate with that driver and say, “Where do you think you’re going? This is absolutely not appropriate.” Again, I think that we need to use the technology as the solution to some of these issues, while recognising the problems related to the technology.

Richard Burden: The Minister is right that there is no easy or off-the-shelf solution to this problem, but it seems to me that the hon. Member for South Suffolk (James Cartlidge) made an important point that is worth considering. While it may not be appropriate to make the use of satellite navigation systems mandatory inside HGVs, if HGVs have a system in operation, should they not be required to have one that is fit for purpose, so that this becomes a compliance issue to do with having the right kind of system, rather than making it mandatory to have a system in the first place?

Claire Perry: The hon. Gentleman’s points are often very sensible but, in my mind, they can also often lead to a sort of slightly dystopian world of lots of checks and balances, with organisations set up to do checks, and that is entirely what we do not want to deliver. What we want is an industry that believes in being responsible and has the tools to do so.

The point my hon. Friend the Member for South Thanet made about having a little lorry symbol come up, in the same way as a car, or in my case a bicycle, symbol comes up is brilliant. The new technology—the open mapping system—will enable that. What I have instructed my officials to do—rather cheekily, as they no longer work directly for me—is to ensure that the Freight Transport Association and other bodies are given every opportunity to see the mapping process, consider how they might use it and exercise their powers to make recommendations—as has been mentioned, they have a recommended list of sat-navs. I would like them to be involved and, indeed, that offer applies cross-party to any hon. Member here—it is open to anyone who wants to see the information and be involved. This is a really important step forward in solving many of the problems about which we are all concerned.

It does not stop there. The road investment strategy sets out, finally, a long-term investment strategy for roads. That is so important. It includes a £150 million ring-fenced innovation fund that enables Highways England to develop technologies, including sat-nav, and approaches for a smoother, smarter and more sustainable road network. There is an element of driverless and co-operative vehicle technologies, and of improving the information and data that help drivers to plan their journeys.

The hon. Member for Birmingham, Northfield made a fair point about what happens when roads are closed. I think that we were all surprised by what happened. With my rail hat on I can say that any delays like the ones he mentioned would have led to outrage among rail passengers across the country and demands for compensation. Somehow, we often accept that roads are closed, and there are lessons to be learned perhaps from other parts of the infrastructure.

A traffic information strategy developed by Highways England was published in January 2016. It sets out how the agency will work more closely with local authorities to integrate journey planning across the network and improve communications. I am aware, of course, that the Office of Rail Regulation now includes an element of road regulation and I would like to ask my officials to check whether the duty to inform—the duty to work with local authorities—is part of the office’s statutory powers.

The Highways England strategy also focuses on further development of the Traffic England website as a trusted source of information for road users in planning their journeys, and on sharing data from the National Traffic Operations Centre so that there is real-time information.

In conclusion, this debate is fascinatingly important and relevant to us all, in all our constituencies no matter where they are. I hope that some of my points have reassured my hon. Friend the Member for South Thanet that the Government are absolutely committed to working more closely with the private sector and that there is real money backing that commitment. I invite all hon.
Members to review the £3 million digital road map when it is perhaps in beta format, to see how we could encourage road haulage associations in our constituencies to take advantage of the new technology.

Alan Brown: I know that it might have seemed a tangential point, but I asked about the skills gap in the HGV industry and about Government support for filling it.

Claire Perry: I am delighted to respond to that. The hon. Gentleman is absolutely right. We had an influx of HGV drivers from other parts of the world and many of them returned there when the economy turned down. It has, therefore, been a challenge to recruit and retain drivers. There is ongoing work into what could be done to make the cost of training more acceptable, for example. As the only lady in the room who represents a constituency, may I say that women do not want to be long-distance drivers partly because some of the rest facilities are absolutely atrocious? I have encouraged many HGV companies to realise—indeed the responsible ones do—that there is an enormous talent pool of people out there, for whom long-distance driving could be an appropriate career but who will not do it if they have to relieve themselves behind a bush at a rest stop. Raising the career but who will not do it if they have to relieve themselves behind a bush at a rest stop. Raising the terms and conditions and working practices of many parts of the industry could attract non-traditional drivers to what is an important and growing part of the British economy.

Sir Alan Meale (in the Chair): Mr Mackinlay, Andy Warhol said some years ago that everyone gets 15 minutes of fame, and you have about that amount of time—or you may wish to respond briefly.

3.44 pm

Craig Mackinlay: I thank you, Sir Alan, for your excellent chairmanship. It would have been nice to have a few more Members with us, but there is activity elsewhere. It would be stretching it to think that I will speak for a further 15 minutes—I will not delay Members for that long—but I will make some comments about the excellent contributions made.

My hon. Friend the Member for South Suffolk (James Cartlidge) laid out very well the damage to the fabric of our great nation that we face from many HGVs being inappropriately used. My hon. Friend the Member for High Peak (Andrew Bingham) added a road safety dimension to the debate. Road safety is key, particularly at peak times when children are out of school. My hon. Friend the Member for Southampton, Itchen (Royston Smith) mentioned that, even though we do substantial road improvements or have restrictions in order to do engineered solutions, those are overcome by the automaton-like, slavish adherence to the voice that comes out of the machine—I think we are all prone to that.

I am grateful that the hon. Member for Kilmarnock and Loudoun (Alan Brown) took part in the debate. I am not sure whether the shortage of drivers in the UK is relevant to the core of the debate, but we do have a shortage of available drivers as the HGV industry in this country is growing at all times and the volume of HGV traffic is only increasing. That gets to the heart of why the problem we face with sat-nav use is so relevant. I very much thank the hon. Member for Birmingham, Northfield (Richard Burden), who brought to the debate a high level of knowledge about various aspects of the road industry.

Turning to my hon. Friend the Minister, I was very encouraged that there was an area I did not know about. I go away with some additional technical knowledge, that Ordnance Survey is spending £3 million on open source mapping, which could be vital to further improving the quality of data available to mapping companies. Underneath all of the systems, no matter whether they are nomadic or on personal digital assistants or smartphones, is the fundamental map data.

My hon. Friend the Member for Southampton, Itchen mentioned the potential for driverless cars, which are much in the news. I would not like to think about how driverless HGVs in Sandwich might get on—we will come to that, perhaps, in 10 years’ time. I think that we stand here today in awe of some of the technology that we do not really understand but regularly use, and on the concept of driverless cars, we can foresee the potential for companies going across every road, accumulating data such as widths and heights, and then feeding it back almost immediately into a database system and updating maps almost in real time.

I understand the concerns about more overbearing legislation. I am not for that; markets can decide things effectively and rather more rapidly that Governments. But the plea, I think, from the Chamber this afternoon to the manufacturers of the nomadic devices and the software is that they please put on that little lorry symbol. I realise that that would be a commercial decision, because the same machine for HGV use is often sold for three times the price, but it would solve, at a stroke, many of the problems. We understand that no HGV driver wants to be caught down that small road or to be hitting that bridge or historic building—that is a given—and that additional button could relieve many of the problems.

I thank hon. Members for taking part in the debate, and I thank you, Sir Alan, for your forbearance.

Question put and agreed to.

Resolved

That this House has considered GPS satellite navigation and heavy goods vehicles.
Daesh: Persecution of Christians

[SIR EDWARD LEIGH in the Chair]

4 pm

Fiona Bruce ( Congleton) ( Con): I beg to move,

That this House has considered persecution of Christians and other religious minorities under Daesh.

It is a pleasure to serve under your chairmanship, Sir Edward. May I clarify the subject of the debate? The wording I applied for was “Genocide under Daesh of Christians and other religious minorities”. It is regrettable that, without any discussion with me, the motion was changed, although I understand it was not changed by the Speaker’s office. I shall say no more about the motion, except to clarify that the violence of ISIL, or Daesh, as we now call it, rages against a number of minority religious groups in addition to Christians, including the Yazidis and minority Muslim groups. Space prohibited me from referring to them by name in the motion.

The 1948 UN convention on genocide makes it clear that genocide is the systematic killing or serious harming of people because they are part of a recognisable group. The specific legal meaning of genocide is “acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group”. The convention specifies certain actions that can contribute to genocide, such as killing, forcible transfer, preventing births and causing serious bodily or mental harm.

Jim Shannon ( Strangford) ( DUP): I congratulate the hon. Lady on bringing this matter to Westminster Hall for consideration. It is a massive subject that warrants a 90-minute debate, and I am disappointed that it was not allocated one. Nevertheless, we have half an hour. I know that the hon. Lady, along with others present, shares my concern that Christians are given the ultimatum: “convert or die”. It is a choice between continuing to have religious beliefs and leaving the country or dying. Genocide is the only word we can use for that.

Fiona Bruce: The hon. Gentleman makes a powerful point and is quite right. As I stand here today, religious minorities are suffering horrendous atrocities at the hands of this murderous cult in Syria, Iraq and the other countries of the middle east where Daesh has a strong presence. The number of Christians in Iraq has reduced from 1.4 million to just over a quarter of a million in just a few years. The Bishop of Aleppo said this week that two thirds of Syrian Christians have been reduced from 1.4 million to just over a quarter of a million. The hon. Gentleman shares my concern that Christians are given the ultimatum: “convert or die”. It is a choice between continuing to have religious beliefs and leaving the country or dying. Genocide is the only word we can use for that.

Jim Shannon: The hon. Lady is being very gracious in giving way. Before the debate, I asked her if I could intervene to say that the Yazidis in particular have been reduced from 500,000 to 200,000 in Iraq. Nobody in the west put out their hand to help or assist, as they should have. The Yazidis have been in the Kurdish camps along the borders of Syria, Iraq and Turkey. They are a small group who have been persecuted, pursued and discriminated against, and their ethnic and religious freedoms have been abused. Perhaps the Minister could respond to that point as well.

Fiona Bruce: Again, the hon. Gentleman makes a strong point.

We are sometimes at risk of being desensitised by the horrors under Daesh. They are so extreme that their evil seems almost fictional. But for those who are suffering—people who lived lives like us just a short time ago—they are very real.

Surely one thing is becoming increasingly clear. Bearing in mind the definition of genocide to which I referred a moment ago, can anyone now seriously doubt that Daesh’s actions are genocidal? Nor, surely, can anyone seriously doubt that Daesh is trying to destroy minorities such as the Yazidis, in the words of the convention, “in whole or in part”.

As Bishop Angaelos, a general bishop of the Coptic Orthodox Church in the United Kingdom, has said:

“How can we declare Genocide if Christians are suffering the same fate, at the same time, under the same conditions, at the hands of the same perpetrators?”

The entire population of Christians in the city of Mosul in Iraq, all 60,000 of them, have been effectively eradicated by Daesh—gone, fled or dead.

Daesh’s intentions in perpetrating its violence are a matter of record, as reports have made clear repeatedly. It regularly makes public statements of a genocidal nature, such as the following message, which was broadcast on its Al-Bayan radio station:

“We say to the defenders of the cross, that future attacks are going to be harsher and worse...The Islamic State soldiers will inflict harm on you with the grace of Allah. The future is just around the corner.”

As the US Secretary of State said just last week, after a unanimous vote by the House of Representatives to declare a genocide by 393 votes to none:

“Daesh is genocidal by self-proclamation, by ideology, and by actions—in what it says, what it believes, and what it does...The fact is that Daesh kills Christians because they are Christians; Yazidis because they are Yazidis; Shia because they are Shia.”

I submit that the legal criteria for genocide have been amply satisfied. Not only have the US Government now said so, but so have the European Parliament, the Council of Europe, the Pope, the US Congress, the International Association of Genocide Scholars, and 75 Members of both Houses of Parliament when we wrote to the Prime Minister, including the former chief of staff and former head of MI5. A group of leading QC peers also recently wrote to the Prime Minister on this issue. All agree that the crimes of Daesh are genocide.

Why is it so important that we, as Members of Parliament, also collectively define these crimes as genocide? Because doing so would be more than mere verbiage—more than mere words. It would bring into play a whole series of mechanisms that can strengthen the response of the
international community to challenge this evil force. The convention on genocide is clear that such a declaration brings with it obligations to prevent, protect and punish. I suggest that our making such a declaration would challenge the 147 countries that are party to the convention to step up and act on their obligations to help to prevent further atrocities, to protect those who are suffering, and to work towards punishing the perpetrators.

Jim Shannon: I thank the hon. Lady for giving way again. She has outlined clearly the need for us to have this debate. It is an opportunity for us to speak out on behalf of our Christian brothers and sisters throughout the whole world who have been persecuted because of their beliefs. We have the chance to be a voice for the voiceless. I congratulate the hon. Lady again on bringing this debate to Westminster Hall for our consideration.

Fiona Bruce: It is right that we should be a voice for the voiceless.

Michael Tomlinson (Mid Dorset and North Poole) (Con): I am grateful to my hon. Friend for securing this important debate. Before I heard the start of her speech, I did not know the original wording of her motion. May I press her to submit the motion again and, as the hon. Member for Strangford (Jim Shannon) said, request more time for the debate and possibly a vote in the Chamber? I, too, was a signatory to a letter to the Prime Minister on this subject, and I think there are many more parliamentarians who would welcome the opportunity to debate it at length and to vote on it.

Fiona Bruce: My hon. Friend pre-empts me. He is absolutely right. I suggest that such a motion should be worded in the following way: “That this House believe that religious minorities in the middle east are suffering genocide.” Crucially, that would mean that those who have participated in such vile crimes would know that they face justice and the full weight of genocide law when they are tried before the International Criminal Court. Must the relevant conflicts end before we work to bring to justice those who are responsible for these terrible atrocities? How long will that be? How much of the evidence will have disappeared? How many of the witnesses will have gone?

The international community’s record is not strong on this issue. Our incumbent Foreign Secretary and the previous Foreign Secretary have both lamented on the record the international community’s response to previous genocidal suffering. In 2015, the Foreign Secretary said that “the memory of what happened in Srebrenica leaves the international community with obligations that extend well beyond the region…It demands that we all try to understand why those who placed their hopes in the international community on the eve of genocide found it dashed.”

On the 20th anniversary of the Rwandan genocide, William Hague, then Foreign Secretary, said:

“The truth is that our ability to prevent conflict is still hampered by a gap between the commitments states have made and the reality of their actions.”

Kevin Foster (Torbay) (Con): I congratulate my hon. Friend on securing this debate. She talked about waiting until the end of the conflict. On 17 December 1942, the then Foreign Secretary made clear in the House what Britain’s attitude would be at the end of hostilities to those who had committed the massacre of the Jews in Europe. Does my hon. Friend think that a similar statement today of what the international community’s attitude will be at the conclusion of hostilities to those who are committing genocide in the middle east would be welcome?

Fiona Bruce: Indeed I do.

We must learn the lessons of the past. It is right that the international community should shoulder a burden of guilt for failing the victims in Rwanda. Those of us who have been to Rwanda a number of times know how many people still suffer as a result of our failure to act promptly then. Let us act now and be bold enough to call this genocide what it is. Let us avoid the regret that so many now feel about that past failure and not acting more promptly to go to the aid of those who suffered so severely in Rwanda in the early 1990s.

What has been our response to the middle eastern genocide perpetrated by Daesh to date? In the time I have left, I want to talk about the Government’s response, as I understand it—the Minister may correct me. I believe that the Government say that they have a long-standing policy that any judgments on whether genocide has occurred are a matter for the international judicial system. Their approach appears to be to refrain from expressing an opinion on whether genocide has occurred until the international judicial system makes such a declaration. However, why can Parliament not make a declaration?

I respectfully suggest to the Minister that there are perhaps four reasons—probably more—why the Government should reconsider their approach. First, I find it remarkable that the UK is willing to declare itself not competent to judge whether the conditions for genocide, which I have described, have been met, particularly in a case as clear as this. If the Parliamentary Assembly of the Council of Europe, the US Government and the European Parliament, none of which are judicial bodies, can declare a genocide, why cannot we?

Secondly, as I understand it, the Government have previously been willing to express their view on genocides that neither the UN nor the International Criminal Court have ruled upon, such as the case of Cambodia. Thirdly, the Government’s approach is frustratingly circular. We are told that nothing can be done until the ICC or the UN declares genocide, but historically neither have been willing to do so without international pressure. This is potentially a recipe for doing nothing. I know that the Minister is an extremely genuine person and is deeply concerned about matters of justice of this nature, but is it acceptable for this country to effectively risk doing nothing on this particular issue of declaring genocide—I am sure that is not true elsewhere—when we sincerely wish to pursue an ethical foreign policy?

Fourthly, and perhaps most importantly, we have a moral duty to speak out and do what we can for the religious minorities that, even now, are being horribly persecuted at the brutal hands of Daesh. Staying silent in the face of such evil is not an option.

Kirsten Oswald (East Renfrewshire) (SNP): I congratulate the hon. Lady on securing this important debate. What she says about silence is important. The way that Christians, Yazidis and other minorities are being targeted in the areas controlled by Daesh is appalling. I hear a lot
about it from my constituents, but I do not hear about it more widely than that. Encouraging further discussions in this House would help to raise awareness of the persecution of Christians and other minorities.

Fiona Bruce: I thank the hon. Lady for that comment. The issue certainly needs much closer attention in this place and more broadly in our country. The dignity of the people who are suffering so horribly cries out for it.

I want to digress for a moment, to refer to an announcement that was made in the House last Wednesday. The Minister may be able to assist us by clarifying it. Many Members were left with the impression that only states can commit genocide. I have the greatest respect for the Minister of State, Department for International Development, my right hon. Friend the Member for New Forest West (Mr Swaine), and I have no doubt that he gave that response with total sincerity, but will the Minister responding to today’s debate clarify the advice that he was given? As I understand it—I stand to be corrected—all that is needed for a non-state party to be found guilty of genocide is for the UN Security Council to confer jurisdiction on the ICC, and for the ICC to agree that a genocide is taking place. That cannot happen without lobbying from our Government, so we should press the UN Security Council to take action accordingly.

An amendment to the Immigration Bill was introduced yesterday in another place. If passed, it would have presumed that victims of genocide meet certain conditions for asylum in the UK, and it would have put that determination in the hands of a High Court judge. I watched that debate, after which the amendment was narrowly defeated late last night. Although some of the contributors had reservations about its wording, which I believe is why they felt they could not support it, the support for it was much wider than the vote reflected on it. That is why they felt they could not support it, the support for it was much wider than the vote reflected on it. The UK co-sponsored the Human Rights Council’s resolution mandating the investigation of Daesh abuses. The Government want to see accountability for these unspeakable crimes, and for them to be declared as genocide? We can and should express an opinion, so that we can lead the charge at the international level and bring those who are committing such atrocious evils to justice.

4.19 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Tobias Ellwood): It is a pleasure to serve under your chairmanship today, Sir Edward. Before I respond to this important debate, may I take a minute to bring the House up to date with events in Brussels today?

An appalling and savage terrorist attack took place earlier today. The Prime Minister has spoken to the Prime Minister of Belgium to give our sympathies and condolences to the Belgian people. We stand with them at this very difficult time. We are in close contact with the authorities in Brussels, and embassy staff are assisting one injured Briton. We are ready to support any further British nationals who may have been affected. We are aware of reports that Daesh has claimed responsibility. Obviously, along with the international community, we are investigating such reports, but at the moment we cannot confirm anything. Cobra met this morning, and there will be further meetings tomorrow.

I agree with my hon. Friend. Friend the Member for Congleton (Fiona Bruce), whose debate I welcome, that 30 minutes does not do justice to this subject. It is not enough time to say what I would like to say—I can already see that I have only nine minutes left, and even complaining about the amount of time available is wasting more time in which I should be getting on to the issues—[Interruption.] I am already being heckled from a sedentary position.

I thank my hon. Friend for raising the issue. I am sorry to hear that the wording of her motion was altered. I am not aware that it had anything to do with us—I do not think we have that privilege, or I am sure that I would change many motions, although not in this case. I congratulate her on securing this important debate. No one can fail to be moved by the harrowing stories of Daesh’s brutality and the way in which Christians, Yazidis and others have been singled out for persecution, and I pay tribute to both Government and Opposition Members who have campaigned so hard to ensure that minority voices are heard in the fight against Daesh.

In the middle east, we are now witnessing systematic and horrific attacks against Christians and others on the basis of their religion, beliefs or ethnicity. Tragically, the very survival of communities that have existed peacefully in the region for centuries is now at risk. Members on both sides of the House are united in our condemnation of Daesh’s inhumane treatment of minorities. It is also right that we condemn Daesh’s equally brutal treatment of the majority Muslim population in Iraq and Syria.

Today, we have heard appalling examples of Daesh’s abuses. The Government want to see accountability for those abuses and have supported efforts to document them. The UK co-sponsored the Human Rights Council resolution mandating the investigation of Daesh abuses, which were also recorded and condemned in the Foreign and Commonwealth Office.

Will the Minister confirm that we should be pushing for international recognition of, and action against, these unspeakable crimes, and for them to be declared as genocide? We can and should express an opinion, so that we can lead the charge at the international level and bring those who are committing such atrocious evils to justice.
and Commonwealth Office’s 2014 human rights and democracy report. We will do the same in the 2015 report, which is to be published in April. The Government are directly funding training for Syrian activists to document abuses to a standard suitable for criminal prosecution. I pay tribute to those involved in that work for their courage.

Turning to the core of what my hon. Friend has discussed today, I understand the urge for us to declare that there is genocide. As the Prime Minister said in the House yesterday, however, we maintain that genocide should be a matter of legal rather than political opinion, although there is clearly a growing body of evidence that terrible crimes have been committed. It is vital that all of us continue to expose and condemn Daesh’s atrocities and, above all, do everything in our power to stop them, but we maintain that it is right for any assessment of matters of international law to remain in the hands of the appropriate judicial authorities. I assure the House that the Government are working hard with our international partners to ensure that Daesh is held to account for its crimes and that those who have suffered at its hands receive justice.

To be clear, I associate myself firmly with the comments made by Secretary of State John Kerry that no Government are judge, jury or prosecutor—we are not in a position to make such statements. It is for the international criminal courts to do so. However, we are participating in collecting the data, preserving the documents and providing the evidence that will be needed to take things forward. It is important and of symbolic value that international justice is seen to take place, with a commitment by the international community to see accountability for the most serious crimes of international concern.

The matter is complex, however, and an awful lot of due diligence needs to take place, not only on genocide but on the whole issue of crimes against humanity, as my hon. Friend is aware. She has done extremely well to bring the matter before the House today, and I absolutely encourage a further, wider debate with a vote in the House to continue the process.

Michael Tomlinson: I am grateful to the Minister for explaining the situation. Given his experience of military service in the Balkans and of Rwanda, does he see the importance of debating the subject further, as he has just said? Will he support a debate taking place in Government time, with a vote?

Mr Ellwood: My hon. Friend makes his point fully, but it is up to the usual channels to make any decision. I firmly believe that we are not doing justice to the subject; we are only skimming the surface of such an important matter. We have touched on Rwanda, the Balkans and so forth, and, indeed, following Rwanda, the world recognised the duty of care on leaders—again, a legal stipulation—to look after the people under their remit. That failed in Rwanda. I would very much welcome a further debate on the subject, so that the world can hear what this Parliament thinks and the Government’s reaction to that, and so that we can pursue and continue the process. I welcome that and hope that today is only a beginning.

Paul Flynn (Newport West) (Lab): We are at one in this Chamber in our horror of the reports that we have heard. Will the Minister tell us precisely what he expects us to be voting on after a debate in the main Chamber, and what action would be recommended?

Mr Ellwood: That is not for the Government; it is for the Backbench Business Committee to make such a judgment. Any debate would be an indication of the mood or spirit of Parliament, of where we would like to go, and of what we would like the permanent members of the UN Security Council to discuss. It could lead to recommendations for action, perhaps through the international criminal courts or any number of other avenues.

Kevin Foster: Will the Minister give way?

Mr Ellwood: I have two and a half minutes left, so I will give way only briefly.

Kevin Foster: I thank the Minister for giving way. He is being generous, given the time. In 1942, this House made a solemn resolution that those responsible for such crimes should not escape retribution. Would the Government be minded to support such a resolution in this instance?

Mr Ellwood: I will write to hon. Members with details on questions to which I have not replied, but I must conclude.

I have given as much indication as I can of the direction of travel that we would like to go in. I am pleased that the Foreign Secretary has made his comments, and I repeat—I do not want to get myself into any trouble, so I am looking around carefully—that we are not judge or jury here. It is not for the Government to call this, which hon. Members will perhaps recognise as a frustration. It is important that voices are heard to make it clear what the expectations are and where we should be going on what is happening in Iraq and Syria.

To truly defeat Daesh, to eradicate its ideology, and to secure long-term peace and security in the region, we must demonstrate through our words and actions our support for all communities, whether majority or minority, Shi’a or Sunni Muslims, Christians, Yazidis, Kurds or others. We will continue to do all we can to liberate the people of Iraq and Syria from the persecution and appalling violence that they face from Daesh. We must continue to expose Daesh for its criminal and fraudulent betrayal of Islam. In the spirit in which my hon. Friend the Member for Congleton introduced the debate, I also hope that we can take important steps towards bringing Daesh to justice on the international stage.

Sir Edward Leigh (in the Chair): I am sure the House would want to associate itself with the Minister’s comments about the atrocity in Brussels.

Question put and agreed to.
I turn to redactions: the removal of names and details by which people might be identified. On my count—I may be wrong, although I counted twice—there are 633 redactions in the report. Although many will be duplications, the Secretary of State and the Minister must appreciate that that number is extremely high. The previous Secretary of State for Wales, the right hon. Member for Preseli Pembrokeshire, said in his statement last week that redactions had been “kept to a minimum”. While I, and I am sure many people here, accept that some redactions must be made, particularly given the ongoing court proceedings and the potential for further actions, I put it to the House that to claim that redactions in the report have been kept to a minimum is frankly disingenuous.

I am particularly concerned about the extremely high number of redactions in chapters 7 and 8 on freemasonry and establishment figures respectively. Lady Justice Macur made recommendations in her report to the Secretaries of State on what should be redacted in the published report. She said:

“It is for the Secretaries of State to determine any further redaction of my Report weighing public interest with the caution”.

Albert Owen (Ynys Môn) (Lab): I congratulate the hon. Lady on securing this important debate. One of the few positives to come out of Waterhouse was the setting up of the Children’s Commissioner for Wales. Given the strong statement that the commissioner made, does she agree that the Government must be clear about the methodology that arrived at so many redactions?

Liz Saville Roberts: I agree entirely. I will refer to what the Children’s Commissioner for Wales said anon and I hope that the Minister will be in a position to respond to her call as well as those we are making today.

The previous Secretary of State also said that the rationale behind making the redactions, as set out in the letters to the Secretaries of State by the Treasury Solicitor and the director general of propriety and ethics, “explain the reasons…fully”. However, I put it to the Minister that those justifications are weak and bland. I sympathise with the views expressed by victims and by the Children’s Commissioner for Wales, as just mentioned, who believe that the UK Government need to be more open about the process by which redactions were made. First, I ask the Minister to tell the House how many redactions were made in addition to those suggested by Lady Macur. Secondly, will he publish further information about why those additional redactions were made and what the process was in coming to a decision on them?

Especially alarming—possibly more so—are the numerous serious cases of missing or destroyed evidence at several different points during the various inquiries. Lady Justice Macur’s report refers to individuals who have implied in written evidence that they hold information about abusers who were not investigated by the police or the tribunal. She states that following an interview with—a redacted name—she made a request for materials said by that person to be relevant to the review and stored by a solicitor. She goes on to say that that solicitor had since left the relevant practice and that the files in question were destroyed. She even says that the person at the firm dealing with her request recalled that, before the files were destroyed, the solicitor in question had visited the office and “may have taken any documents he considered worthy of retention.”
The report states that the solicitor in question had failed to respond to correspondence from Lady Macur. Does the Minister consider that a satisfactory conclusion to that line of inquiry? Is simply ignoring correspondence until the problem goes away all one needs to do to get away with a crime? Even ignoring the allegation that the solicitor may have removed evidence, is the Minister satisfied that it would be standard practice to destroy recently archived data?

Unfortunately, that is just the tip of the iceberg when it comes to missing or destroyed evidence. The greatest cause for concern in relation to the process and documentation is of course the fate of the Waterhouse tribunal’s evidence originally handed over to the Welsh Office in 1998. Those documents—it says this in the report—were supposed to be archived securely for 75 years. That did not happen. The evidence received scant respect at the Welsh Office and it was then shuffled over to the Welsh Government.

This is simply a catalogue of data mismanagement: dependency on technology that becomes dated and corrupted; destruction of hardware and tapes; boxes of evidence in disorder; and a reference index that lists 718 boxes while only 398 were initially made available. It remains unclear how many boxes of evidence were finally handed over to Lady Justice Macur, but documents were still coming to light on 1 December last year. It should be noted that the report was presented on 10 December. That methodology does not instil confidence.

The significance of the destroyed computer database cannot be overestimated. That was the record of all documentation. Against that database, if extant, it would have been possible to come to a view as to whether significant evidence was present or missing. Macur states:

“It is impossible to confidently report that I have seen all the documentation that was before the Tribunal.”

We cannot therefore come empirically to an opinion on whether material has been lost, removed or concealed.

**Ann Clwyd (Cynon Valley) (Lab):** I interviewed six young men some years ago in the Cynon Valley. Those boys were taken to north Wales, and that may be true of boys from other parts of south Wales as well. This is talked about as the north Wales abuse inquiry, but it is sometimes forgotten that the children came from all over Wales. Those boys’ reports were harrowing, as Members can imagine. It is an absolute disgrace that there are so many missing documents; I entirely agree with the hon. Lady. Where have they gone? Who is responsible? Lots of the evidence given to the Jillings report, which preceded the Waterhouse inquiry, has also gone missing. Where is it? Who did that, and what were they hiding?

**Liz Saville Roberts:** I agree. There is a history, as the right hon. Lady mentioned, of a loss of evidence associated with child abuse. I refer also to the Geoffrey Dickens dossier. I ask the Minister to consider whether victims and survivors of abuse in Wales—not only north Wales, of course—can, in all honesty, be satisfied with the findings of this report.

Now that the Macur review has been published, we are left with the overall lasting impression that documentation and process have been more important than securing justice for the victims and survivors of the abuse that was perpetrated, which should have been the overarching responsibility and purpose of the review. Symptomatic of that concern for documentation and process rather than for the victims and survivors of abuse was the failure to speak to them individually. The review held a public session in Wrexham in June 2013. The review’s website states that, on that day, Lady Justice Macur “met privately with anyone who asked to do so” and that the review “met with numerous individuals with relevant information.” However, I have spoken with one of the survivors, Keith Gregory, who is a point of contact for other victims and survivors of abuse, and he has informed me that arrangements for interviews were forgotten by the review.

Adding to the undermining of the victims and survivors of abuse are the definitions of “unreliable witnesses” and “multiple hearsay”. Those unfortunate terms were used at the time by people working within the Wales Office to dismiss those who had approached them to demand that attention be focused on investigating abuse that later turned out to be true and to be widespread. The terms are still in use today and are very potent. It is unfortunate that, due to misguided and wild accusations that emanated from multiple investigations into prominent public figures, sympathy for the survivors and victims of historical child abuse has swung away from them to incorrectly accused individuals. Obviously, the cases of figures such as Lord Edwin Bramall and Harvey Proctor—this, of course, is relevant to news we have heard in recent days—have demonstrated the need to proceed with care and caution when investigations are carried out. However, the danger is that the popular and media perception focuses on sympathy for wronged figures at the expense of genuine victims and survivors. The sensationalist and prurient nature of the subject matter makes a good tabloid story, but surely society should make every effort to respect the suffering of all innocents caught up in both perpetration and accusation.

Ultimately, after reading the Macur review, I am left with the impression that many points still need to be explained and explored under the public gaze. I am particularly concerned about recommendation 5, which I do not interpret in the same way as the Secretary of State for Wales did in his statement last week. He referred to one alleged incident of criminal charges, but Lady Justice Macur’s recommendation seems far more wide-reaching. It concerns me that the Secretary of State appears to have been at pains to restrict the scope of recommendation 5, and I seek a further explanation of what steps will be taken.

The role of the Children’s Commissioner for Wales should be strengthened, which she mentioned in an interview on “Sunday Politics Wales” at the weekend. The commissioner, Sally Holland, called for greater powers, noting that the commissioner’s powers in relation to complaints, advocacy and whistleblowing should be extended to include any area that involves the abuse of children. Might I suggest the Government examine that point and perhaps, if appropriate, include it when they inevitably strengthen and revise the initial draft of the Wales Bill? Will the UK Government work with the Welsh Government to ensure that the Children’s Commissioner has the full range of powers she believes she needs to ensure the full and adequate protection of children?
The Children's Commissioner also called for the Government to publish or explain information regarding who identified what number of redactions and in which chapter; that is an important point. We are aware that an unredacted copy of the review has been forwarded to the Goddard inquiry, but that will not report until the end of 2018 and will therefore be another long process for the survivors, who have waited for many years already. Victims and survivors need to know what the methodology and process for deciding upon redactions were; the Government owe them that. I note that the only politicians to have had sight of the unredacted version so far all belong to the Government. That does not seem right. It is also clear that there needs to be a strengthened status for evidence from child abuse inquiries, including its preservation, which is a wider point for any Government inquiry.

There undoubtedly needs to be a commitment to ensure that children's voices are heard in the criminal justice system, in health and social care and in any other sector that involves the care of children and contains the potential for abuse. Rather than simply a platitude that seeks to soothe and reassure in the face of public anger and is then forgotten as time rolls on, we need to change the way in which children's voices are heard during such processes, in concrete and administrative terms.

Mark Tami: The hon. Lady makes an important point about children's voices being heard. In many of these cases, because the children were in a home, they were not considered to have any value, and that is why they were treated in the way they were. That, in some ways, is the worst aspect of this whole miserable, dreadful business.

Liz Saville Roberts: One thing that has saddened me is perceiving how vulnerable these children were, which made them vulnerable to abuse in the first place, and how that abuse in turn has affected them for the rest of their lives and in part condemns them to being unreliable witnesses. We have not served them well; there is no denying that.

Hywel Williams (Arfon) (PC): I congratulate my hon. Friend on the speech she is making. In terms of process, is she surprised, as I am, at the paucity of reference to the linguistic context in which this happened in Wales—specifically in north Wales and north-west Wales, where a percentage of the children would be Welsh-speaking? I detect very few references to that in either the Macur report or, in fact, the Waterhouse report, which I read many years ago.

Liz Saville Roberts: Indeed. We are talking about children's voices, and one aspect of that is whether people are able to use their first language, in which they are most confident and express their emotions most fluently. Are able to use their first language, in which they are most confident and express their emotions most fluently.

Ian C. Lucas (Wrexham) (Lab): I am pleased to see you in the chair, Sir Edward. May I take this opportunity to congratulate the Minister on his appointment? This is not the easiest of debates with which to start. I also congratulate the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) on her studied and sensible remarks.

This is a really difficult issue for Wrexham. It has cast a cloud over the years that I have been in Parliament, which are many now. The Waterhouse report was published in the year before I became a Member of Parliament and refers to events that occurred very often in Wrexham in the 1980s and 1990s, when I lived and worked in the area. There were great hopes for the Macur review. On Thursday, when the Secretary of State for Wales made a statement, I said that I was astonished. I am afraid that having considered the review to the extent I have been able to thus far, I do not in any way reside from my statement; in fact, I would intensify it.

The reaction within Wrexham has been one of huge disappointment and distress. The hon. Lady referred to Keith Gregory, who is my constituent and a local Plaid Cymru councillor in Wrexham, and to whom I spoke at the weekend. There is intense disappointment, but it simply confirms the view of many survivors about the political class, the political system and the whole world in which many of my constituents see politicians as operating. I am afraid that the report, with the redactions that have been referred to, will intensify the disillusion that the survivors of these incidents feel about the political and judicial system in north Wales.

A lot of issues will arise from the report, and I tell the Parliamentary Under-Secretary and Ministers at the Ministry of Justice that I will be pursuing many of those questions through parliamentary questions and further debate. We need a substantial debate—a full day's debate—on this report, which is of national importance, in order to address the issues in it, once we have had the opportunity to try to read it. I congratulate the hon. Lady on reading the report; I have had real difficulty doing so because of the number of redactions in it. Many of the most important and controversial aspects of the report are very difficult to extract from the document we have.

The issue of redaction is very important. I was surprised last Thursday that the then Secretary of State for Wales made the statement, because I had expected the Lord Chancellor to make it. I have raised questions in connection with the publication of this report that have always been answered by the Ministry of Justice, which I therefore expected to be dealing with the matter. Although the report was jointly commissioned by the Wales Office and the Ministry of Justice, it is very important that Justice Ministers—I mean no disrespect to the Wales Office—should answer, because there are very technical and difficult legal questions relating to it.

It is clear that this report followed correspondence that took place between the Lord Chancellor and Lady Macur who was conducting an investigation and doing an independent report. The important issue of redaction was at the heart of that correspondence. The review itself makes it clear in paragraph 8.4 that “the redaction of this report is a matter for the commissioning departments.”
It is very important that everyone out there understands that the redactions in the report were made by the Government, not by the judge. The only people who have seen the full report and have made the redactions are the Government.

However, that was not enough for the Lord Chancellor. Information that is given to us by Lady Justice Macur in paragraph 1.44 of the report tells us that Her Majesty’s Procurator General and Treasury Solicitor, Jonathan Jones, asked for a meeting with her to discuss the “inclusion of names of individuals subject to unsubstantiated allegations.”

In the review, Lady Justice Macur says that she refused to have such a meeting.

That was not the end of the matter as far as the Ministry of Justice was concerned. I should make it clear that I have written to the Lord Chancellor to give him notice that I will be referring to this report and to him as an individual in this debate, because after the refusal to meet the Treasury Solicitor, the Lord Chancellor—effectively Lady Macur’s boss—wrote a letter to her. She is the head of an independent judicial inquiry investigating an alleged cover-up. He asked her to withhold the names of individuals who were the subject of allegations from the draft review presented to other Government Departments—so the Lord Chancellor asked her to take the names out of the draft report that was being sent, within the Government, to other Departments. I do not regard that as appropriate. This was an independent judicial inquiry and the matter was one for the judge.

I would have liked to question the Lord Chancellor on those points but, unfortunately, he did not present the report to Parliament, so I have not had the opportunity to do so: I will pursue those matters. In any event, the Government have redacted, as we have heard, huge swathes of the Macur review, removing in particular the names of individuals who have been the subject of speculation and who have national recognition. For example, the name Peter Morrison has been redacted from the report, but puzzlingly, other names—Greville Janner, Lord Gareth Williams—have not.

Mr David Jones (Clwyd West) (Con): If I may correct the hon. Gentleman, Peter Morrison’s name does appear in the body of the report. It is important that the hon. Gentleman clarifies that, because it is not redacted.

Ian C. Lucas (Newport West) (Lab): My hon. Friend is making a valuable contribution to the debate. Does he think that handing an unredacted copy to the Goddard inquiry will affect the delay in anyone having any chance of finding out what the redactions are? The Goddard inquiry is very optimistically expected to report in two years, but the scale of the inquiry is so enormous that most people think it will take a decade. Is it right that the abuse of those young people should continue for at least another 10 years?

Mr David Jones: The point I was seeking to make is that his name is not wholly redacted, and since the hon. Gentleman is making a speech that covers very important matters, it is necessary to clarify that point.

Ian C. Lucas: I am grateful for that clarification, but in the chapter that relates to establishment figures, the two names that I referred to are not redacted, whereas Peter Morrison’s name is. It is very difficult to deduce a line of principle to see why someone made that decision. I think we need to have that information, and I think it is very important and very appropriate that the Children’s Commissioner for Wales has written to the Secretary of State for Wales, saying that:

“more can be done to demonstrate many of the omissions to be found in the report, and seek a greater level of transparency to be afforded to victims. As such, I call on the UK Government to issue a statement explaining the methodology used for redacting the publically available Macur Review Report, giving a full rationale for the changes made. Without an understanding of the approach employed by the Government’s lawyers, many will continue to question whether there has been protection of individuals because of their position in society, rather than because there are ongoing criminal investigations, or if there is no evidence against them.”

Some of the people whose names have been redacted are dead, so there will not be any continuing criminal investigations as far as they are concerned, and it is very difficult to understand why these redactions have been made and what element of principle is involved. We need that information because we have to try to persuade our constituents that our political system is not rotten and that it does afford them some element of protection.

I am also very concerned about the circumstances in which the review was set up. There is a very interesting section starting in paragraph 1.33 of the review concerning a Wales Office note, and the involvement of the Cabinet Secretary in the compilation of a note that involved the former Secretary of State for Wales, the right hon. Member for Clwyd West (Mr Jones), who is here today. It seems from the report that issues that are directly relevant to the establishment of the Macur review have been left hanging in the air and that a Cabinet note, which is referred to in paragraph 1.40, has not been disclosed. That is one of many documents that are available and should be published. A huge number of questions arise from the report and I am afraid its contents do nothing to resolve the disillusion of my constituents or the many survivors who suffered at the hands of criminals in north Wales in the 1980s and 1990s.

Paul Flynn (Newport West) (Lab): My hon. Friend is making a valuable contribution to the debate. Does he think that handing an unredacted copy to the Goddard inquiry will affect the delay in anyone having any chance of finding out what the redactions are? The Goddard inquiry is very optimistically expected to report in two years, but the scale of the inquiry is so enormous that most people think it will take a decade. Is it right that the abuse of those young people should continue for at least another 10 years?

Ian C. Lucas: My hon. Friend makes a valid point. The report took over three years and I would be astonished—to use that phrase again—if the Goddard report reviewed within that timeframe. That is why it is incumbent on us to ask these questions. It is unacceptable that only members of the Government see the unredacted report. I am a former Minister and an elected Member of Parliament and it is appropriate for the unredacted report to be seen by individuals in Opposition parties. Otherwise, the inference that political motives are involved will continue to be made.

Mr David Jones: Does the hon. Gentleman agree that another disturbing element of the report is the handling of the documentation of the inquiry: its transmission from the Welsh Office to the Welsh Assembly Government, and what happened when it was in the hands of the Welsh Assembly Government? Does he agree that those matters also need further clarification?
Ian C. Lucas: The disappearance of documents at so many stages during the history of this matter creates huge difficulty for anyone expecting a proper inquiry. All those matters need to be questioned and investigated further.

The difficult with the Macur review, which in many ways gives valuable information that we did not have before, is that it leaves many questions hanging in the air, and all questions need to be addressed. The content is so dense and difficult that it will take time and hard work to get through to its core. There are many disturbing questions, and more now than before the then Secretary of State for Wales made his statement on Thursday.

Susan Elan Jones (Clwyd South) (Lab): It is a pleasure to serve under your chairmanship, Sir Edward. I congratulate the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) on securing today’s important debate. I hope that hon. Members will forgive me if I do not refer to all their speeches in detail, but I have a number of questions for the Minister, whom I welcome to his new role. We are all anxious that he can speak for as long as possible on this important subject.

I commend the thoughtful speech of my parliamentary neighbour, my hon. Friend the Member for Wrexham (Ian C. Lucas), in whose constituency many of the care homes referred to are situated. My right hon. Friend the Member for Clwyd West (Mr Jones) and the right hon. Member for Alyn and Deeside (Mark Tami), for Newport West (Paul Flynn) and for Ynys Môn (Albert Owen), the hon. Member for Arfon (Hywel Williams) and the right hon. Member for Clwyd West (Mr Jones) all took part in the debate.

I will come to the redactions, which are a cause of great concern, but when they are connected with legal proceedings, court proceedings and the like, I hope that new prosecutions will be secured. I also hope that if sentences are passed, the judiciary are not unduly lenient.

These were most heinous of crimes, not only because they involved the sexual and emotional abuse of children, great evils though those are, but because they involved a group of children who the criminals who perpetuated these acts knew would never be believed. They were criminal and evil on both counts, and I hope the judiciary do not get soft when sentencing.

The abuse that was carried out in care homes in north Wales shames us all. As the Waterhouse inquiry found, it was widespread and persistent physical and sexual violence against young boys and girls. That it was perpetuated by those who should have been looking after those children, in homes where they should have felt safe, just adds to the sheer horror of what occurred.

Those of us who lived in the areas around those homes well remember that it was common parlance to talk about the “naughty boys’ homes”. That was how they were regarded at the time.

Our thoughts must be with the survivors of that abuse, who were left down for a second time when they reached out for help and none was given. It was because of concerns raised by survivors about the scope of the Waterhouse inquiry that the Macur review was commissioned. Lady Justice Macur’s foreword to her review says that she hopes “to achieve the finality that many participants in this process will desire.”

Indeed, that was what we all hoped for. Since the review was published last week, however, a number of survivors have expressed their disappointment with its conclusions, and that has been echoed by many Members today. The NSPCC has expressed concern that the “lengthy, drawn out process” of the review “risks deterring victims from coming forward.”

I sincerely hope that is not the case, and that survivors will have their voices heard clearly by the independent inquiry into child sexual abuse led by Justice Lowell Goddard.

Last week, the then Secretary of State for Wales said that the Goddard inquiry would open an office in Cardiff to engage with survivors in Wales. Can the Minister provide further information about when that will occur, and crucially, will he outline how the Goddard inquiry will engage with survivors and participants in other parts of Wales, including north Wales?

We know that physical and sexual abuse leaves a lasting impact on the lives of those affected and that, no matter how long ago that abuse occurred, survivors need support to rebuild their lives. The publicity surrounding the review will have triggered deeply painful memories for many survivors and may encourage others to seek help for the first time. Will the Minister set out exactly what support is available to those who come forward?

Has he or his predecessor had conversations with agencies, including the Children’s Commissioner for Wales, to ensure that help is highlighted to those who need it?

The Children’s Commissioner for Wales has highlighted the need for clarity on why the redactions were made. Redacting information is a highly sensitive area, because it seems to conflict with the transparency that inquiries such as the Macur review should provide. It is vital to get the balance right. We know that it is necessary to redact some information, when criminal investigations are involved, but our view is that it should be done in as few cases as possible and must be justified to survivors.

How many redactions were made in addition to those requested by Lady Justice Macur? What methodology was used when deciding which names were redacted?

I want to ask the Minister specifically about the process that led to the redactions, which is described in paragraphs 1.44 and 1.45 of the report and has been raised previously in the debate. Lady Justice Macur writes that she received unsolicited letters, first from the head of the Government Legal Service and then from the Secretary of State for Justice, about the extent to which her report would name those subject to unsubstantiated allegations. The Justice Secretary “strongly urged” Lady Justice Macur not to name those concerned and suggested that she “underestimated the unfairness and prejudice to such individuals of including their names in the Report”.

To be clear, those names have been redacted in the published version of the report, but the Justice Secretary was arguing that they should not have been included in the first place. Lady Justice Macur decided not to follow that course of action. It is unfortunate that the Justice Secretary made that approach, given the understandable sensitivity that surrounds the question of redactions. Is the Minister satisfied that the Justice Secretary was right to make that approach, particularly in light of the fact that his was one of the commissioning Departments, and does he support Lady Justice Macur’s approach to those subject to unsubstantiated allegations?
My hon. Friend the Member for Wrexham referred to the need for a longer debate on this issue. Can the Minister confirm that that might be granted in Government time?

The abuse described in the Waterhouse inquiry and again in the Macur review is truly staggering. I hope that the review is the start of a process whereby survivors will feel that their voices are being heard. As we move forward, it is imperative that anyone who has committed these gravest of crimes against the most vulnerable, no matter how long ago, is promptly brought to justice. The survivors of this abuse, and the people of Wales, have waited long enough.

The Parliamentary Under-Secretary of State for Wales (Guto Bebb): It is a pleasure to serve under your chairmanship, Sir Edward. I thank hon. Members for their warm welcome for my appointment to this position; it is appreciated. The hon. Member for Wrexham (Ian C. Lucas) made the point that this is not the baptism that one would have expected or anticipated, and this has been a difficult week of trying to get to grips with a very difficult subject area, but the way in which the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) has approached the debate and the way in which other hon. Members have contributed are to be applauded and are certainly appreciated from my point of view.

As a north Walian MP, I am acutely aware of the dark shadow that this issue has thrown over north Wales, and the rest of Wales for that matter, for far too long. Therefore, it is appropriate to congratulate the hon. Member for Wrexham (Ian C. Lucas) for her work on these issues, and while I am paying tribute, I would like to say that the hon. Member for Dwyfor Meirionnydd (Liz Saville Roberts) has clearly been following in her predecessor’s footsteps in highlighting concerns on this issue.

It is important that I try to respond to the questions that have been asked. It would be easy for me to comment on how the Waterhouse inquiry was established and the concerns about the Waterhouse inquiry. We could talk about how the Macur review was established and the concerns there. However, the key point is that I have limited time to deal with the questions that have been raised, so I will try to respond to all of them, and if I fail, I will certainly ensure that I write to hon. Members on those specific issues.

It is important to make this clarification at the outset. The hon. Member for Wrexham highlighted a degree of concern that the previous Secretary of State for Wales made the statement on Thursday and subsequently this debate is being responded to by the Wales Office. It is important to point out that the Macur review was jointly commissioned. In view of the fact that the original Waterhouse report was commissioned by the Wales Office and in view of the fact that this report was a joint commission, I think it is appropriate that the Wales Office responds, but clearly questions can be asked of both Departments. The Departments will consult each other in responding to any further questions from the hon. Gentleman; and clearly, if there are any omissions in the speech that I make today, further questions can be asked. The Departments will work together to try to give answers that will satisfy hon. Members in relation to the concerns that they have raised.

Clearly, the key concern highlighted by hon. Members across the Chamber this afternoon relates to redactions. Those concerns have been expressed not only by hon. Members, but by civil society in Wales and of course by the Children’s Commissioner for Wales. I am very pleased to be able to report that I have spoken this morning to the Children’s Commissioner for Wales. It is clearly appropriate that we take her concerns seriously. I will write, on behalf of the Department, to the Children’s Commissioner to respond to some of the concerns that she has expressed, and I will highlight the redactions and publish in the public domain, in relation to why some of the redactions were undertaken. The Children’s Commissioner is more than welcome to put that letter in the public domain in due course. There is no intention whatever to hide from any of the questions in relation to redactions.

In responding fully on the issue of redactions, I think it is fair to say that this concern was raised before publication of the report, by the right hon. Member for Cynon Valley, and the statement was very clear that the redactions would be as minimal as possible. That is why, when we published the report, we also published the two letters: the letter from the Cabinet Office and the letter from the Government’s legal department explaining why there was a need to do some redactions in the report. It is fair to say that in the report Lady Justice Macur herself states that there are certain details that should be considered for redaction; and again, the important thing here is for me to try to explain on what basis those decisions were taken.

Clearly, the first reason for redactions, which is crucial and understood, I suspect, by all Members of the House, is that we would not want to do anything that would potentially compromise any ongoing police investigations and any criminal proceedings. It is clear that a tribute was paid in the main Chamber on Thursday to the work of the National Crime Agency through Operation Pallial. It would be a travesty of justice if the publication of names in the Macur report were to threaten in any way, shape or form the possibility of further criminal investigations and any criminal proceedings. It is clear that a consultation was undertaken. The Children’s Commissioner is more than welcome to put that letter in the public domain, in relation to why some of the redactions were undertaken. The Children’s Commissioner is more than welcome to put that letter in the public domain in due course. There is no intention whatever to hide from any of the questions in relation to redactions.

I come now to the second category. Clearly, a significant number of names of victims of abuse have been redacted. That, again, is a legal requirement. We are required...
under the Sexual Offences (Amendment) Act 1992 to ensure that the identities of those who have suffered sexual abuse are protected; they have a right to anonymity. Therefore, those redactions have been done in order to protect people who have already suffered. It would be wrong to have people's names dragged through the public sphere once more. Those people have already suffered so much as a result of the abuse that they suffered.

The redactions in those two categories have been overseen by Sue Gray, the director general of propriety and ethics in the Cabinet Office. The letter from Sue Gray was published at the same time as this report, so again, the reasoning behind the redactions was certainly communicated and will be communicated again to the Children's Commissioner, as I stated.

The third category, which I suspect is the one causing most concern to hon. Members in view of the speeches that have been made, is those individuals who have been accused of abuse or speculated to be involved in abuse, who have not been subject to a police investigation, who have not been convicted of a criminal offence and whose name is not in the public domain in the context of child abuse. It is important to state that in the report Lady Justice Macur advises that the publication of those names would be

"unfair in two respects and unwise in a third."

That is not the Government—not the Wales Office—it is Lady Justice Macur herself. She states:

"First, the nature of the information against them sometimes derives from multiple hearsay".

I understand the concerns expressed by the hon. Member for Dwyfor Meirionnydd in relation to the use of hearsay, but again, that was not a recommendation coming from Government; it was from Lady Justice Macur herself. She also states that

"second, these individuals will have no proper opportunity to address the unattributed and, sometimes, unspecified allegations of disreputable conduct made against them".

Again, that is a statement made by Lady Justice Macur. She continued, 

"and third, police investigations may be compromised".

Now, I have already touched on the issue of criminal investigations. We do have an obligation to highlight where we believe there is wrongdoing but we also have an obligation to ensure that we are not pointing the finger at individuals who might be completely and utterly innocent. We all know that there is a danger that publishing names without any specific allegations being made and without any specific justification could create a witch hunt, which is the last thing that a responsible Government or Parliament should be involved with.

It is important to highlight that the redactions were not undertaken to protect any individuals or to damage the report. They were undertaken to ensure the integrity of the report. I understand the concerns because, as a Member from north Wales, I read the report on Thursday in no way anticipating that I would be responding to the debate today. However, I think that the arguments presented by the Treasury Solicitor and by the Cabinet Office are not without merit. Indeed, I challenge hon. Members to state whether they believe that those arguments are incorrect.

Ian C. Lucas: I accept many of the arguments that the Minister makes, but why were the two names I mentioned earlier unredacted while many other names were redacted?

Guto Bebb: I will try to respond to that in my next few comments. Just to finish the comments I was making. I understand the frustration and the feeling that there could have been fewer redactions, but it is imperative that the reasoning, in the round, is understood by hon. Members. I have tried to explain why those redactions have been made. I have explained very clearly that they were undertaken as a result of advice given, which I think was quite reasonable. I hope that hon. Members will take that into account. There has been no attempt to mislead or to not be very clear as to the basis for the changes. We are more than happy to correspond on the issue if the hon. Member for Wrexham feels the need to take it any further.

Albert Owen: On the issue of redaction, does the Minister understand the concerns of many people that only Government Departments saw the unredacted version? He may be coming to that. I think it is hugely important.

Guto Bebb: Yes, I will touch on that issue, which was also raised by the hon. Member for Wrexham. It is simply not correct that only Government Ministers have seen the uncorrected report. It might be correct that the only politicians who have seen the report are Government politicians but it is not only the Government who have seen it. Clearly, an unredacted copy has been sent to the Goddard review, Operation Pallial, Operation Orion and Operation Hydrant.

It is simply not correct to say that the only people who have seen an unredacted version of the report are Government Ministers. If the argument is that we should provide that information to all elected politicians but not to the general public, it is a completely different argument. Given the way in which politicians are viewed, I am not sure that would contribute any further to the trust that the hon. Member for Wrexham seeks.

On the methodology, I have tried to explain why the redactions were undertaken. The two letters that we received have been published. I will write to the Children's Commissioner for Wales highlighting again the reasons for the redactions. I am not claiming that the response will satisfy all people's concerns, but it is clear that the Wales Office and the Government ensured that the advice that was provided was published at the same time as the report. We have provided the explanation for the methodology and we will provide further explanations.

I understand that the hon. Members for Clwyd South (Susan Elan Jones) and for Dwyfor Meirionnydd highlighted concerns but I think that those have been addressed. If they need to be addressed in further detail, I hope that our letter to the Children's Commissioner for Wales will provide that. I am more than happy to respond to any questions received.

Paul Flynn: Does the Minister know that there is a precedent for revealing to Members of Parliament reports that are entirely secret? The report that I saw as a member of the Select Committee on Home Affairs—the Operation Tiberius report—was an extraordinary document that named many people including criminals and police, who worked together through the freemasonry movement.
We inspected that report under strict terms of security. We were not allowed to take our phones in. We were watched the whole time and we were not allowed to take any notes. There is a precedent for allowing Members of Parliament to see the unredacted report.

Guto Bebb: I take the hon. Gentleman’s point but hon. Members have made arguments that the redactions are damaging public confidence. I am unsure how the idea he offers would contribute to solving the issue of public confidence because a very limited amount of people in the political sphere would be responding. A couple of other questions were asked by the hon. Member for Dwyfor Meirionnydd—

Ian C. Lucas: Will the Minister give way?

Guto Bebb: Could I just answer this question because I am aware of the time? Another question was asked by the hon. Member for Dwyfor Meirionnydd about recommendation five. The issue relates to the consideration of criminal charges relating to events referred to in paragraphs 645 to 675 of the report. It does not relate to the actions of the Wales Office or of any Government Department. The police and Crown Prosecution Service are aware of the specifics of the matter, and that issue is a matter for them to consider, not the Government.

The hon. Members for Clwyd South and for Dwyfor Meirionnydd asked how many redactions, in addition to those that were a result of the advice given, were made by the Government. The answer is zero. Not a single further redaction was made. The redactions that have been made were all in accordance with the advice given and the explanation that has been provided.

The hon. Member for Wrexham asked about the publication of some names and not others. Again, the letter from the Treasury Solicitor sets out the methodology for redacting such names, saying very clearly that they are the names of people who are rumoured or speculated to be involved in abuse, who have not been convicted of a criminal offence and/or whose name is not in the public domain in the context of child abuse. That is in the letter from the Treasury Solicitor so the reasoning has been provided.

Ian C. Lucas: I do not accept for one moment that those principles apply to the name Peter Morrison. I do not think that any reasonable person could reach that conclusion. That name is in the public domain and it is in the report. I cannot understand why that name has been redacted. The redaction of that one name has had a massive impact on the public confidence in the whole report.

Guto Bebb: I hear what the hon. Gentleman is saying but I have attempted to provide an explanation as to why the redactions have been as they have been. I need to touch on a few other issues. I do not think there is any denial of the inadequate nature of the records management, which is a point that was raised by my right hon. Friend the Member for Clwyd West (Mr Jones). It is acknowledged that the records management has been poor. It was not to anybody’s satisfaction and it is fair to say that lessons have been learned by the Wales Office, and I presume that the Welsh Assembly will take some of the report’s advice on records retention very seriously. However, it is fair to state that Lady Justice Macur is clear that she received “the majority of, if not all, relevant documentation” and that she is “confident in the conclusions I reach in this Report in light of numerous, varied and cumulative sources of information available”. Again, that is not the Government’s line. That is a comment from Lady Macur regarding the lack of record-keeping or the problematic element of the record-keeping.

An important point is contained in paragraph 2.6 of the report, in which Lady Macur states quite clearly that 523 boxes of files were received, some 400 of which originated from the Wales Office. Although that is unsatisfactory compared with what we would expect from a Government Department, I stress the fact that Lady Macur does not believe that her conclusions would have been different if she had received more information than that which was provided.

We have touched on establishment names only very quickly. I have tried to explain why redactions have happened, and we are more than happy to respond to any further questions from hon. Members who believe that there is an issue there.

The other point that I would like to touch upon just before I finish is that Lady Justice Macur adds, for the sake of clarity,

“At no time have Ministers or their officials attempted to influence me in the conduct of the review or the conclusions I have drawn.”

There is a view here that there is a lack of transparency and clarity but, on every aspect, we have tried to offer an explanation and even Lady Justice Macur has said that she was not subject to any undue pressure.

I do not think I will have time to respond to the question from the hon. Member for Arfon (Hywel Williams) about the Welsh language or to the question from the hon. Member for Clwyd South about the Goddard inquiry, but I will write to both Members.

The debate has been difficult and there are lessons to be learned. We will write to the Children’s Commissioner for Wales and respond to any further questions. The Macur report was certainly worth doing and it has been of value.

5.30 pm

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
Burma

9.30 am

Paul Scully (Sutton and Cheam) (Con): I beg to move.

That this House has considered the political situation in Burma.

It is a privilege and an honour to serve under your chairmanship once again, Mr Owen.

Burma is a nation at a crossroads. It faces huge challenges, but there are many reasons to be optimistic. Recently, I was fortunate to go on a visit with Benedict Rogers from Christian Solidarity Worldwide. He is a fount of knowledge on Burma. As well as being a fantastic advocate for human rights and religious tolerance, Christian Solidarity Worldwide is an amazing source of information on that and other parts of the world.

I have a personal interest in Burma, because my father was born there. My grandfather was born in Mandalay. During world war two he served on the docks and took part in the scuttling so that the Japanese could not get in and use the docks or anything there. When I visited, I found out that when my father was a schoolboy aged 13, he was walking past the Secretariat on the day that General Aung San was assassinated. Imagine a 13-year-old boy seeing the chaos in the aftermath of that and not knowing quite what a pivotal moment that was in the country’s history.

In 1962, during the coup, my aunt was a tutor at Rangoon University when the student union was blown up, and she lost many of her friends and colleagues that day. She also lost her job. For the next two years she had to work unpaid at the generals’ behest, doing whatever they wanted, including going up and down the streets chanting to pretend that the generals had far more support than they actually did.

It was therefore an absolute privilege and honour for me to create another tiny chapter of my family’s history in 2016, at another pivotal moment in the country’s history. Following the 2015 elections, the Government are transitioning to what we hope will be a far more open, fairer and freer democracy. The visit was more than just a personal episode of “Who Do You Think You Are?”; thanks to Ben, I was able to criss-cross the country and meet a number of people to talk about religious tolerance, human rights and ethnic conflicts. I also met a number of national and regional MPs.

I joined an international delegation in Naypyidaw, which included my hon. Friend the Member for Norwich North (Chloe Smith), who is in her place, and the hon. Member for Penistone and Stocksbridge (Angela Smith) and the right hon. Member for Enfield North (Joan Ryan), both of whom I know wanted to participate in the debate. Unfortunately, they have events elsewhere. The international delegation helped to train the new Burmese MPs, and one thing that was uncovered was that the first basic risk for the future is the capacity of the newly elected politicians. They have worked so hard and given up so much to be elected, but they need knowledge and direction to be effective at drafting and scrutinising legislation and to be able to challenge Ministers while still dealing with their constituency work to the best of their ability. We take that for granted here. When I was elected, I had support from experienced Clerks, staff, Doorkeepers and colleagues. I stepped into a mature system with people who could guide me smoothly on the way. The system in Burma was previously run by a military junta, so that barely exists in Naypyidaw. The opportunity to scrutinise is very new.

Mr Speaker has also been to Burma with Ben Rogers, and is a former chairman of the all-party group on democracy in Burma. He has already provided a lot of support and has promised more. Experienced British parliamentary Clerks are seconded over there, sharing our knowledge, and that is fantastic. Delegations of Burmese Clerks have visited here, too. Most people, when they look at my campaign to get to this place after two and a half years and a hard-fought election, say, “Paul, you worked very hard”, but I basically did a lot of simple things many times over a couple of years. I look at the Burmese MPs in awe. They have given up so much. My old sales manager used to liken commitment to an English breakfast. He said that the chicken that gave the egg was mildly interested, but the pig that gave the bacon was totally committed. What the Burmese MPs have given up is remarkable. They are eager and chomping at the bit, but it is important for them to focus. There is a huge weight of expectation, and that needs managing in the parliamentary and party structures.

Most Burmese people are tolerant, understanding and determined, but they know that they cannot change things overnight. With vision, determination and a framework, however, things can change. Aung San Suu Kyi is an incredible woman, but she cannot do everything on her own, and that is why the framework will be important. We need to enable MPs to find the right balance between their work for their country in getting the rule of law, legislation and changes in place, and their constituency work and family life. That is very difficult given the situation in Naypyidaw. The extraordinary parliamentary building that Members might have seen on the internet or television is something to behold. Even Ceausescu would be amazed by the extent of the building. Frankly, it is big enough to give MPs a desk and somewhere to do their constituency work. Not all the changes need a lot of money, which obviously Burma does not have a lot of at the moment.

The election observers I met while I was over there saw a number of cases of fraud, intimidation and threats of violence, so it was not a perfect election by any stretch of the imagination, but it was as good as could be expected, and I do not think anyone can be in doubt that it got the result that the vast majority of the country wanted to see. In that regard, it was a good result, and it was as free and as fair an election as we could expect. Will the Minister tell us what more parliamentarians and the Government can do to support politicians in Burma—we are obviously not going to be telling them what to do or how to run their country—as they transition to parliamentary democracy, which we take for granted in this country?

Members will have seen that the military has been undertaking considerable negotiations with Daw Suu on the presidency and the constitution. U Htin Kyaw, a close ally of Daw Suu, has now been appointed as
President, which is to be welcomed, but the approval of the military's choice for vice-president, Myint Swe, is difficult for many to swallow. He is a hard-liner. He was the military commander who supervised the crackdown on the saffron revolution in 2007, and he was a close confidant of Than Shwe. Ironically, Myint Swe's son-in-law held Australian citizenship, which prevented him from taking up the vice-presidency in 2012 under the same rules that prevented Daw Suu from taking up the presidency, but the son-in-law has reportedly now renounced his citizenship. As first Vice-President, Myint Swe has a seat on the 11-member National Defence and Security Council and would serve as acting President should the presidency fall vacant for any reason. Although the transition is looking optimistic and there are many reasons to look forward to what is to come, threats and situations may arise that could bring Burma back to terrible dark times, as has happened in the past. We must err on the side of caution.

When visiting places outside of Naypyidaw, we have to look at what is going on with religious tolerance and ethnic conflict. I met a number of Muslim leaders and campaigners, including Khin Maung Myint, Wai Wai Nu and Al-Haj U Aye Lwin. The first two are Rohingya representatives. Wai Wai Nu is a phenomenally articulate 29-year-old. Her father was previously an MP, but he was not able to stand this time around because he no longer was a citizen of Burma due to the citizenship rules. Like many people I met, and despite being only 29, Wai Wai Nu had already served seven years in prison with her family, pretty well just because she was the daughter of a former MP and an activist. The people I met, albeit that they were a self-selecting community because of the human rights and religious tolerance aspect of my visit, had all been to prison, some for 14 years or 18 years. That was not extraordinary for the people I met, although those people were themselves extraordinary.

Wai Wai Nu told me that the Government's policy towards the Rohingya in the past had led to hatred and discrimination among the community as a whole. However, despite the severity of the situation, more Burmese people are becoming more open, and misunderstandings about the Rohingya can and must be addressed. She considered that the 1982 citizenship law would need to be revised to amend the indigenous and national races list, or to grant citizenship to those whose parents were citizens before 1982.

For the internally displaced people in the area, especially women, the major problem is healthcare. They are not allowed to go to hospital freely; they need permission and have to pay bribes. Often, even when they are in hospital, they are treated inhumanely.

The source of much of the religious tension has been Ma Ba Tha, a politicised militant nationalist group of Buddhist monks who were supported by the previous Government. We hope that it will wither on the vine now that Daw Suu is in charge. One of the leaders, U Wirathu, a radical monk, has released a new trailer for an anti-Muslim video, and has promised to release the full video. There is a suggestion that the new chairman of Ma Ba Tha, Insein Sayadaw, may be more flexible, because he is a former political prisoner with a good understanding of politics.

However, we need to continue to hear the voices not only of the moderates but of people such as Cardinal Bo, Bishop Philip in Lashio and the Venerable Ma Ba Tha, also known by the extraordinary name of Asia Light, who is a Buddhist monk from Pyin Oo Lwin. He speaks vociferously about the true meaning of Buddhism. Whenever I hear the words “militant Buddhism”, or “nationalist Buddhism”, I think that the words simply do not go together. The Burmese people are generally the most peaceful, tolerant, placid people, albeit very determined. They exude all the qualities that we would expect from a mainly Buddhist population, so it is extraordinary to see the extremes to which Ma Ba Tha will go to divide the population.

Christians have not been exempted from religious intolerance, either. They have not been allowed to build churches in certain areas, and they have been told that they cannot even worship in their own homes in certain situations.

I went to Lashio in northern Shan state to see the ethnic conflict. I think I am the first MP to have been up there. There are worrying developments in Kachin state, where drugs are rife. It is believed that a huge percentage of young people in northern Shan are addicted to drugs, as part of a deliberate policy by the military. Human trafficking into China is common, with little action taken. I met representatives from the Ta’ang community—a women's organisation and the students and youth union. There are 1 million Ta’ang people in northern and southern Shan state. We discussed the conflict that has recently begun between the Ta’ang National Liberation Army and the Restoration Council of Shan State. After the ceasefire agreement was concluded, the RCSS signed it and went around Shan state to explain it. However, when it entered TNL-A-controlled territory, clashes between the two armed groups began.

There are allegations that the RCSS is trying to extend its territory, and also suggestions that the military may be stoking the conflict to create divisions. Although things in Naypyidaw are hopefully being sorted and opened up, Burma is a big country with a lot of ethnic states, each with its own values, conflicts and tensions. It is very difficult for someone in the centre to be able to get to grips with all that.

The rule of law was a phrase that kept coming up time and again from every politician I spoke to. We met solicitors and other advocates in relation to various legal cases, which I want to raise briefly. Niranjan Rasalingam, a British citizen, has been in prison for 14 months without charge. He was accused of a cashpoint scam along with two Indian nationals who were not even in the country at the time the crime was supposed to have been committed. Niranjan Rasalingam is a constituent of my hon. Friend the Member for Croydon Central (Gavin Barwell), who has taken up his case.

We also met the solicitor who is dealing with the case of the rape and murder of two Kachin schoolteachers on the night of 19 January 2015. Their bodies were found in a village 140 miles from Lashio. Investigators were able to reach the village only one month after the incident and were able to interview some villagers, but not the son-in-law. We saw harrowing photos of the teachers' dead and mutilated bodies. Their hands had been slashed to the bone, ostensibly with machetes, possibly by the military, to check that
they were not playing dead. That is how brutal and savage such killings are. For that not to be investigated properly is an absolute scandal.

We met Robert San Aung, who is dealing with U Gambira, a former Buddhist monk who was a leader of the saffron revolution and an outspoken voice for religious freedom, who was arrested on his return to Burma for illegal entry. There are many other such cases. People have got six-month and nine-month prison sentences simply for sharing stories on Facebook, for instance. People talk about too many cases of the police abusing their power of arrest for the purposes of their own influence, and they talk about judicial corruption and constitutional abuse. Power needs to be exercised out in the villages and towns to open things up. We heard from a civil activist:

“Democracy has only reached the upper levels—the regional and township levels—but we need to reach the local level and elect local leaders.”

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on securing the debate. He mentions democracy having reached the upper levels. Does he agree that it is absolutely essential that the Burmese people at ground level see the benefits of the transition, and that they need to see the assistance of the west in trying to deliver on-the-ground democracy and tolerance and respect for all?

Paul Scully: The hon. Gentleman makes a vital point. Daw Suu is insistent that her MPs work in their constituencies to make sure they are seen to be working for the people who elected them. I know that the Department for International Development is doing a lot of work on democracy building. It is fantastic that Mr Speaker and many other Members here are helping directly, and it is vital that people on the ground see that work and see how it benefits them.

As I said earlier, it is not for us to tell the people of Burma how to run their country or their legal system. However, we are critical friends, and we should raise points where we can. Imagine if the boot were on the other foot. People complain about the possibility of constitutional abuse. Power needs to be exercised out in the villages and towns to open things up. We heard from a civil activist:

“All democracy has only reached the upper levels—the regional and township levels—but we need to reach the local level and elect local leaders.”

Paul Scully: I would look to the example of places such as Bangladesh. It is not a perfect country by any stretch of the imagination, but look at how it has moved on from being a corrupt state. Opportunities for business are starting to open up there as people realise that the level of corruption is unsustainable. A lot of investment has been coming into Burma from China, but it is starting to realise that cheap is not always best and that, frankly, China has little regard for the country—it has regard for the dollar and the kyat. Burma is looking to the west for investment and knows that for that to happen it will have to open up and tackle corruption. Hopefully we can help.

I want to put on record my thanks to Andrew Patrick, our ambassador in Burma, Gavin McGillivray, the head of the Department for International Development over there, and Kevin Mackenzie from the British Council. I also thank the many different people I met who spoke so eloquently and articulately. It gives me such hope for the future to know that a new generation is coming through. The politicians in Burma—Daw Suu and her colleagues—have been elected with their own vision. I hope that we can support them, but we must also let them deliver their vision. We should see how we can help them and then get in there and support them as partners. We want to be able to trade and do geopolitical work in that really important part of south-east Asia. I am looking forward to a constructive debate and would welcome the Minister’s comments on the points I have raised.

Several hon. Members rose—

Albert Owen (in the Chair): Order. I remind Members that I shall call the three Front Benchers for the wind-ups at 10.30 am. The Minister might like to give Mr Scully a couple of minutes to sum up at the end, if possible. A number of Members have indicated that they would like to speak. If they keep their speeches to around six minutes, we can get everyone in. Another Member has asked to speak and will be joining us later.

9.52 am

Valerie Vaz (Walsall South) (Lab): As always, it is a pleasure to serve under your chairmanship, Mr Owen. I thank the hon. Member for Sutton and Cheam (Paul Scully) for securing this important debate. I also pay tribute to the Minister, who I think is the longest-serving Minister with this brief, as he is able to travel freely. His book is almost as long as his name. The shadow Minister, my hon. Friend the Member for Hornsey and Wood Green (Catherine West), has really taken Burma to her heart and turned up at all the relevant debates.

The recent trip to Burma by the hon. Member for Sutton and Cheam must have been incredibly emotional. He went with Ben Rogers from Christian Solidarity Worldwide; anyone who has read Ben’s book would be astounded at how he has managed to slip into and out of Burma for so long. At least now, under a new democracy, he is able to travel freely. His book is almost like a James Bond novel.

The Inter-Parliamentary Union held a very important meeting with a top-level group of former Ministers. I am sorry that I could not be a member of the UK delegation, which was led by the former Member for Sheffield Heeley, my hon. Friend the Member for Penistone and Stocksbridge (Angela Smith) and the hon. Members for Enfield, Southgate (Mr Burrowes) and for Norwich North (Chloe Smith).
There are lots of phrases we can use to describe the situation there, but Burma is on the edge of a new era. For the first time in more than 50 years, a civilian President has been elected, and Daw Suu is now in the Burmese Cabinet. Think back and reflect on her incredible journey. She returned to Burma to look after her mother. Both her parents are now dead. She was separated from her young children. She could not say goodbye to her husband when he was dying. Now, because of some petty little rule, she cannot take her place as President, but she is there in the Cabinet, serving her country.

Hers was an incredible journey. All of us sitting here in a democracy know we are lucky when we think of the terrible things she had to face. She was under house detention and in jail, and there were threats to her life, but she had the incredible courage to stand in front of the military—almost like standing in front of the tanks. We saw pictures beamed across the world of her confronting the military with no fear whatever—I am not sure I could have done that. She has been on an incredible journey and has now turned her country into an overwhelming democracy.

Nevertheless, the military still have that 25% of seats: it is like someone having two arms and two legs, but one arm tied behind their back. That is why the hon. Member for Sutton and Cheam is right that we need to support Burma, with human rights and the rule of law at the heart of its democracy, but at the same time allow it to make mistakes and to move on and form a democracy in its own way, making its own compromises. We must be careful of how we raise the issues and ensure that we are helping Burma, as we have done throughout. I was delighted when the Burmese Government’s first move was to establish an Ethnic Affairs Ministry; the President said that that will be one of the most important things at the heart of their Government.

There also needs to be a truth and reconciliation forum. Whether or not it is something that our Government could help with, and whether or not it is done under the auspices of the United Nations or the EU, it is very important to do it. Perhaps the elders have a role to play. It seemed to work in South Africa, and I think Burma needs something similar to move on. Perhaps members of such a forum could include the heads of, or representatives from, all the religions. The Rohingya have to be part of it; they have to be able to tell their story. Another major issue is that of internally displaced people. Whether they are Rohingya or other people, we have to help them to go back to their villages. Many of them are still living in poverty. The non-governmental organisations have to have an opportunity to provide humanitarian aid to all those internally displaced people.

There has been a long-standing debate, with the Burma Campaign UK raising issues that sometimes many of us who are elected find difficult to raise. Its current campaign, to which I am a signatory—I encourage all Members to become signatories—is called “Standing with the women of Burma to end rape and sexual violence”. Some 110 high-profile women have already signed up to it, and it would be nice to see more signatories.

The hon. Member for Sutton and Cheam mentioned the atrocity involving the two Baptist teachers in Kachin state. What of the grandmother, Ngwa Mi, who was sheltering in a church? They beat her and gang-raped her. She is now back in her village, but is understandably mentally unstable. How can someone ever deal with something like that? Will the Minister ensure that the UK Government direct their assistance to those women and give them help and support to rehabilitate them? They are survivors, and they are very strong. The former Foreign Secretary, William Hague, was very active on Burma. A Burmese delegation came in 2014 and we met them at a brilliant round-table event set up by the Foreign and Commonwealth Office. It would be nice for some of that effort and initiative to be directed to help those women.

We have an important role to play as part of the international community. We cannot stand by and see atrocities happen; we cannot stand by and see the rule of law broken or human rights abused. This is a global issue. Wherever we see injustice, we have to raise it. International pressure is important. Rather than try to influence particular pieces of Burma’s legislation, will the Minister make representations that the 2008 constitution in Burma be amended so that the guarantee of impunity for military perpetrators is removed? We also have to keep up the international pressure to remove the rule that somebody cannot become President if they have children who were born outside the country.

The hon. Member for Congleton (Fiona Bruce) and I were part of a Speaker’s delegation to that country, and we met some very brave women. I hope the Minister will make representations to ensure that women become an equal part of life in Burma. Whether it is in politics or through NGOs, their voices must be heard. The hon. Lady will remember the lovely children we saw going to school—that is where they should be—wearing backpacks with the United Nations logo stamped on the back. Hopefully, in years to come, we will ensure that they end up in school without needing that logo. We want those children to grow up not knowing hatred or judging people on the basis of their religion. They must have mercy and compassion for each other and use their talents for a new Burma.

Pope Francis has declared to all Christians that this year is an extraordinary jubilee of mercy. How fitting it would be for Burma to become the embodiment of equality, justice and peace.
The challenge of working with a military quota in that Parliament has already been mentioned, but I want to offer some optimism based on what I saw of MPs of all parties. There is a wide range of parties, given the ethnic situation, but I hope that they will be willing and able to work with each other across those divides. It will be new for them, but, as has already been said, the situation in Myanmar is almost entirely new. Although it is the second Hluttaw, or Parliament, in official terms, this is the first opportunity they have had to work together constructively, and we wish them all luck with that. We helped them to develop the skills they need to do that. We chose the themes of scrutiny, accountability and representation, which are bread and butter to us—we are very grateful for that. As my hon. Friend the Member for Sutton and Cheam said, we have the privilege to take our places in an established democracy. It is an entirely different situation in Myanmar. I was glad to help those MPs to develop the skills that they require to perform their work.

Our training took place over a week and was delivered to about 400 MPs—that is, most of the MPs in Myanmar. As anybody who has done professional training knows, it is hard to train 400 people in any context. We had a blend of plenary work and speeches on the chosen themes, and we used examples from the countries represented in the delegation. To echo what the hon. Member for Walsall South said, we did not try to tell them how to do it. Instead, we offered examples of how we have seen it done in our countries. We supplemented the plenary sessions with a workshop approach. Each international facilitator worked with about 40 Myanmar MPs, which allowed us to go into a level of detail that was inspiring to me and everyone else involved. I hope it was constructive and detailed enough to encourage the Myanmar MPs to begin to think about how to apply those techniques.

We went into detail on subjects such as how a parliamentary question should be put and how constituency matters should be run, which is a brand new concept for many of those MPs. There will be some logistical challenges, but we gave them some ideas about how they can structure that work. We drew heavily on resources that are typically found in Parliaments. It is important that this Parliament continues to provide that support. The Clerks have already been mentioned, and the Library service is sharing skills, techniques and resources in a way that I hope will allow that fledgling democracy to take root.

During that week, we received a warm welcome from the Myanmar people—from the MPs and from the translators and interpreters, who were passionately keen to see the project succeed. They were touched by the friendship of other countries. They are all involved in that project. I hope that people outside those parliamentary circles will be able to draw on that friendship and support in the knowledge that others are looking at Burma and wishing it well. I hope they will be able to draw on that in the years to come.

There is great diversity and strength among that group of MPs. I am sure it will be the foundation of a thriving democracy if they can apply those skills to the country’s many policy challenges. Among the group were men and women. There are some very impressive new women MPs, who knew what they had to contribute, and young MPs. As the chair of the all-party group on youth affairs, I was keen to share my thoughts with them about how they can inspire young democrats in their country.

I am grateful to have had the chance to put on the record my reflections on that work. I hope to help the cross-party spirit in this Chamber to do more in the future.

10.7 am

Patrick Grady (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Mr Owen. I, too, congratulate the hon. Member for Sutton and Cheam (Paul Scully) on securing this important debate. The last time we met in Westminster Hall, we were on different sides of the debate about the Government’s threshold for the tier 2 visas, but it is clear that there is a lot of consensus today. I pay tribute to the passion and commitment that he has brought to this issue, which was reflected in his speech.

This is an important and timely debate. The National League for Democracy is preparing to take power in Burma on 1 April, following the elections last November. I will be brief, because other Members, including the hon. Member for Strangford (Jim Shannon), who has joined us, want to speak. I want to reflect on a few issues that have already been mentioned: the opportunities following the election, the issues facing the Rohingya people and the use of rape and sexual violence as a weapon of war, which the hon. Member for Walsall South (Valerie Vaz) spoke about.

I, too, pay tribute to Aung San Suu Kyi. I remember as a youngster learning about the situation in Burma on “Newsround”. My parents had to explain the concept of house arrest to me. At the time, getting to hang around the house and not having to go to school seemed like quite a good idea. In reality, it is a very difficult situation. Aung San Suu Kyi lived with it for 15 years and remained a champion for justice and democracy throughout that time, so she deserves our respect and the tributes that have been paid to her.

In 2012, Aung San Suu Kyi was the first non-head of state to address Parliament in Westminster Hall. Mr Speaker, in his own lyrical way, described her as “the conscience of a country and a heroine for humanity”. That is a good way of encapsulating the fact that peaceful protest can eventually make progress to where we are today, with an elected Parliament in Burma, Aung San Suu Kyi herself as an elected Member, and a new President. That should be an inspiration to others fighting for democracy and freedom under repressive regimes elsewhere.

I pay tribute, too, to others who have fought for justice in Burma, not least the Burma Campaign, which provided useful background information for the debate. The Burma Campaign was supported by my former employers, the Scottish Catholic International Aid Fund, which has also provided support to the people of Burma. It is now providing support to refugee children in the border areas, with the Jesuit Refugee Service. Mention has been made of Cardinal Bo, and I am looking forward to meeting and hearing from him when he visits Parliament later this year, in May.

The elections are, of course, the beginning and not the end of the story. The newly elected Government now have to live up to the promise. There is a role for...
Albert Owen (in the Chair): I am grateful to the hon. Gentleman. Fifteen minutes remain and three Back-Bench Members are waiting to speak, so you can do the maths.

10.14 am

Fiona Bruce (Congleton) (Con): I join my colleagues in congratulating my hon. Friend the Member for Sutton and Cheam (Paul Scully) on his eloquent speech and on his close and direct interest in Burma, which he has shown since he entered the House. That has been most welcome, especially by those of us who have had an interest for some years.

I welcome, too, the long-awaited democratic elections, which recently took place, and I join my colleagues in praising the bravery of millions of Burmese citizens who campaigned for decades, often at great personal cost, for liberty and democracy in their country.

I also join my colleagues in thanking the staff of this House who have been out to Burma, certainly since the visit of the Speaker’s delegation in 2013, which included me and the hon. Member for Walsall South (Valerie Vaz). We learnt, including directly from Aung San Suu Kyi, how much the Burmese wanted and invited help with such issues as library facilities and research resources. It is to be commended that some of our staff went there—at least one for well over a year, away from home and family—

Paul Scully: Two years almost.

Fiona Bruce: Indeed, almost two years—to provide substantial help. I want to recognise that Mr Speaker has stayed true to his word, which he gave on that delegation, that we would provide help.

I am encouraged by the report of my hon. Friend the Member for Norwich North (Chloe Smith) on how much constructive help has been given to the MPs in Burma—again much needed. When we were there, they were quite surprised to hear that we went back to our constituencies every week. I remember providing a modest delegation, that we would provide help.

I am encouraged by the report of my hon. Friend the Member for Norwich North (Chloe Smith) on how much constructive help has been given to the MPs in Burma—again much needed. When we were there, they were quite surprised to hear that we went back to our constituencies every week. I remember providing a modest delegation, that we would provide help.

As we are joyful, so we are cautious. Burma remains a nation in a delicate state. Hate speech, religious intolerance and the powerful remnant of the military still threaten to slow or prevent the next stage of Burma’s growth. As we speak, forces continue to destabilise and halt the hard-won progress to date. The delicate balance of joy and caution is summed up in the words of the moderate Cardinal Bo, who has already been mentioned in the debate. He is a greatly respected and long-standing champion of human rights in Burma. He said:

“My country is emerging from a long night of tears and sadness into a new dawn...But our young democracy is fragile, and human rights continue to be abused and violated.”

We rightly extend our support, therefore, to Aung San Suu Kyi and the new President, U Htin Kyaw, who face the challenge of nurturing the fragile democracy. Even as we speak, nationalists have been protesting against the appointment of Vice-President Henry Van
Thio, because he is a Christian and a member of the Chin ethnic group. The ultra-nationalists find it an offence that a member of one religion and of a minority group should be in a position of such authority.

That is an important example to dwell on, because freedom of religion and belief has been under extreme pressure in recent decades in Burma. Minorities of all religions have suffered, as well as Buddhists, who stood up to the state-sponsored interpretations of Buddhism that we have heard about. So we celebrate the appointment of Henry Van Thio, and we hope that he will be a symbol of encouragement to many from the minorities in the country, who to date have been excluded from a voice in government.

Particularly persecuted, as we have heard, have been the Rohingya Muslims of Rakhine state. Previously, the regime promoted an ideology of hate that rejected the idea that Muslims could be fully Burmese, or that the Rohingya people had any right to live in the country. They were grievously targeted by military forces, and hundreds were killed and 140,000 reportedly displaced by violence in 2012. We need to ensure that they are given appropriate support and help.

Of comparable concern are the military offensives still being waged by the Burmese army against civilians in northern Shan and southern Kachin states. Gross violations of human rights have forced tens of thousands to flee, as we have heard. They either live as internally displaced persons, or IDPs, in dire conditions, or eke out a living as refugee migrants in other countries. In that context, I commend in particular the work of Baroness Cox from the other place and of her charity, HART, the Humanitarian Aid Relief Trust.

HART has done great work to assist oppressed people in Burma and to bring that oppression and the violations of human rights to the attention of the wider world. I will refer to some of Baroness Cox’s work in more detail. In Burma, HART works to provide lifelines among the Shan, Karen, Chin and Karenni peoples. Shan Women’s Action Network—SWAN—runs health, education and women’s empowerment programmes. HART works only with local people, and through its remarkable work it is transforming in particular women’s perceptions of their roles in their communities—as the hon. Member for Walsall South mentioned, that is much needed—and enabling them to become strong agents of change. I want to extend my best to HART for that vital work in strengthening civil society.

If the good people of Burma are to realise their potential, it is critical that civil society is strengthened and encouraged, particularly at a time when concerns are increasingly being expressed about the shrinking space for it across the globe. I ask the Minister to consider how civil society can be supported. I commend him on his sincere personal commitment to Burma over many years. I know that he is a Foreign Office Minister, but may I request again that DFID looks at how it can support small charitable organisations such as HART? It receives no support from DFID and yet it reaches right to the heart of the issue in Burma, helping women in their local communities to make a real difference. There is much more that I would like to say, but time prevents that.

Albert Owen (in the Chair): David Burrowes will be followed by Mr Shannon. The Front-Bench speeches will start at 10.30 am.

Mr David Burrowes (Enfield, Southgate) (Con): I thank my hon. Friend the Member for Sutton and Cheam (Paul Scully) for securing the debate and for giving such a personal, passionate and comprehensive speech, which really set the groundwork and showed the commitment of all of us across the House over many years to championing the cause of democracy in Burma. The path we are on is a good path. We can all take so much comfort that, at long last, there is a democratically elected Government. That brings great hope, but there are still such challenges.

As many will, I recall that, back on 21 June 2012—which interestingly was a Wednesday—Aung San Suu Kyi spoke just a few metres from this Chamber in Westminster Hall about her hopes that Burma would one day have Prime Minister’s questions like we have here, which would be more raucous and informal than is currently the fashion in Burma. Whether we really want her to have to face the full extent of Prime Minister’s questions, we look forward to the time when it is Aung San Suu Kyi at the dispatch box and she is free from the ridiculous constraints of the constitution and free to take up the formal leadership, for which obviously she already has a democratic mandate.

As has been mentioned, Daw Suu has also asked Britain to consider what it can do to help to build sound institutions needed to build a nascent parliamentary democracy. It is therefore welcome, as my hon. Friend the Member for Norwich North (Chloe Smith) and others have said, that our Parliament has stepped up and will continue to step up and work alongside those institutions.

When I visited Burma two years ago, I was humbled by the democratic warriors who have fought long and hard and paid the cost—some lost their liberty and others lost their lives—for the democracy that we take for granted. Those people, who have walked the walk for so many years, asked me to speak to them about how to build their democratic engagement. Their appetite for democracy is insatiable, it is growing and growing and it cannot be put back in the bottle. We need to do all we can to support them.

In the brief time I have available, I want to draw attention to the fact that my visit took me to the border areas. Burma is wonderfully diverse, but my visit revealed that what happens in Naypyidaw and the decisions taken there—indeed the influence of the NLD and Daw Suu—do not reach the border areas that have been in conflict for so long. We therefore need to recognise that, while there has been such great democratic progress, for those areas of conflict, where there is still evidence of landmine explosions, rape of women, indiscriminate killing of people and forced displacement, there is still a long way to go. Certainly, given that the Ministries of Defence, Home Affairs and Border Affairs are still directly under military authority and appointments are made by the commander in chief, we must do all we can to encourage change in that regard.

On 18 March in Geneva, the UN special rapporteur, Ms Yanghee Lee, highlighted the opportunities and hope, but also the challenges in relation to human rights. She properly drew attention to the fact that the new Government have “an opportunity to break from the tragic status quo”.

The path we are on is a good path. We can all take so much comfort that, at long last, there is a democratically elected Government. That brings great hope, but there are still such challenges.
She also recalled that 1 million Rohingya Muslims are deprived of basic fundamental rights and how progress needs to be made in removing restrictions on freedom of movement and in increasing support for groups working to build bridges between communities. We have heard about Christian Solidarity Worldwide, which is foremost in that work, but there are others and our country in particular, through DFID moneys and others, can help to support that.

I should highlight, as the hon. Member for Walsall South (Valerie Vaz) and others mentioned, sexual and gender-based violence. The PSVI initiative, championed by Lord Hague of Richmond, needs to continue. I would welcome him and others visiting again to see what progress needs to be made in that regard. There is hope and there are challenges, but we need to recognise that many in the IDP camps have been displaced for nearly three decades, so we need to see voluntary solutions for hundreds of thousands to be able to return. In the Kachin and northern Shan states, Christians have faced discrimination and persecution for many years. There are 4 million of them in those areas.

We need to recognise that the challenges also bring hope. There is an opportunity in Burma for progress in relation to respect for religious belief. It was welcome that at the UN a Catholic cardinal, a Buddhist monk and a Muslim activist stood together with one voice, saying, “We want a Burma that has equal rights for all, where all are protected without discrimination.” In the words of Cardinal Bo, who has been mentioned before:

“We have a chance—for the first time in my lifetime—of making progress towards reconciliation and freedom as a nation.”

10.26 am

Jim Shannon (Strangford) (DUP): Thank you, Mr Owen, for giving me the chance to speak in this debate, and I thank right hon. and hon. Members for making time for me. Members know that this issue is very close to my heart—I have spoken about it before—and I wanted to be here earlier, but I was unavoidably detained.

For decades, successive regimes and Governments in Burma have pursued a twin-track policy of impoverishment and human rights violations to attempt to wipe out the Rohingya community from Arakan state, which right hon. and hon. Members have spoken about. Human Rights Watch has stated that human rights violations against the Rohingya meet the legal definition of ethnic cleansing and crimes against humanity. The humanitarian crisis started when the Rohingya fled to camps in 2012, and senior members of the nationalist Arakan National Party continue to whip up hatred against them.

I am conscious that I can say only so much in the short time available. Under the current constitution, the Ministries of Home Affairs, Defence and Border Affairs must be filled by army representatives. I want to put on the record some of my concerns. Managing high expectations and maintaining party discipline will be a major challenge for the NLD. There is also a risk that, if the NLD Government challenge military interests too directly, army hard-liners will try to destabilise them.

The Minister is always responsive and I look forward to his comments. We have to take note of the Buddhist nationalist movement known as Ma Ba Tha, in which Buddhist monks play a leading role. During 2015, that movement managed to pass four race and religion protection laws, which are seen by opponents as highly discriminatory against non-Buddhists. The 1982 citizenship law denies the Rohingya rights, including freedom of movement and access to health and education services. There is no way that these issues can be avoided, and it would be much better for the NLD Government to deal with them at the start of their period in government, when they have a new and strong mandate and strong party unity, and elections are years away.

Members have referred to ongoing conflict between the Burmese army and ethnic armed political groups and I have to put my concerns on the record as well. The Burmese army has used rape and sexual violence against women for decades as part of its warfare against ethnic minority groups in the country. That cannot go on unsaid. It is possible for the new Government to initiate a domestic investigation into rape and sexual violence by the Burmese army, ensure that support is available to victims, include women in peace negotiations and politics overall, and repeal the laws, such as the rape law, that discriminate directly against women. Let us do something constructive and positive about those things.

Open Doors lists Burma as the 23rd worst country in the world for the persecution of Christians. If you will bear with me, Mr Owen, I will take two minutes to give an example. Amod is a Christian convert from the Rohingya tribe. He described the double discrimination that he faces as a Christian in Burma in this way:

“The Muslims in the village still wanted to kill me. One day, they came to do just that. They attacked me but some believers shielded me from harm. Another night, Muslims surrounded my home while I was sleeping and pelted stones on our roof.”

Amod is on the run. He is from the Rohingya tribe and converted to Christianity after 33 years as a Muslim. Christians from the Rohingya tribe are doubly disadvantaged. The country refuses to acknowledge Rohingyas, saying they are Bengali immigrants. Bangladesh, on the other hand, says they are indigenous to Myanmar. In addition, the Rohingya tribe rejects Christians who have converted from Islam.

Amod applied for permission to create a church for Rohingya believers, but was refused. After that he was hounded so much that he eventually took his family to Bangladesh, but his life was no easier there. So with seven Christian Rohingya households they fled to India, where they continued to be pursued from town to town. Amod maintains his witness and pastors the families, who are now scattered. I conclude with that, and I thank Members again for the opportunity to participate in the debate.

10.30 am

Peter Grant (Glenrothes) (SNP): It is a pleasure to serve under your convenorship, Mr Owen. I commend the hon. Member for Sutton and Cheam (Paul Scully) for securing the debate, and for the deeply passionate and moving way in which, through his family’s experience, he brought the situation in Burma right into the Chamber. I commend the other speakers in the debate too; there has been a strong degree of consensus, and that is something that Burma’s new parliamentarians might want to pay attention to—that sometimes, when things really matter, even those whose views come from across
the political spectrum and who come from a range of backgrounds and different parts of these islands can agree on the fundamentals. I think it was the hon. Member for Walsall South (Valerie Vaz) who reminded us that, although we must respect the right of the people of Burma to settle their own future, there are issues on which there are no borders. Whether fundamental human rights are protected or abused is a question on which national borders do not exist. We have human rights because we are human. They can and must be respected equally for all 6 billion-plus of us who share this tiny corner of the solar system.

Other hon. Members have spoken powerfully about the apparent situation—incomprehensible to us—in which the constitution gives legal protection to mass rapists but does not recognise the victims even as citizens in their own country, and gives the army the right to take power any time it sees fit. The army has an absolute veto over any attempt to change the constitution and people’s rights depend on where their grandparents or great-grandparents came from, and their choice to worship whatever deity they believe in, or not to worship. We would all see those things as deeply troubling and a sign of a seriously backward society. However, we have to try to put ourselves into the mindset of those who are handing over power. From their point of view, Burma has been through a revolution in the past 10 years or so. They see themselves as having made huge concessions to the democracy movement, and we have to understand that, and recognise that from their point of view they are already reforming at a pace that some of their supporters would see as reckless. I cannot remember which hon. Member pointed it out, but some voices are being raised in Burma to say that it is unacceptable that someone from an ethnic minority should be allowed to become vice-president. Incidentally, trying to limit someone’s worthiness for public office on the basis of their ethnic origin is not nationalism, but racism, and we should not be afraid to describe and condemn it in those terms.

Rightly, much has been said about Aung San Suu Kyi, and there is something immensely inspirational about the fact that an army that is still effectively all-powerful has to change the rules to protect itself from a 70-year-old woman who does not carry a gun. It is an example that, as my hon. Friend the Member for Glasgow North (Patrick Grady) has reminded us, is a shining light to all of us who believe in peaceful, democratic, lawful protest. Regardless of how powerful and well armed the forces of oppression might be, ultimately the voice of reason, reconciliation and peace will always come through. Perhaps, for those of us for whom this weekend holds particular significance, those thoughts are highly topical.

What do we want to happen next? We must continue to be a critical friend to the people of Burma and recognise that, as the hon. Member for Sutton and Cheam pointed out, there is a generation of Members of Parliament in Burma who do not know what a Parliament is. They got elected, and have never seen what a Parliament was and how it was supposed to behave. I am not sure that I would use Prime Minister’s questions as an example of the best of the traditions to implement, but even as a severe critic of this place I think there are aspects of the way the House operates that provide a good example to Burma and elsewhere.

We must remember that probably there is no one serving in the police force in Burma who has ever known a time when the police force was there to protect people rather than oppress them; there is no one left in the Burmese army who knows what armies and soldiers are supposed to be for. That is another way in which we and others can help to set an example. I should be interested to hear from the Minister what is happening or being planned with a view to UK and other European police and military forces helping to demonstrate, to those reluctant to hand over the reins of power in Burma, that when the army returns to serving its correct purpose of protecting rather than oppressing citizens and the police go back to upholding the rule of law equally for everybody they are held in higher esteem. There is no doubt that although the army is deeply feared in Burma, while it is not particularly feared here, our soldiers are much more respected than I suspect most soldiers are in Burma. That is not because of the power of the weapons they use, but because of the restraint with which they do not use them, and because although there are sometimes incidents that cannot be defended, the military forces in the United Kingdom and most other parts of the developed world publicly condemn any abuse of power by their serving officers, and ensure that those are investigated and the culprits dealt with under the law.

It is impossible to finish my speech without referring to the appalling abuse by the Burmese army of the human rights of a generation of women and girls. There are no words that can describe the revulsion we feel at reports that a mother is forced to watch her 12-year-old daughter being gang raped by soldiers who are effectively immune from ever being held to account for their crimes. We have to make sure that those who will be in charge of the Burmese army in the near future fully understand that that kind of behaviour cannot be condoned or accepted.

Fiona Bruce: Would the hon. Gentleman therefore agree that it is important that small charities working at grassroots level to support women in Burma, such as the one I mentioned, HART, should be supported in turn by DFID? We need DFID to look more widely at supporting small charities that make a difference on the ground.

Peter Grant: I appreciate that that is a subject close to the hon. Lady’s heart. What I will say is that there are certainly occasions when organisations at arm’s length or independent from Government, which will not be seen to be interfering on behalf of another Government, are what is needed. Also, sometimes smaller organisations can be closer to the people they are trying to support. Whether their funding is best coming from DFID or elsewhere may not be for me to comment on.

Jim Shannon: I think it is important for the House to reiterate the point that wearing an army or police uniform does not give someone the right to abuse, rape or violently attack a girl or a lady. What we need, I respectfully say to the Minister, is to put that forward to the Burmese Government and ensure that they understand that it is morally and globally wrong, and they have got to stop it.
Peter Grant: Absolutely; I do not think anyone in this House or in the other place along the corridor would disagree with a word of that. I would apply the same to Members of Parliament and those elected to high office; we should see ourselves as elected to positions of responsibility rather than positions of power or influence. That, again, may be an example that we will have to continue to present to colleagues who have been elected to serve in the Burmese Parliament.

As has been said, Burma is going into a period of enormous optimism. There will be setbacks and problems. It is not all going to happen peacefully and quietly. I hope that not only the Government but parliamentarians and the rest of civil society in the United Kingdom and elsewhere will offer a helping hand where possible, so that the next generation of Burmese police officers, parliamentarians and soldiers understand that they are there to protect the rights of a flourishing democracy, and not to oppress it.

Albert Owen (in the Chair): There is going to be a minute’s silence at 11 o’clock, at the end of this debate and before the next one begins, for those killed in Brussels. If it is confirmed that the whole House and estate are doing that, Members may stay for it.

10.39 am

Catherine West (Hornsey and Wood Green) (Lab): It is a honour to serve under your chairmanship, Mr Owen. May I congratulate the hon. Member for Sutton and Cheam (Paul Scully) on securing this important debate? Members may wish to know that at my daughter’s secondary school, she is in Aung house. It is lovely to be able to explain to her and the other girls why their house is named after Aung San Suu Kyi.

I, too, have met Ben Rogers; I loved his book and read it during my Christmas break. It is clear from his book and from the work of Christian Solidarity Worldwide that Burma is a difficult place geographically, because so much happens in villages and it is difficult to scrutinise things happening a long way away. That presents us with a real problem in tackling human rights issues. Although we are all well apprised of what is happening with the Rohingya people, what is happening to other minority groups is less well known. Christian Solidarity Worldwide and other groups can perhaps help us understand the fuller picture of what is happening in Burma.

It has been fabulous to hear such a great range of voices today, and to hear about the trip that colleagues undertook to discuss parliamentary business. The hon. Members for Norwich North (Chloe Smith) and for Congleton (Fiona Bruce) spoke of the training courses they undertook with local parliamentarians in Burma-Myanmar and how exciting it was to hear about the experience of new MPs there. They also spoke about how we can take over all the knowledge about how we manage our constituencies here, which enriches the work of Burma’s Parliament.

I was delighted to hear the intervention by my hon. Friend the Member for Blackley and Broughton (Graham Stringer) about corruption. We have not really touched on that sufficiently in this debate, but perhaps there is a separate piece of work that we could undertake on it, because it is crucial. British businesses going into Burma in the coming years must be aware of the corruption problems in Burma and, indeed, other countries. Our approach to foreign policy must be balanced. It is important that we have trade at the centre of our foreign policy, but it is also crucial that we tackle difficult and entrenched issues such as corruption, human rights abuses and the repression of certain minority groups.

I appreciated hearing from the hon. Member for Glasgow North (Patrick Grady) about how difficulties with citizenship hold back Burmese members of Parliament from taking on their roles. I thank him for his speech. The hon. Member for Strangford (Jim Shannon) talked about the particular issues facing Christians and the testimonies of girls who have been abused in churches, which is a doubly awful situation. I have read such terrible stories myself, having been involved in the work of Burma Campaign UK to end rape and sexual violence.

It was good to hear the hon. Member for Congleton focus on the Shan women, who face particular issues that go right into the heart of their villages, and to hear the hon. Member for Glenrothes (Peter Grant) talk about the basics—the things that we take for granted that need to be worked towards in Burma. Indeed, the Parliament there has had the support of our Speaker for many years, and it is exciting to see the fruit of that coming to bear, with our own parliamentarians going abroad and making sense of the reality there.

I want to focus on Burma Campaign UK’s pledge to end rape and sexual violence. We have heard some stories, and we have read about the two Kachin teachers aged 20 and 21 who were raped in Kaungkhla village, in northern Shan state. No one has yet been charged or put on trial for that crime. Originally, when the former Foreign Secretary, with the support of Ms Jolie, made a big push on sexual violence, it took quite a bit of pressure to get Burma on to the list of countries that were going to be focused on. I am pleased that we eventually got Burma on to that list back in 2012, but it is a country that sometimes suffers from not being in the limelight enough. That is why it is special that Members have taken such an interest in it. While many countries immediately came to mind, such as the Democratic Republic of the Congo, it took quite a while to get Burma on to the list of countries that the then Foreign Secretary was going to focus on. I make a plea to the Minister today that he focuses on the role of women and girls, as we know from DFID’s important work over the years that educating women has a long-term effect.

The pledge to which many of us have signed up calls for an investigation into rape and sexual violence, particularly involving the military. We heard a good intervention on that from the hon. Member for Strangford. It also calls for an “end to impunity for rape and other forms of sexual violence” and “support for victims”. We could do a lot to provide such support, hopefully through the DFID budget for example, helping those with post-traumatic stress disorder and providing counselling and confidence building, which we know are crucial for women who are survivors of sexual violence. The pledge supports the “inclusion of women at every political level in Burma including the peace negotiations between the Burmese government and the ethnic armed political groups.”
between which there is tension. Finally, the pledge calls for Burmese law
“to be in line with international human rights standards to outlaw rape in marriage.”

Those are the five elements of the pledge that we have signed up to, and I look forward to the Minister confirming that he will redouble his efforts to put them at the top of the agenda when speaking to Burmese Ministers.

I emphasise the importance of a rounded foreign affairs policy. We would like to see a much more high-profile debate on human rights as well as trade. There is a triangle of national security, human rights and trade, and the last two sometimes tend to be less high-profile.

We have not debated press freedom enough today. It is difficult to put that on an agenda between Governments, because it is about freedom, but allowing press freedom is a crucial part of knowing what is happening in terms of human rights. The hon. Member for Sutton and Cheam mentioned the punishment that is meted out to people who use Facebook. Finally, if the Minister would be so kind, I would like him to mention the anti-corruption stream.

10.47 am

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): I congratulate my hon. Friend the Member for Sutton and Cheam (Paul Scully) on securing the debate. I thank him for his personal insight, which always gives flavour to a debate, following his recent and, I think, first visit to the land of his forebears. Many Members of both Houses have close personal connections to, and a close interest in, Burma; he probably has the closest connection to Burma, in many ways. Many Members who have spoken this morning have been following developments in that country for many years, which has provided a good repository of knowledge and understanding in the House—perhaps more than of any other country. I welcome that, as it helps to better inform debate.

I know that my hon. Friend the Member for Norwich North (Chloe Smith) has also just returned, with a number of colleagues, from Naypyidaw. I was not quite sure what my hon. Friend the Member for Sutton and Cheam meant when he said that every Member of Parliament could have an office in Naypyidaw. Was he suggesting that when we come to refurbish this place, the Parliament could have an office in Naypyidaw. Was he suggesting that when we come to refurbish this place, we should model it on Naypyidaw? I do not imagine he was. The chances of having a 20-lane highway while the Mayor of London is around, unless it is for cyclists, are rather small.

This debate comes at a remarkable time for Burma. Last Tuesday, President U Htin Kyaw became the first civilian head of a democratically elected Government there for more than 50 years. Next week, his National League for Democracy Government will finally take power. That is the culmination of a lifetime’s effort by many committed individuals, so it will remain vital to continue that engagement—indeed, to step it up—with the full agreement of the new Government.

Credit is also due to the outgoing Administration, who planned and initiated the reforms. Although there is clearly still a very long way to go, their efforts deserve to be recognised, particularly the peaceful and orderly conduct of the elections last November.

At the start of the reform process in 2011, it would have seemed impossibly ambitious to suggest that the political landscape in Burma, and the lives of millions of Burmese citizens, could change so dramatically in just a few years. I am proud of the important role that the United Kingdom has played in that. Through our policy of constructive engagement with the Burmese authorities, we have supported and encouraged positive change in many areas. We have sought to nurture Burma’s growing desire to return to the international community after years of isolation, repression and dictatorship. I very much welcome the moves by Mr Speaker, Clerks and Officers of the House and all the organisations that are helping the democracy-building process, which, as hon. Members have said, is much needed.

Some questioned our policy. Even six months ago, some Burma watchers predicted that the elections would not be allowed to happen, that they would be heavily rigged, or that the NLD would never be allowed to take power. Others dismissed our approach as the path of least resistance, but that, of course, was not the case at all. It has demanded time, effort and resources here in London, in Burma and throughout our diplomatic network, and I very much welcome and appreciate the nice, kind and appropriate comments that have been made about our ambassador and his team in Rangoon. It has required frank conversations in Rangoon and Naypyidaw, and I believe that our policy is now beginning to bear fruit.

The hon. Member for Glenrothes (Peter Grant) spoke about defence engagement. Our engagement with the Burmese military has quite properly come in for particular scrutiny and comment. Not all of it has been either particularly informed or positive, but given Burma’s history I can understand that. As I have repeatedly said, real and lasting change will only come through engaging the Tatmadaw as they move towards reform and through showing them how modern militaries should operate in a modern democratic state—not by criticising them and isolating them from afar, as we did for so many years previously. Under the NLD Government, the military will still hold a quarter of the seats in Parliament, as has been pointed out. They will continue to control three important Ministries and hold an effective veto on constitutional change, so it will remain vital to continue that engagement—indeed, to step it up—with the full agreement of the new Government.

Our work with the military will continue to focus on their role in a democratic system. We would welcome their participation in civilian-led educational courses, such as with the Royal College of Defence Studies. Our engagement will include vital education on the rule of law and human rights, and particularly on countering
the recruitment and use of child soldiers and combating sexual violence in conflict. None of that will increase the combat capacity of the Burmese military.

In a written statement to the House, I said that the parliamentary elections represented “a victory for the people of Burma.”—[Official Report, 20 November 2015; Vol. 602, c. 25W]

They were indeed an important victory, but they do not mark the end of Burma’s reform process. The work of transformation continues and will demand our support. That is why the Prime Minister has spoken to Daw Suu since the elections and offered whatever assistance she and her Government need as they set about tackling the many serious challenges that lie ahead—not least, as the hon. Member for Hornsey and Wood Green (Catherine West) said, that of corruption.

Challenges remain, including consolidating the democratic transition, energising the peace process, reforming the justice and security sectors and managing the economy for the many, not the few. We are already engaging with the incoming Administration as they prepare for office. When the time comes, we will be ready to respond with practical assistance in support of their priorities.

One of the challenges facing the incoming Government will be tackling the issue of Rakhine and addressing the appalling situation of the Rohingya community there, which we have discussed an enormous number of times in the House. Although much of Burma has greatly benefited from the reform process, the same cannot be said of Rakhine’s Rohingya minority. Large numbers of Burmese turned out across the country in November to vote and to signal their desire for future democratic change. However, the Rohingya were disfranchised for the first time in a Burmese general election. That exclusion, in the face of international concern—led not least by the United Kingdom—is a stark symbol of the extent to which they have been stripped of the most basic human rights and freedoms. We do not underestimate the complexity and sensitivity of the Rohingya issue, but we are equally clear that the incoming Government must begin to address the immediate needs of the Rohingya: improved security, relaxation of the restrictions on movement and a pathway to citizenship.

The hon. Member for Strangford (Jim Shannon) talked about religious freedom, as he often does. As well as Rakhine, the new Government face a number of other deep-seated human rights issues: dealing with the remaining political prisoners, managing the recent increase in tensions between Muslim and Buddhist communities and, as he pointed out, the growth of nationalist organisations such as Ma Ba Tha. It is also important that they engage in a wide-ranging programme of judicial and legislative reform. Incidentally, the hon. Member for Glasgow North (Patrick Grady) is meeting Cardinal Bo in May, and I hope to do the same.

The challenges remain significant, and we should not underestimate them. However, Aung San Suu Kyi has consistently championed the rule of law, and with more than 100 former political prisoners now National League for Democracy MPs, the new Government will want to take early action to tackle these issues. We will continue to provide support and encouragement across the human rights agenda. We will do so directly through technical advice, programmes and projects, as well as with international partners and through bodies such as the UN and the EU.

The hon. Member for Walsall South (Valerie Vaz) talked about conflict-related sexual violence. We will continue to promote our efforts to tackle that following the visit that we supported last year of Angelina Jolie Pitt, the special envoy of the UN High Commissioner for Refugees. When I was in Rangoon on 27 July last year, I was pleased to launch the international protocol on the documentation and investigation of sexual violence in conflict, which is something we care very much about. The hon. Lady also talked about women playing a greater role in Burma—of course they should—and said that their voices should be heard. What better way to start than at the top, with Daw Suu, probably one of the greatest female icons that there has ever been?

The peace process will rightly be another priority for the incoming Government. Outgoing President Thein Sein and his Government can be commended for the progress that they oversaw, which culminated last October in the signing of the nationwide ceasefire agreement by eight ethnic armed groups. However, we are under no illusions about the scale of the challenge facing the Government in reinvigorating that process and achieving a lasting peace. Ensuring that the remaining groups sign up to the process and agree an enduring political settlement will require considerable energy and efforts early in the new Government’s term.

I am conscious that I should leave two minutes for my hon. Friend the Member for Sutton and Cheam, who secured and opened the debate. This is a moment when the United Kingdom can take stock of the situation in Burma. It is not going to be easy from now on. We have come through a very difficult period. The military retain their role, and the new Government are coming in and face many challenges. Managing expectations is going to be incredibly important. We have consistently supported the process and can take some credit for getting them to where they are, but our work has not stopped and now has to be redoubled in all areas.

I am most grateful to hon. Members across the House, because this is not an issue that divides us politically, and I urge them to maintain their vigilance and their support for a country that is in a very difficult period and process.

Albert Owen (in the Chair): I am grateful to the Minister. Mr Scully has a few seconds left to wind up.

10.59 am

Paul Scully: Thank you, Mr Owen. Frankly, I could have spoken for the full 90 minutes, so I thank all Members who have spoken—many of whom are long-standing campaigners for the country—for sparing you that prospect.

My visit was emotional, not just for my family but because when I was there I realised that in this transition, I can make a difference, and we, Parliament, can make a difference. That prospect is really exciting. I thank everybody very much for their contributions to the debate and I look forward to continuing support for Aung San Suu Kyi and Burma.

Question put and agreed to.

Resolved.

That this House has considered the political situation in Burma.
Albert Owen (in the Chair): Order. I invite colleagues to join me in observing a minute’s silence in memory of the victims of the Brussels terrorist attacks.

A one-minute silence was observed.

11.1 am

Julian Sturdy (York Outer) (Con): I beg to move, That this House has considered legal guardianship and missing people.

It is a pleasure to serve under your chairmanship, Mr Owen. I want to put on the record that all our prayers and thoughts across the House are with those affected by the horrific events in Brussels yesterday morning.

It must be devastating when a loved one goes missing without any explanation or reason. We can only imagine the trauma and turmoil that brings to their families and friends. It is the sort of life-changing event that can be truly understood only by those unfortunate enough to experience it first hand, like my constituent, Peter Lawrence, whose daughter, Claudia, went missing on her way to work in York way back in 2009.

The uncertainty of a loved one going missing for weeks, months or even years on end is in itself devastating, but the practical implications cause unnecessary stress and challenges for their families. At present, when someone goes missing there is no legal authority in place to support families in dealing with their loved one’s affairs. Ownership and control of their property is effectively left in limbo until they are found or declared presumed dead, which happens only after seven long years.

In its current form, the law dictates that a person is presumed alive until proven otherwise and they retain direct accountability for all their property and affairs as if they were not missing. There is no assumption that they have lost capacity to manage their estate. Clearly and sadly, this is not the case in reality. As it stands, the law has some very serious consequences when it comes to managing a missing person’s financial affairs. For example, families are left unable to make mortgage payments, risking repossession, and cannot cancel direct debits or ensure that creditors are paid.

If the missing person has dependents, this further complicates the matter and, as I am sure you can appreciate, Mr Owen, it is incredibly distressing to watch helplessly as the financial affairs of a friend or family member are ruined. That happens at a time of complete turmoil for the family. Understandably, third parties such as banks and other financial institutions require direct consent from their customers before they will act on their behalf. The fact that someone is missing clearly makes this impossible. We need greater clarity for families and third parties in managing these issues. I am pleased that this view is widely accepted by all parties and the Government.

Many people will be aware that last week marked the seventh anniversary of Claudia Lawrence’s disappearance, making this debate timely and an occasion to remember her and the thousands of other missing people in the UK. Claudia’s father, Peter Lawrence, has campaigned tirelessly on behalf of all families who suffer from having a mother, father, daughter or son go missing, and I think his work should be commended.

We still do not know what happened to Claudia, but Peter’s campaign to change the law to help families who find themselves in such an incredibly difficult situation is inspirational. He is in London again today, campaigning...
for the change. With the assistance of the Missing People charity, Peter played a key role in pressing the Government to consult on creating a new legal status of guardian of the property and affairs of missing people back in August 2014. I, with other Members of Parliament, interested groups and members of the public, contributed to the consultation.

Exactly a year ago, in March 2015, the Government published their response to the consultation. They expressed their strong support for this new legal status and committed to introducing primary legislation as soon as possible. That was welcomed by all at the time and was seen as a huge step forward in the campaign. None of us thought in March 2015 that we would be at the same point a year on. It is deeply disappointing that no significant progress has been made.

In January, I received a letter from Lord Faulks informing me that “work is progressing on developing the draft legislation”. That is all we have been told and we are not seeing any action.

Rachael Maskell (York Central) (Lab/Co-op): Claudia Lawrence lived in the hon. Gentleman’s constituency. As the Member for York Central, I am pleased to see her father in the Chamber today. He has been a real campaigner for missing people. Would it not be expedient, as the forthcoming Queen’s Speech is so imminent, to bring in legislation on guardianship? We would love to see that in the Queen’s Speech to bring relief to families in sorting out the financial and property affairs of missing people.

Julian Sturdy: I agree entirely with my honourable neighbour, who is absolutely right. The debate is timely because we are six or eight weeks away from a Queen’s Speech, and that would be an ideal opportunity to see some progress on this important legislation.

The proposals also have the support of the Justice Committee and the all-party group on runaway and missing children and adults. According to figures from Missing People, currently 2,215 adults across the country have been missing for more than three months. It is expected that between 50 and 300 applications for guardianship for missing people would be made each year under the new legislation. However, discussing the crisis in numbers overlooks the important impact—that behind each and every person are families and friendship groups suffering from uncertainty and the sad realisation that they are powerless to act.

When Claudia went missing in 2009, Peter soon discovered that he was powerless to act on behalf of his daughter. He was defeated by needless obstacles at every turn. The creation of a new legal guardianship status would allow families to act in the best interests of the missing person and give third parties the legal assurance that they need to help to resolve ongoing issues that are currently constrained by contract and data protection. The consultation paper proposed a system that is overseen by the Office of the Public Guardian and administered by the courts. Clearly, that will require detailed legislation that will need proper scrutiny before the House.

Chris Evans (Islwyn) (Lab/Co-op): I thank the hon. Gentleman for raising this important issue, which is very close to my heart. Richey Edwards of Manic Street Preachers fame disappeared extensively for the Presumption of Death Act 2013, which was passed by the coalition Government. I am delighted to see Peter Lawrence, Claudia’s father, sitting here today, and I pay tribute to him for all the work he has done.

Has the hon. Member for York Outer (Julian Sturdy) studied the Australian model of the Guardianship and Management of Property Act 1991? That legislation allows for an application to be lodged to the guardianship and management of property tribunal of the magistrates court to have someone appointed a manager to the property of a missing person. Has he thought about whether that type of legislation could be implemented here in the UK?

Julian Sturdy: The hon. Gentleman is absolutely right to raise the Australian model, and that should form part of the process that I hope the Minister will follow. For me, we must ensure that we see progress—and quick progress—on the measures now. We have had the consultation. We have cross-party support. We need action.

Families have been waiting for years for protection, and the unnecessary delay in implementing the legislation will only prevent yet more families from doing what is right for their loved ones’ estates. I accept that parliamentary time can be in short supply and that many important Bills are currently progressing through the House. However, the fact remains that the Government promised to act as soon as possible. A year on, they have failed to deliver on that promise.

I quote from the Government’s own response to the consultation last year, which stated, “given the importance of this measure and the strong support from all sides, legislation will be brought forward as soon as possible in the new Parliament.”

The proposals also have the support of the Justice Committee and the all-party group on runaway and missing children and adults.

It is simply not good enough that, a year after promising action as soon as possible, we still have nothing to show the families who despermately need our help. Families continue to be unable to protect their missing loved one’s finances and property. It is unacceptable that no action is forthcoming and I call on the Minister today to commit to a clear parliamentary timetable for introducing this Bill.

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I accept that parliamentary time can be in short supply and that many important Bills are currently progressing through the House. However, the fact remains that the Government promised to act as soon as possible. A year on, they have failed to deliver on that promise.
A year has now passed since the Government committed to creating a new legal status of guardian of the property and affairs of missing persons, yet we are no further forward in the process. The Government must now commit to a clear parliamentary timetable for delivering the changes, to help those families at a time when their world has simply been turned upside down. There is, as has been expressed, strong cross-party support for the measures, so there are no excuses. I am resolute in my view and will continue to lobby the Minister and the Government until families such as Peter’s get the change that is so desperately needed.

11.15 am

The Parliamentary Under-Secretary of State for Justice (Mr Dominic Raab): It is an honour to serve under your chairmanship, Mr Gray. May I start by expressing, on behalf of the Government and, I am sure, the whole House, our condolences to the people of Belgium? It goes without saying that we stand shoulder to shoulder with them at this very difficult time.

I congratulate my hon. Friend the Member for York Outer (Julian Sturdy) on securing the debate. I am grateful for the opportunity to respond on behalf of the Government on this important issue. It is a technical issue when it comes to how we respond and reform the system, but one of heartfelt agony for the families who have to endure the predicament that my hon. Friend expressed so eloquently.

With that in mind, I pay tribute to those who have done so much to put and keep the subject on the agenda. They include, in the House, the all-party group on runaway and missing children and adults, and the Justice Committee, which has called for reforms consistently in 2011 and 2012; and the charity Missing People, which has steadfastly campaigned on behalf of missing people and their families. I personally acknowledge the deep heartache of the many families involved, which lies beneath the technical details of the proposals that I will outline. It would be remiss of me to pass up the opportunity to pay particular tribute to Peter Lawrence and his family, who are constituents of my hon. Friend. I know that Mr Lawrence is here today, and I extend that recognition and tribute to him and his family.

Claudia Lawrence has now been missing for seven years, and I am pained every time I see or read about the case. I can only imagine how difficult it must be for her family and, of course, for others in the same position. I know that my hon. Friend and Mr Lawrence will be disappointed that we have not legislated sooner. I acknowledge that. All I can say is that we will do everything we can to progress the proposals into legislation. I am inspired by the example that Mr Lawrence and his hon. Friend have set in that regard. It is important, and I give an undertaking, to keep the case of Claudia and her family and, of course, for others in the same position.

Mr Lawrence. My heartache pales into insignificance compared with yours.

Christina Rees (Neath) (Lab): It is a pleasure to serve under your chairmanship, Mr Gray. I congratulate the hon. Member for York Outer (Julian Sturdy) on securing the debate. The Opposition wholeheartedly support the campaign by Mr Lawrence and Missing People. I have been through this myself. My uncle disappeared many years ago. He just walked out of our lives, and to this day we do not know what happened to him, which has made it very, very difficult to handle matters. This debate is close to my heart. I urge the Minister to proceed with the proposals as soon as possible and end the heartache.

I cannot imagine what you have been through, Mr Lawrence. My heartache pales into insignificance compared with yours.

Mr Raab: I thank the hon. Lady for sharing her personal insight and for her expression of cross-party support for the proposals, which certainly helps. The Government acknowledge the very real predicament of families such as the Lawrence family.

Chris Evans: I have known the Minister a long time, and he will focus on this like a laser beam. When I was campaigning for a presumption of death Act back in 2011, Missing People said that the law is like crazy paving—that was the best way of describing it. There is no certainty, and people are looking to the Government for some form of certainty. I look for that assurance today.

Mr Raab: The hon. Gentleman has highlighted the problem with which we are grappling. I understand that people want to hear assurances today, and I will do my level best. Of course, we acknowledge people’s predicament, and we want to do everything we can to help the families of missing people address the administrative problems that can make life even more piercingly difficult at such a traumatic time. It is estimated that there are a significant number of cases of disappearance each year in which there are sufficiently serious problems to make the appointment of a guardian a worthwhile option to have on the legislative table, so to speak.
The coalition Government consulted on the proposals to create a status of guardianship, and the response was published shortly before the 2015 general election. I reassure all Members that the Government are committed to pursuing the measure and getting it into law.

Kevin Hollinrake (Thirsk and Malton) (Con): Will the Minister give way?

Mr Raab: I will give way briefly, and then I need to make some progress.

Kevin Hollinrake: I am grateful to the Minister. I congratulate my hon. Friend the Member for York Outer (Julian Sturdy) on securing this important debate. I understand that some 2,500 people could be helped by the proposals. I pay tribute to Mr and Mrs Lawrence—Mrs Lawrence is a constituent of mine. They have kept hope alive for Claudia and they hope to help thousands of other people, and today they are hoping for a clear timetable. I know it is a question of finding time, but it is now time to make time for Claudia’s law.

Mr Raab: My hon. Friend has been a steadfast campaigner for this reform, and it is because of efforts such as his and those of my hon. Friend the Member for York Outer that I believe we will be able to make progress.

I have mentioned the Government response to the consultation proposals, and the Government are committed to pursuing the measure. It is not, however, solely about creating a new status in law. We also need to be sure that, when the new system is introduced, there is a judicial and supervisory structure to support it. Putting someone in control of another person’s property is a significant and sensitive legal step that is not to be taken lightly. I am sure there is acknowledgment on both sides of the House that we need to get the detail of the proposals right, accurate and tailored in the right way to protect the interests of those directly affected—the families, first and foremost—and to preserve the integrity of the law as a whole. We need a framework in which the interests of the missing person, the families left behind and the third parties who deal with them are correctly calibrated and balanced.

It is wrong to say that progress has not been made. We are making progress, and I will briefly outline some of the key features of the proposed scheme on which we are actively working. First, guardians would be required to act in the best interests of the missing person. In that respect, there would be fiduciary-style duties. Secondly, guardians would be supervised by the Office of the Public Guardian and required to file accounts in much the same way as a deputy appointed under the Mental Capacity Act 2005.

Thirdly, guardians would be appointed by a court on application by a person with a sufficient interest. That is important, because the appointment may be general, in which case the guardian would be able to do what the missing person could have done—they would effectively have a free hand, for want of a better technical term—or it could be limited in certain respects. It is right to have those options on the table.

Fourthly, anyone should be able to apply for appointment as a guardian, provided that he or she has a sufficient interest, which obviously would need to be carefully defined. We are looking carefully at that. We would also need to make sure that their interests did not conflict with those of the missing person. I suspect that we would envisage close family members, or professionals such as a solicitor or an accountant with the requisite familial support, being able to apply.

Fifthly, we envisage that a person should have been missing for a period of, say, at least 90 days before such an application could be made. I am interested in other thoughts on that, but we think 90 days is probably a broadly reasonable period. Finally, the appointment of a guardian should be for a period of up to four years, with the possibility of applying for an extension of another four years. That is a significant period but, ultimately, it would be a temporary provision.

There is obviously a lot of technical detail buttressing the bones of the proposals, and we will need to define in further detail the scope of the guardian’s responsibility, the imposition of appropriate duties on him or her, and the appropriate court procedures for the appointment of the guardian and for redress if the guardian’s conduct falls short of the required standards. There will need to be an adequate supervisory regime over the whole structure, capable of commanding public confidence as well as the confidence and buy-in of the families affected.

As has already been mentioned, there are precedents for such a status and model in legislation in other countries, including in Canada and Australia. Ireland is also currently considering legislation in this field, and we are carefully considering the different models on offer. Obviously, we want to tailor the proposals to ensure that we have the right regime for the legal system, the particular nature of the problems and the administrative aspects in this country. Our development and drafting work is not yet complete, but we are working to complete it as soon as practicable. Given the details that I have talked about, it is important to get it right. We are consulting parliamentary counsel, and we would not go down to that level of detail unless we were serious. I hope that gives some reassurance to hon. Members on both sides of the House, and particularly to the campaigners and the Lawrence family.

We understand the importance of completing the legislation and getting it right, and it is worth saying that guardianship status is not the only measure that we are proposing to help those affected by the disappearance of an individual who is close to them. The Government are also reviewing the missing children and adults strategy, which was originally published in 2011. We are engaging with stakeholders, including Missing People, to update the guidance on cases of children and adults who go missing. That updated strategy will be published later this year and will include measures to help prevent people from going missing in the first place and to improve the response of all the relevant agencies.

Although I am sorry to disappoint anyone here today, I cannot give a specific date that is firmly etched in stone for introducing the legislation. I hope my hon. Friend the Member for York Outer and the whole House will recognise that the Government are committed to delivering the reform and are actively working to that end. It is vital to get the reform right, given that it creates a legal power over another’s assets. We are
committed to proceeding as swiftly as we can, never
forgetting for a moment the scope that it offers to ease,
if only by a modest degree, the pain and suffering
endured by the families who have lost loved ones.

Question put and agreed to.

11.29 am

Sitting suspended.

2.31 pm

Paul Blomfield (Sheffield Central) (Lab): I beg to
move,

That this House has considered Government policy on enforcement
of the national minimum wage in the care sector.

I am delighted that you are in the Chair, Mr Rosindell,
and that so many colleagues are here to speak about this
issue.

I am pleased to have secured this debate, although I
am disappointed that it is still needed, because we had a
debate on this very issue, led by my right hon. Friend the
Member for Oxford East (Mr Smith), back in November
2014, during which it was acknowledged that we had
a real problem. That was acknowledged by all sides,
including by the Minister at that time, the right hon.
Member for North Norfolk (Norman Lamb), because in
March that year the National Audit Office had estimated
that up to 220,000 home care workers in England were
being illegally paid below the national minimum wage.
Eighteen months on, we still have the same problem.

We could talk forever about numbers, and I am sure
that a number of colleagues will cite statistics, but I
think the human stories explain what the issue is really
about.

Angela Rayner (Ashton-under-Lyne) (Lab): I worked
in the sector as a home help and represented home care
workers. Does my hon. Friend agree that the human
stories are quite tragic? What home carers end up
having to do is subsidise their employers, who do not
pay them travel time. A good employer will see the value
of their staff, and pay them correctly and appropriately.

Paul Blomfield: I thank my hon. Friend for that
intervention and I completely agree with her. I will
illustrate that point further in my comments today.

Nick Thomas-Symonds (Torfaen) (Lab): My hon. Friend
has talked about the delay and the lack of action since
the previous debate. Is not one of the reasons for that
the fact that, when investigations are launched into
these matters, they take an inordinately long time?

Paul Blomfield: My hon. Friend is absolutely right.
Indeed, arising from our last debate, six investigations
were commissioned. I asked a parliamentary question
about those investigations. They were launched in February
2015 and have yet to report. That is clearly a disgrace.

I was talking about the human stories in my constituency.
I know of two local women who work for a care
company that uses GPS technology to monitor when
they arrive for and leave appointments. They told me
their stories. The company monitors the time that they
spend travelling; to be accurate, it monitors the distances
that they are travelling, but it does not pay them for that
time. Incidentally, the company also rips them off on
the cost of travelling; it pays them 12p a mile for using
their own cars, when Her Majesty’s Revenue and Customs
assumes for its calculations that 45p a mile is a reasonable
benchmark.

One of the women, Sharon, told me that it was not
unusual for her to be out of the house at 6.15 in the
morning and not return until 11 o’clock at night. She
gets a break, but she is only paid for seven hours’ work,
which is the time she is actually at appointments. Never mind how long it has taken her to get to an appointment or to travel between appointments. Consequently, a so-called “hourly” rate of £7.52 means that, according to Melanie, who works alongside Sharon:

“A 15-minute visit is worth £1.88”.

These women have even been refused payment for the time they have spent waiting for ambulances to arrive for people in their care. Why do they put up with that abuse? As Sharon told me:

“You get in a bit of a trap, because I actually do love the work.”

We should be ashamed that tens of thousands of people like Melanie and Sharon across the country, who look after our most vulnerable, are treated in that way simply because they care.

It also makes a mockery of our national minimum wage legislation. Let us be clear that it is a criminal offence knowingly not to pay the national minimum wage. However, the situation has not improved since we last debated this issue. In fact, there are signs —

Melanie Onn (Great Grimsby) (Lab): Does my hon. Friend agree that it is a disgrace that only 36 English councils out of 152 that are responsible for social care stipulate in their contracts that home care providers must pay for workers’ travel time?

Paul Blomfield: I do indeed and I pay tribute to those councils that are now changing their rules, so that when they commission they require workers’ travel time to be paid. Hopefully, more councils will follow their example.

I am disappointed that the Government seem to be taking this issue even less seriously than when we last debated it. Last summer, HMRC launched a new national minimum wage campaign that allows employers who have not been paying it to escape punishment. That is shocking. But it is simple: offending employers can declare details of arrears owed to their employees. They then “self-correct” and, with a cursory follow-up by HMRC, that is it — no more HMRC sniffing around and examining their practices. I do not know of many crimes where the offender escapes punishment entirely if they come forward. As I say, it makes a mockery of the increases in penalties for non-payment of the national minimum wage that were introduced under the coalition Government.

According to the Low Pay Commission, between 2011 and 2015, £1.75 million was recovered in arrears for 8,698 workers, which amounts to an average of £201 per worker. The shameful thing, however, is that that is just a drop in the ocean. The Resolution Foundation, which the Minister will know is chaired by one of his former colleagues, a former Conservative Minister, estimates that 160,000 care workers are collectively cheated of £130 million each year. The Resolution Foundation estimates that the average amount of arrears owed to care workers is more than £815, which is four times the rate at which HMRC is recovering the money.

The real scandal is that it does not have to be like this. The Government have the power to act, but they appear to lack the will to do so. Therefore, let me set out some proposals and I look forward to hearing the Minister’s comments on them.

For a start, the Government are far too reliant on self-reporting. The use of zero-hours contracts is rife in this sector: for example, both Sharon and Melanie, to whom I referred earlier, are on such a contract. So who is going to rock the boat when there is so little job security? Following up on every call made to the helpline is all well and good, but what are the Government doing to help those vulnerable care workers who do not dare to make such a call?

Chris Stephens (Glasgow South West) (SNP): I thank the hon. Gentleman for giving way and I congratulate him on raising this important issue. Regarding self-reporting, does he agree that the biggest single reason that employees are reluctant to do that is fear of dismissal and, if they are not dismissed, fear that there will be a cut in their hours?

Paul Blomfield: I thank the hon. Gentleman for that intervention and I think he is right. It is the fear experienced by workers in this sector that is driving unreporting. The Government need to do something about that.

Establishing a formal public protocol to handle third-party whistleblowing would be a step forward. Currently, for example, when a union makes a complaint on someone’s behalf, it receives no feedback as to what is happening with that, and that is no way to facilitate reporting.

We also need proactive investigation into a sector in which we know abuse is rife. Following pressure from Labour that was led by my right hon. Friend the Member for Oxford East, the coalition Government began an investigation into six of the largest care providers, but that was over a year ago. What have they found out? Have affected workers been compensated? What is happening? I hope that the Minister will give some answers, because effective investigations will help to change the culture. Where HMRC investigations uncover non-compliance, why does it not then look at the whole workforce? The chances of co-workers being on the same terms and conditions and suffering from the same abuse is high, but HMRC does not follow through.

I have made a number of suggestions about how the Government might act — I will not speak for too long, because a number of colleagues want to contribute to this debate — but I want to focus on a single demand, which I emphasise would not involve the Government in significant cost, but would be transformative. It is a course of action that has been recommended by the Low Pay Commission and Unison, and it is simply to require employers of hourly paid staff to state clearly the hours they have been paid for on their payslips. We have heard how companies such as the one employing Melanie and Sharon have sophisticated technology to track exactly what their employees are doing. They already monitor the time spent at appointments and travelling for work. The proposal would be easy for companies to do and would introduce a level of transparency that would change those companies’ culture. It would also give workers the information through which they could challenge companies and utilise the helpline. Section 12 of the National Minimum Wage Act 1998 already makes provision for such regulation. Will the Minister work with me and his team to bring about that simple change?

All of us here know that there is a bigger fundamental problem with the chronic underfunding of the sector. Private providers are threatening to leave the market
and not-for-profit providers are telling me that they cannot sustain the level of care that they want and rightly seek to provide. Vulnerable people, the elderly, those with learning difficulties and family members fearing for the life of their relative as they wait for an ambulance are all suffering as a result. That is before the national minimum wage increases to what the Government have laughingly called the national living wage. We all agree that is overdue. It is inadequate, but it is nevertheless a small step in the right direction.

We all know that the recently announced council tax social care precept is nowhere near enough to plug the funding gap, so we should be deeply concerned by the wider crisis in social care, and not only in its own right, but because of the impact it will have on the national health service. Notwithstanding that and the desperate need to address the funding shortfall, the labour market enforcement measures that I have mentioned are necessary and will be a step forward, and I hope the Minister will engage with me in taking those up.

Several hon. Members rose—

Andrew Rosindell (in the Chair): I advise the House that a number of Members wish to speak. There is only limited time, so I urge Members to be brief and to keep their contributions to no more than three or four minutes each. I hope that then everyone will be able to speak.

2.43 pm

Mr Andrew Smith (Oxford East) (Lab): I will try to be as quick and as brief as I can, Mr Rosindell. I congratulate my hon. Friend the Member for Sheffield Central (Paul Blomfield) on securing this debate and on his powerful speech, which compellingly made the case for urgent Government action in this vital area. I fully support the case being made by Unison and the Low Pay Commission to use section 12 of the National Minimum Wage Act to require employers to provide workers with a statement showing compliance with the national minimum wage.

As my hon. Friend said, the present situation is scandalous. There has been some improvement in some places since we, the unions and those with a concern for the social care sector, mobilised pressure, but it has been not nearly enough and a lot more needs to be done. The example of Oxfordshire County Council shows that we need and those at risk. Despite that, too many social care providers, including some of the most expensive places, are not the best place for those people to be. It is also the most expensive place for them to be. Initially, that reduced the problem of delayed discharge, but then it got worse again because the intermediate care providers could not discharge those people to their homes because of the insufficiency of domiciliary care support. As a result, the hospital trust will shortly be recruiting 50 domiciliary care workers to try to address that problem. They will be paid for out of the hospital’s budget, rather than from the local authority social care budget, which is stressed and under pressure.

We are talking about workers who are vital to crucial health and social care services. I do not believe that Government Members—it is a pity that there are not more Members on the Government Benches taking an interest in this vital issue—want social care workers to be exploited or treated badly. Instead, because of their rhetoric against red tape and regulation and their antipathy sometimes towards trade union campaigns, I think they do not understand how vulnerable these workers are, or the pressure under which they work.

I appeal to the Government to think again and to see how the measure is essential for the dignity and proper reward of vital workers and for recruitment and retention in this vital sector, as well as how essential it is in ensuring that the people whom they are caring for receive the standards of care to which they are entitled. The Government must act now and, using section 12 of the 1998 Act, bring some consistently higher standards to this vital sector.

2.47 pm

Mike Wood (Dudley South) (Con): It is a pleasure to serve under your chairmanship, Mr Rosindell. I think for the first time. I thank the hon. Member for Sheffield Central (Paul Blomfield) for securing this debate on an extremely important issue. Before I begin, I declare an interest in that my brother works in the social care sector—he started a new role on Monday—although he is not directly affected by the issues we are discussing this afternoon.

Social care is such an important feature of our society and social workers are integral to the care of people in need and those at risk. Despite that, too many social workers have suffered at the hands of unscrupulous employers—employers who have continued to flout the law and who simply do not pay the full national minimum wage. While HMRC maintains the operational enforcement of the national minimum wage, in my 10 months as a Member of Parliament I have yet to see either a coherent or sensible approach.

I will draw Members’ attention to two cases that I have seen since my election last May and contrast them with each other. The first concerns a care company in the black country. None of its care workers is paid for their travel time or when calls run over. The hourly rate therefore fell well below the national minimum wage over a substantial timeframe, but the HMRC investigation has been ongoing for nearly four years. To date, it has resulted in a notice of underpayment for only one of the employees who filed a complaint, even though the same principle applies to all the care workers.
My constituent, Debra, complained about not being paid the minimum wage in November 2012. It took 30 months before she managed to force HMRC to issue the care company with a notice of underpayment. She was forced to complain to the then Secretary of State for Business, Innovation and Skills and my predecessor, Chris Kelly. HMRC wrote to her in February 2013 to say that it was looking at all the care workers’ records, and wrote again following Debra’s complaint to the Secretary of State in June 2014 that the other care workers were also owed arrears for non-payment of the minimum wage. Nevertheless, HMRC then issued the notice only for her, as if she was the only worker who had not been paid the national minimum wage.

HMRC’s continuous delays have been shocking, and they have been ongoing since Debra’s complaint at the end of 2012. HMRC has also been looking at the cases of two other constituents of mine, Alison and Michelle, since at least March 2015, yet we do not seem to be any further forward than we were at this time last year. HMRC continues with what seem to be unnecessary delays and excuses—according to my case notes they appear to be the very same excuses given to Debra.

None of the care workers at the firm were paid for their travel time between calls or if calls ran over the allotted times. The company’s own paperwork—the rotas and pay slips—clearly show that they did not pay their care workers for what we would understand to be necessary working time. All the care workers were on the same terms and conditions, so the same position applies equally to all the workers.

Despite HMRC writing to Debra that it had “all workers’ records” dating back to February 2014, in a recent telephone call HMRC asked whether my constituents would be prepared to go to an employment tribunal and be cross-examined. That does not seem appropriate given the objectively verified facts. HMRC has not even calculated the arrears that the women appear to be owed. The same tactic had been used previously with Debra. HMRC does not have to mention any employment tribunal; its job is to get the evidence, calculate the arrears and issue a notice of underpayment. Only after the notice is issued can the employer force a tribunal, and an employer has only 28 days to do so following the issuing of such a notice by HMRC. Indeed, until a notice is issued the care company has absolutely nothing to appeal against.

There is clearly something very wrong indeed with how HMRC enforces compliance with the national minimum wage in the care sector. As I said, it has been investigating this care company for nearly four years, yet despite finding that not only Debra but the other care workers are owed minimum wage arrears, it has still issued only the one notice.

That case should be contrasted with HMRC’s response to another case, although it goes slightly beyond the narrow confines of the debate. At a manufacturer in my constituency, a genuine clerical error led to the underpayment of four pieceworkers out of a workforce of 240. Over three years, the underpayment totalled just under £600, or 0.005% of the total wage bill. It was clearly a genuine oversight that had not been identified in five external audits.

Despite the fact that that manufacturing company co-operated fully with HMRC—indeed, as soon as it was made aware of the underpayments, it repaid them, along with the penalty, on the next available working day—its response seems to have been very different from what happened with the care company. The manufacturer has been named and shamed and now has to deal with the resulting implications while trying to negotiate a contract with high-street retailers.

HMRC’s response has been very inconsistent. In my experience, it is focusing its energy on what might be seen as the easy cases—companies that are genuinely trying to do the right thing but may have made a mistake—while it does very little effectively to enforce the national minimum wage for companies such as the care company I highlighted, which have consistently obstructed and obfuscated and shown total disregard for HMRC and for their legal requirement to pay the national minimum wage. That has to change.

I urge my hon. Friend the Minister to ask HMRC urgently to review its general approach to the enforcement of the national minimum wage. I will also write privately with the details of the two cases to which I referred to ask him to speak to HMRC about what is going on and how we can have a more consistent and equitable approach to ensure that all employers pay the national minimum wage.
—where home care workers leave earlier than they might want to, to ensure that they are not working for free—does happen, but most stay for far longer than their contracted time. For many of the people being cared for, the care workers are the only people they see for hours at a time, perhaps for the whole day. Home care workers enjoy and value the work they do and they often stay for far longer than they need to, but the added insult for them is that, as my hon. Friend the Member for Sheffield Central said, they are often not even paid for that contact time.

Melanie Onn: Is my hon. Friend aware that when home care workers overstay their allotted time they can be subject to disciplinary procedures for failing to follow their company’s rules, which stipulate the limited time they are to spend with each of their clients?

Matthew Pennycook: Absolutely—I think that happens quite frequently. The way they are disciplined relates to a point made earlier by my hon. Friend the Member for Sheffield Central. Increasingly, they have to clock in and out, and sophisticated technology is used to monitor the time they are with a client. Yet, on their timesheets and payslips—I have seen many of them and they are incredibly confusing—their employers cannot give them the clear detail of how much they are being paid and whether they are being paid the minimum wage. The law in this area is very clear, and yet we still have hundreds of thousands of workers denied the legal minimum to which they are entitled. So why is that happening? At its root, as my hon. Friend said, is the lack of a sustainable funding settlement for social care, which is the result of successive Governments not doing enough, and we know the 2% precept will do little to address that.

Going forward in the medium term, we need to address the funding gap, which is growing on a yearly basis. Local authorities need to do more to ensure they commission care in such a way as to protect those who deliver it, and the independent care providers who employ the home care workers need to do everything possible to ensure that they meet their statutory obligations. There are good examples in the field, but unfortunately far too many do not meet their obligations. None of that should stand in the way of doing what we and the Government can to end non-compliance in this sector.

A variety of things could be done. To give them credit, some of the steps that the Government have taken have been welcome. For example, fines have increased to 100% of underpayments owed to each worker, up to a maximum of £20,000, and they are set to rise again in April. But the scale of the problem and the small solutions that the Government have proposed are clearly not having the impact that they need to, so more could be done. We could have the six investigations report in a timely manner, and we could do more to name and shame employers. Only 13 small social care providers have been named and shamed so far using the powers introduced in 2014.

We could do more to end the over-reliance on self-reporting and ensure that low levels of arrears are recovered. When an abuse is found, we could investigate the whole workforce at that provider, which currently does not happen. However, even if we did all that, we would still be back here next year or the year after talking about what more needs to be done. The Government must seriously consider amending section 12 of the National Minimum Wage Act 1998 so that we deal with the problem by proactively forcing employers, putting the onus on them to prove that they are paying their workers the minimum wage to which they are entitled rather than the other way round.

The sector employs 1.5 million people and has the potential to grow by another million in the next decade alone. If our country is to have the care service that it needs and that disabled people need, the Government need to do more—and quickly—in terms of recruiting and retaining staff who care about their job and of ensuring that those workers are not exploited.

3.2 pm

Marion Fellows (Motherwell and Wishaw) (SNP): I thank the hon. Member for Sheffield Central (Paul Blomfield) for securing this really important debate.

I looked around the room a moment or two ago and I think I qualify as the oldest person here, so this debate has a particular resonance for me. I am over 60—I will be 67 on 5 May—and I have a vested interest, so I should declare it right away. I am also very glad that, if I do require care at home, I will probably have care at home in Scotland. I do not say that everything in Scotland is perfect or that things could not happen there as well, but in the debate on securing the national minimum wage for the women—it is mainly women—who care at all sorts of levels and for paid home care workers, we are going too cheap for them; we should be looking for the living wage of £8.20 an hour. That requires political will, which I find sadly lacking in this Government. The Scottish Government have that will; they have a Cabinet Secretary for Fair Work, Skills and Training.

We need to pay the people who look after the most vulnerable people in our society a decent wage. If we pay a fair wage, we get fair work. I was a local councillor and I am conscious of the fact that a lot of women were very much underpaid and strived for years to get equal pay with male counterparts. It is still happening in Scotland. As I said, we are not a utopian society, but the Scottish Government have committed to paying the living wage and to giving enough money to local authorities to pay the living wage to people who take part in the health and care partnership. I cannot understand why that cannot be done here in England as well. It requires political will, which is sadly lacking.

Also required is the political will of the Government to hound, harass and do whatever they can via HMRC or any other agency to ensure that employers pay the minimum that is required in this country, and they should be encouraged to pay far more. I do not want to be in a position where—I will personalise it—someone is being paid to care for me and they cut short the time that I require and am entitled to, to rush off and help someone else. It is a sad reflection on society that we treat the most vulnerable in an almost callous way. We should look at it from the other point of view: would you want your parent, mother, sister or brother to be subjected to work from someone who is grossly undervalued and underpaid?

We need to change the entire context of care for the elderly and disabled across the United Kingdom. If we do not, we are building up a time bomb for ourselves and for those we care for most.
Andrew Rosindell (in the Chair): There will now be a time limit of three minutes to allow everyone to speak.

3.6 pm

Melanie Onn (Great Grimsby) (Lab): It is a pleasure to serve under your chairmanship, Mr Rosindell. I will keep my comments brief. The notion of a kindly small care home no longer exists. The person who lives in your town or village, down your street or in your community, who cycles around and gives care to those who need it, no longer exists. The small companies that we used to know so well and recognise in our communities simply cannot compete with the large corporations. I came across Mears when I worked with Unison. I speculate that companies such as Mears provide a multitude of public services alongside their own private interests. They can bid at incredibly low levels on a per hour basis. With the downward pressure on local authorities and the amount that they can afford to pay, such corporations are winning the contracts. There is a huge gap between the corporations at the highest level and the domiciliary care that is offered to people both in their homes and in residential care. We must not forget that what is offered is the most intimate and personal care.

The corporations continually try to minimise their costs to such an extent that it falls on staff to subsidise their employment, whether that is through travel time, as has already been mentioned, or the purchase of uniforms, which happens frequently as well. I also know that many care staff have taken to buying biscuits or small treats for the clients they serve because their company had previously provided that as an option, which was something nice for the residents in the afternoon. Such things are now being taken away as margins are squeezed and companies have no answer to their shareholders much more than they have to answer to the people who receive the care or deliver it.

Simple things that mean so much to residents are being taken away. Individuals who give so much of their time and their love to their clients are being put in an impossible position in trying to create a less clinical environment. It is absolutely right to say that the people who work in the sector are mainly women, increasingly migrant workers. Why are the women who do those jobs put at the bottom of the pile when it comes to reward? Is it because there is still that traditional view that it is women continuing their household work in the wider community? If that is the only reason why it is so poorly valued, the Government must address that immediately.

Also, the large companies often do not engage positively with trade unions that wish to raise important issues perfectly legitimately and through the appropriate channels. Those workers deserve proper, full and easy access to independent support through a union, and the employers should take proactive steps to encourage their staff to become members, and support that by recognising the trade unions. Too often, trade unions must fight those corporations to achieve recognition. They cannot even get across the threshold of care homes. I have worked alongside care workers who dared to put their heads above the parapet and who were representatives for the other workers. It did not do their careers any favours. They have been subjected to spurious disciplinary proceedings, and had their shifts reduced—they have limited-hours and sometimes zero-hours contracts. They are punished by having their hours reduced so that they do not take home as much money as they should, merely because they have tried to represent their members properly. They have been threatened with having the police called should they dare to gather outside the company’s property, which is a shameful way to treat staff who are only trying to improve the working conditions of the people who deliver the care.

3.10 pm

Barbara Keeley (Worsley and Eccles South) (Lab): It is a pleasure to speak in the debate with you in the Chair, Mr Rosindell. I congratulate my hon. Friend the Member for Sheffield Central (Paul Blomfield) on securing the debate and on the excellent way in which he opened it.

I want to talk about what I describe as the funding crisis in social care. Many providers are struggling to provide good-quality care—even if they want to, as they should—against the backdrop of years of cuts to local authority budgets for adult social care. The increased costs associated with the national minimum wage and the so-called national living wage are going to place providers under additional financial pressure, and that is of great concern. The Local Government Association has estimated that introducing the so-called national living wage from April will cost at least £330 million for home care and residential care providers. There was no additional funding for that in the Budget. There is a risk that too many providers will become financially non-viable. We do not want care providers to cut staff numbers even more, threatening the quality of care.

The social care precept is not the answer to finding enough funding for what is a Government policy change. My local authority, Salford City Council, needs £2.7 million to pay for the minimum wage increases in our local care sector, but the council can only raise £1.6 million from the social care precept. The Government are not providing funding for their own wage policy. In my area, the people of Salford are finding the money, from their council tax. I am sure that there will be agreement in the Chamber that care workers should be paid the national minimum wage. Care work is a demanding job that requires skilled workers who are compassionate and who provide empathy and good-quality care. It is completely unacceptable that a job that historically has been undervalued is still being exploited today, and that those workers are not being paid the basic wage.

I give credit to Unison for its work interviewing care workers and finding out in detail the constraints on them, such as having to rush between calls and reduce the amount of time spent with individuals who are socially isolated. We are concerned about social isolation among older people, and the fact that there is no time to care. Staff sometimes work from 7 am until very late in the evening, but they have dead time that they do not get paid for; and they do not get paid for travel time. The Cavendish review highlighted the impact of non-payment for travel time on care provision:

“Some low paid Home Care Assistants and support workers will...keep going as long as they feel they are still giving good care. But the advent of zero hours contracts, fee cuts and no payment for travel time” is really to blame because it “is making it financially prohibitive for some domiciliary care workers to struggle on.”
The Government agreed that the statutory guidance should require councils to include payment for travel time in provider contracts, but that guidance is clearly not being complied with. There are even examples, in an excellent Unison study, of a home care worker being given 20 minutes to visit an old lady of 102, to help her shower and get dressed, make food, tidy her kitchen, give her medication and put her bins out. That is not enough time to give safe and dignified care. Tackling non-compliance should be a priority. The Government must consider the impact of their policies and act on the chronic underfunding of the care sector that I outlined.

My hon. Friend the Member for Sheffield Central made a number of suggestions about how to improve national minimum wage compliance. We must have monitoring of the commissioning practices of councils; it should be a priority. Employers and commissioners could also publish, or provide employees with, a statement that they comply with the national minimum wage, increasing transparency. As he said, we must improve the protocol for supporting whistleblowers who bravely tell the story of what is happening. It is only when care staff are valued and paid adequately that service users will receive the good-quality, compassionate care they need. As he said, we should be ashamed that we trade on the good will and commitment of our home care workers.

3.14 pm

Liz McInnes (Heywood and Middleton) (Lab): It is a pleasure to serve under your chairmanship, Mr Rosindell. I thank my hon. Friend the Member for Sheffield Central (Paul Blomfield) for obtaining the debate. I will try to be brief.

The Labour party recognised the issue with the social care system prior to the last general election. In our 2015 manifesto we promised to end 15-minute visits and introduce year of care budgets, to incentivise better care in the home. We promised to recruit 5,000 new home care workers—an entirely new arm of the NHS—to help to care for those with the greatest needs at home. We promised to tackle workforce exploitation in the care sector, and to ban the use of zero-hours contracts where regular hours were being worked, improving the working lives of carers. However, that was not to be.

Figures show that up to 220,000 home care workers are illegally paid less than the minimum wage. Investigations by HMRC between 2011 and 2015 found that 41% of care providers were guilty of non-compliance. As has been mentioned, the Resolution Foundation has calculated that care workers are collectively cheated of £130 million a year.

3.16 pm

Sitting suspended for a Division in the House.

3.28 pm

On resuming—

Liz McInnes: One major way in which care workers are denied the national minimum wage, which has been referred to throughout this debate, is for the care providers to refuse to pay for travel time between calls. I had never heard of the practice, which my hon. Friend the Member for Sheffield Central described, of care workers being paid a miserly 12p per hour for travel time. That, to me, sounds more like a cycling rate.

The law states that workers must be paid at least the national minimum wage for travel that is a part of their work and not incidental to it. If someone’s work consists of assignments carried out at different places between which they are obliged to travel, the time they take to do so is regarded in law as work time and must be paid accordingly. The National Institute for Health and Care Excellence stated that care providers should ensure that workers have time to do their job without being rushed and without compromising the dignity and wellbeing of the person who uses the services. Not paying for travel time makes that impossible.

The BBC recently reported on a group of home care workers who are Unison members, who are owed up to £2.500 each as a consequence of being paid less than the national minimum wage—again, because they were not paid for travel time. In a recent case, which was settled out of court, a worker was paid £1,250 in compensation for non-payment of travel time.

Furthermore, in summer 2015, HMRC launched a new national minimum wage campaign, which allows employers who have not been paying their workers the national minimum wage to escape punishment. Employers who are guilty of non-compliance can now just notify HMRC of their transgression, declare that they have paid their workers any money owed, and agree to obey the law in future.

That all contradicts the Prime Minister’s August 2015 claim that “the message is clear: underpay your staff, and you will pay the price.” Such employers are not paying the price. We need a major change in policy if the Government are serious about stamping out that deep-rooted practice and protecting the legal rights of home care workers. The Government should make regulations, as provided for under section 12 of the National Minimum Wage Act 1998, requiring employers to provide their workers with a statement demonstrating compliance with the national minimum wage. The exploitation of care workers must stop; we must ensure that they get the pay to which they are entitled.

3.30 pm

Christina Rees (Neath) (Lab): It is a pleasure to serve under your chairmanship, Mr Rosindell. I congratulate my hon. Friend the Member for Sheffield Central (Paul Blomfield) on securing this important debate.

The care industry and, in particular, its workforce play a vital role in our society. The UK has a care sector that is ever growing, which is essential with an ageing population. It is important to ensure that, as people age, they can still live in their own homes for as long as possible. That will not only allow people to enjoy the comforts of home as they spend more time there, but will help to reduce the pressure on the NHS, which we all understand would help enormously.

Where it is not possible for people to remain in their homes, they should be provided with the best care possible in a care home facility that meets the high standards we can expect in our society. To ensure that people are given the opportunity to remain in their home as they...
get older, the work of home care workers, who care for the elderly and disabled in their own homes, is vital. That is why it is so shocking that so many home care workers are routinely paid less than the national minimum wage. The absence of the most nominal of payments is condemning huge numbers of home care staff to the contemporary phenomenon of in-work poverty, as well as significantly undermining care standards across the industry.

The direct effect of underpayment is that care workers are plunged into poverty, leading to much higher rates of staff turnover, with a subsequent negative impact on care standards. Too many experienced or skilled care workers are being forced out of the industry simply because they cannot afford to stay. That is unacceptable.

Due to the lack of time, I will move swiftly on and cite an example from my constituency. The Government’s lack of concern about care workers not being paid the national minimum wage is in stark contrast to the efforts of the Unison branch at Neath Port Talbot County Borough Council. The union has worked closely with the local authority to ensure that social care has remained a priority, reaffirming that care workers feel appreciated and, most importantly, that they are not being taken for granted.

The care sector in Neath Port Talbot, as in many other places, is a mixed economy, whereby the local authority directly provides around £11 million of services, and commissions about £32 million more from third-party providers from the private and voluntary sectors. Council staff are already paid at the national living wage rate, so in-house services act as a pacemaker for pay and conditions in the local care economy—that is to be commended. Were those in-house services not to exist—so with the absence of a pacemaker—we would be in danger of seeing a race to the bottom on pay and conditions, as third-party providers sought to maximise profit by decreasing resources.

A mixed economy works because the local authority uses its influence responsibly, as a quasi-monopoly purchaser of services, to ensure that workforce contracts do not cause detriment to local communities. A good and topical example is the recent decision by members of Neath Port Talbot Council to meet in full the national living wage for staff employed in private sector residential care homes, from which the council purchases a significant amount of residential care. Neath Port Talbot Council is one of the few local authorities in the UK that has decided to afford the national living wage from the outset—it might even be unique. It is important to point out, however, that the council has not simply gifted the money to residential care providers; it pays to ensure that its high-quality standards are met. If third-party providers fall below the standards, funds are withdrawn.

To conclude, perhaps that model will be adopted by the Government. I look forward to hearing the Minister’s response to the proposal.

3.35 pm

Judith Cummins (Bradford South) (Lab): It is an honour to serve under your chairmanship, Mr Rosindell. I, too, thank my hon. Friend the Member for Sheffield Central (Paul Blomfield) for securing this important debate.

As has been spelt out in the Budget debates over the past few days, the Tory Government’s stated goal is to make work pay, so I will spend a few moments examining their record, given that we are considering the 1.5 million care workers who day in, day out, do noble work caring for our elderly and disabled population.

A March 2014 National Audit Office report found that an astonishing 220,000 home care workers are paid less than the national minimum wage. The main reason that so many care workers fail to receive the national minimum wage is that, despite resounding court judgments declaring this practice illegal, hundreds of thousands of workers are still not paid for the time they spend travelling between visits. They are, disturbingly, only paid for the time that they spend with their clients. That would be unacceptable in any other line of work, but, quite wrongly, it is still common practice in the care industry. As a matter of decency, care companies should meet the amount that Parliament has legislated for as the minimum that workers should receive in their pay packet. Each and every worker should not fear that, at the end of the working week, their employer has short-changed them. The national minimum wage is simply not happening in our care industry, and that is a national scandal.

The Tory Government need to step up and take action to ensure fairness in our care sector. Thankfully, under the national minimum wage legislation brought in under a Labour Government, the Tory Government have inherited the necessary powers to take much needed and long-overdue action. To be specific, under section 12 of the National Minimum Wage Act, care providers as employers can be required to supply a written statement to each care worker, in which they should clearly set out the amount that the worker is being paid, the hours worked, and how that means that the employer is not short-changing them. With that in mind, I ask the Minister to commit to exploring the potential for introducing regulations under section 12.

At present, the work of many hundreds of thousands of care workers simply does not pay. They are still not guaranteed a national minimum wage. They are simply being short-changed, and that scandal must not continue.

3.37 pm

Kate Osamor (Edmonton) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Mr Rosindell. I, too, thank my hon. Friend the Member for Sheffield Central (Paul Blomfield) for securing this debate.

In September 2015, I made representations to the Minister on behalf of a social care organisation in my constituency, North London Homecare and Support, which was concerned about its financial capability to accommodate the increase in the national living wage. The Minister, in his response, informed me that the Government were working with the social care sector to consider the overall cost of social care and funding for local government, and that the result would be announced in the spending review. In spite of commitments about further funding, however, the social care sector is still not receiving adequate investment.

According to Local Government Association estimates, the social care precept will raise £372 million, which stands far short of the £2 billion figure suggested by the Government. The majority of that will be used to cover the cost of the transition to the new national living
wage. In addition, although the better care fund is expected to deliver around £1.5 billion by 2019-20, the gap in social care funding is expected to reach £3.5 billion by the end of the Parliament in 2020.

With an ageing population and an NHS under increasing pressure, it is clear that we need the social care sector.

Mr Jim Cunningham (Coventry South) (Lab): I thank my hon. Friend for giving way, and I congratulate my hon. Friend the Member for Sheffield Central (Paul Blomfield) on securing the debate. One of the tricks that the Government have pulled is to shelve the responsibility for social care on to local authorities. That is not necessarily a bad thing, but what the Government have not done is give them the resources to do it—they have given them about 2%. Three or four years down the road, we will reach a point when the Government come back and want to cap the local authorities, because they are spending too much—that is what the Government will say. We have had all that before. The other thing we should bear in mind is that at the moment local government is badly funded, to say the least.

Kate Osamor: I could not agree more. Those points are alarming and worry us all, and that is why we have all come to speak in the debate.

Only a thriving social care sector that is valued and respected will be able to give our NHS the support it needs to provide integrated healthcare solutions. The Minister and the Government must accept their responsibility to support social care through the transition to the national living wage and beyond to 2020. Sustainable, long-term investment is desperately needed.

3.40 pm

Chris Stephens (Glasgow South West) (SNP): It is a pleasure to serve under your chairmanship, Mr Rosindell. I refer Members to my entry in the Register of Members’ Financial Interests and declare my 20 years of trade union activity for the Glasgow city branch of Unison before my election to Parliament.

There are far too many instances of care home providers who provide services for a profit ignoring or disregarding their legal responsibilities to their staff. It is particularly insidious that those who are paid the least and provide some of the most vital services needed by our society, which we will need more and more as our demographics shift, are being denied even the most basic protections by their employers. In two recent cases, MiHomecare settled a national minimum wage pay claim with one employee for £1,250 and, as we heard from the hon. Member for Neath (Christina Rees), in south Wales Unison colleagues secured backdated wages for 100 workers amounting to up to £2,500 each after it failed to pay workers for time travelling between clients.

A leaked document from MiHomecare sets out exactly how much workers are being short-changed by. Its internal analysis in the wake of an HMRC investigation into its employment practices revealed that 44 workers could have been out of pocket by as much as £2,000 a year each. A Resolution Foundation report estimated that as many as 160,000 care workers are receiving less than the minimum wage simply on the basis of non-payment for travelling time, to say nothing of the myriad other changes to their salary. That amounts to more than £300 million and, as a sum being withheld from some of the poorest workers in the country, I find that breathtaking.

The closure of HMRC offices across the country concerns me greatly. HMRC’s enforcement work is invaluable in taking to task the criminality that sadly some employers believe is justified. The centralisation of services and cutting of jobs will inevitably give the green light to more employers to think that they can flout the law and get away with it.

Angela Rayner: As a former Unison activist and comrade, may I thank the hon. Gentleman for the work he has done in the sector? To come back to legality, is it not an absolute shame that many home carers will not be able to seek legal redress because of employment tribunal fees? It is unions such as Unison that enable carers to take cases to employment tribunals, because they pay the fees.

Chris Stephens: I agree with my Unison comrade and friend. One barrier to getting back-payments in this sector in particular is that the fees charged are often greater than the wages claimed for. I thank her for making that point.

If the green light is to be given to more employers, they will take that. In Scotland, with only two offices—in Glasgow and Edinburgh—to be retained under the proposals, it is simply not credible to suggest that, despite best efforts, HMRC’s minimum wage enforcement can continue at the same level. Given that the workforce in the care sector is female-dominated, it seems that a double whammy is created. We as a society pay women less overall and, even when a legal floor is put in place to stop wages falling below a certain level, many women are victims of their employers’ criminality and earn even less. There can be no place in a civilised society for the law-breaking that appears to be happening in areas of the care sector. A civilised Government should do all they can to stamp out that insidious practice.

Other Members have set the scene. As usual I enjoyed the contribution from the hon. Member for Sheffield Central (Paul Blomfield). He rightly said that the sector looks after the most vulnerable. The hon. Member for Ashton-under-Lyne (Angela Rayner) indicated her personal experience and the right hon. Member for Oxford East (Mr Smith) was correct when he said that it is not unreasonable to demand that the national minimum wage is paid.

Barbara Keeley: Many practices have been talked about during this debate, but we have not addressed the new practice of paying care staff by the minute—minute rates. I do not know of any other group of people paid and measured by the minute.

Chris Stephens: I am not aware of that either, but it is an important point. Bad employers will try such methods. I am concerned to hear about companies that are trying to get around paying the living wage by taking premium payments off staff. That is another important point that this Parliament will need to address.

Mixed messages are coming from the Government in this regard. Ruby McGregor-Smith, the leader of a home care company that the BBC had revealed was not
[Chris Stephens]

paying its home care workers the national minimum wage, was recently elevated to the House of Lords. In August 2015, the Prime Minister commented to The Times: “So to unscrupulous employers who think they can get labour on the cheap, the message is clear: underpay your staff, and you will pay the price.”

Also in the summer of 2015, HMRC launched a national minimum wage campaign that allows employers that have not been paying the national minimum wage to escape punishment. The Government have been saying to companies that HMRC “will not undertake an enquiry or investigation on your National Minimum Wage records”.

That is a mixed message.

That leaves an over-reliance on workers making complaints to HMRC. As has been revealed during this debate, many care workers fear reporting their employers because reprisals can include dismissal or having their hours cut. As was stated earlier, many home care workers are on zero-hours contracts.

Actions need to be taken. I hope that the Government will give a commitment that where a company is non-compliant, HMRC will extend its investigation to cover that company’s whole workforce. HMRC should publish results regularly, carry out assurance checks in the sector and allow third-party reporting. We have heard from many Members who have spoken so far about the vital role that the trade union movement is playing in the sector. HMRC should maintain records of the number of employees who contact it through the helpline, and there should be a formal protocol for HMRC to ensure that no action is taken against whistleblowers.

Minimum wage rates exist to protect working people and their wages, with a legal floor that stops wages going below a certain level. The insidious practice of not paying the national minimum wage must end, but it can only end if the Government are willing to ensure that compliance with minimum wage rates is monitored rigorously.

3.48 pm

Yvonne Fovargue (Makerfield) (Lab): It is a pleasure to serve under your chairmanship, Mr Rosindell. I too congratulate my hon. Friend the Member for Sheffield Central (Paul Blomfield) on securing this debate. I am pleased that so many of my colleagues have come to put forward cases; it is just a pity that there were so few on the Government Benches to listen to the human stories put forward by the hon. Member for Dudley South (Mike Wood).

I would like to start by paying tribute to care workers. They allowed my mum to live in her home at the end of her life, and that gave me the confidence to work here and her the confidence to stay at home. I have to say that in many instances they have the patience of saints. We rely on these people to look after our loved ones, and yet, as we have heard, so many are routinely and illegally still paid less than the minimum wage. I too would like to thank Unison for its briefing and its long campaign to support workers through all means, including legal action.

As the hon. Member for Makerfield and Wishaw (Marion Fellows) said, we all have an interest in this debate, either sooner or later. We heard from my hon. Friend the Member for Heywood and Middleton (Liz McInnes) that investigations by HMRC of care providers found that 41% were guilty of non-compliance between 2011 and 2015. The Resolution Foundation calculated that care workers are collectively cheated out of £130 million per year due to below-minimum-wage payments. The effect on care workers and those they care for is immeasurable. It plunges care workers into poverty, as was highlighted by my hon. Friend the Member for Neath (Christina Rees). It leads to high staff turnover and therefore a lack of continuity of care, which is so valued by the person being cared for. The care worker is not just a paid employee or a carer; they become a friend.

So how do providers get away with that? It is by not paying for travel time, which encourages call-clipping—leaving a few minutes early to minimise time spent working for free. However, as we heard from my hon. Friend the Member for Greenwich and Woolwich (Matthew Pennycook), many care workers do not do that because they care about the people they are working for. Effectively, they are subsidising our care system.

We heard about how the combination of cuts to council funding and the rise in the minimum wage will increase the problem. The funding is simply insufficient for social care, both now and in the future, as was so eloquently put by my hon. Friend the Member for Great Grimsby (Melanie Onn), who spoke passionately about the large corporations and some of their actions, which are less than compassionate. Despite the Government ordering HMRC to carry out that investigation in February 2015, it has still not been completed. Why is that? When will it be complete?

Just a handful of small care providers—13—have been named and shamed since BIS commenced this policy in 2014. Of those 13 providers, eight were identified as owing arrears to just one care worker. How can that be if care workers are working under the same terms and conditions? Is HMRC extending its investigation to other care workers within the companies? If not, why not? We have heard that that is partly due to the process; HMRC recovers arrears only for the worker who contacted it, and employers are allowed to self-correct and pay back the other workers with minimal oversight. Effectively, they are shamed as bad employers that are not to be trusted, but are then trusted to do the right thing by the employees who they cheated in the first place.

The assurance process on this is minimal. It relies on workers knowing how much they are owed, but, as my hon. Friend the Member for Bradford South (Judith Cummins) rightly highlighted, many care workers are not currently provided with a proper breakdown of all their working time. HMRC also consistently identified a very low level of arrears, with an average of £201 per worker. Should HMRC not be made to carry out assurance checks, publish the results and talk to a wider range of people about this, including the trade unions?
Some may ask why people do not report these abuses. As we have heard, there are low levels of awareness among workers that they should be paid for travel time, as well as for the cost of being in work, for example, of cuts in a hour, and of tribunal fees, as my hon. Friend the Member for Ashton-under-Lyne (Angela Rayner) highlighted.

Mr Andrew Smith: My hon. Friend is making an excellent speech. As was pointed out earlier in the debate, a high proportion of these workers are migrant workers. With the awful rhetoric directed at them from some sections of our society and political parties, do not those workers feel additionally vulnerable and scared about reporting such things?

Yvonne Fovargue: I agree with my right hon. Friend. Many workers in this sector are already exploited, as we heard from my hon. Friend the Member for Great Grimsby. They are women. They are migrant workers. They are people who do not traditionally complain. Another issue is the length of time before the judgment in tribunal cases. In 2014–15, it was on average 74 weeks before a judgment was reached.

Does the Minister feel that a voluntary statement of a national minimum wage is sufficient? In view of the widespread non-compliance, should the national minimum wage not be compulsory in this sector? As we have heard, many care workers do not know the hours they are paid for. Does he agree that we must go beyond the Low Pay Commission’s suggestion of simply having a review, and that there should be a requirement for payslips of hourly paid staff to clearly state the hours for which they are paid?

Details on the number of care workers who contact the pay and work rights helpline should be collected, as they were previously. That is vital, because it gives a sense of the levels of awareness about non-payment and the willingness to complain.

Councils’ commissioning processes should be monitored as to whether they are insisting that providers pay the minimum wage. Councils also need support to carry out spot inspections of providers’ payroll records, which should be clear, and they should carry out regular, anonymous staff surveys, in conjunction with trade unions, to identify any risks of non-payment.

We rely on care workers to look after the most vulnerable, and yet we are allowing them to be exploited and underpaid. They work in one of the most demanding sectors, caring for our loved ones, and they deserve to be looked after by all available means without further delay.

3.56 pm

The Parliamentary Under-Secretary of State for Life Sciences (George Freeman): It is a pleasure to serve under your chairmanship, Mr Rosindell. I start by congratulating the hon. Member for Sheffield Central (Paul Blomfield) on bringing this debate to the House. It has been a very helpful opportunity to focus attention on this important area, and it gives me a chance, on behalf of the Government, to make clear our commitment to ensuring that this issue is properly dealt with. I know he is a robust champion of workers in the care sector, and I want to praise him for his work in representing them here today.

I also pay tribute to the right hon. Member for Oxford East (Mr Smith), the hon. Members for Brighton, Pavilion (Caroline Lucas) and for Hampstead and Kilburn (Tulip Siddiq) and others who have taken such an interest in this issue. Opposition Members may be surprised to hear me single out and congratulate Unison and the Resolution Foundation, which have done really good work on behalf of workers in the sector by shining a light on the complex issues and some of the completely unacceptable practices that have gone on for too long.

I take this opportunity to pay tribute to our nation’s 1.5 million care workers, who, as hon. Members have said, work tirelessly to provide invaluable support to some of our most vulnerable citizens. Without their support in caring for the frail, the disabled and the elderly, we simply would not be able to cope as a society with the pressures of an ageing population. Hon. Members are right that we must ensure care workers are treated fairly by their employers and receive the money to which they are legally entitled—and that is a priority area for the Government, for this Minister and for the Minister for Skills, my hon. Friend the Member for Grantham and Stamford (Nick Boles), who leads on this within the Department for Business, Innovation and Skills.

Perhaps I could take this moment to make it clear, lest anybody watching the debate is in any doubt, that this generation of Conservatives in government strongly supports the national minimum wage. We are very proud that we have gone further and introduced the national living wage, as well as increasing penalties from £5,000 per employer to £20,000 per employee, which last year saw one investigation lead to a fine of half a million pounds.

We have also increased the budget for compliance by 50% since 2010 and strengthened the naming and shaming provisions. Let me send the strong signal that we will not tolerate non-compliance with the national minimum wage. It applies across all sectors, and the nature of the work that these care workers do, in a fragmented, challenging and geographically difficult sector, is no excuse for non-compliance.

I want to make it clear that any employer who treats the Government’s commitment to this space with contempt needs to be very careful. I am very disappointed to see that the Business, Innovation and Skills Committee’s request for Mike Ashley from Sports Direct to come and give evidence has not been responded to. Let me take this opportunity to say that contempt for this area of law is not acceptable, and to welcome the recent court case in which Caroline Barlow successfully prosecuted MiHomecare. It led to the court ruling that she and, by implication, others should have been properly paid. I welcome that, and the signal should go out very clearly to businesses, councils and all those who employ the low-paid that they have to abide by their duties under the law.

[Mr Philip Hollobone in the Chair]

Barbara Keeley: Most Members here would agree with the Minister about Mike Ashley. I am sure, and would applaud the Chair of the BIS Committee and the Speaker for the way in which they are handling the situation.
The key point I want to make is this: although it is good that the Minister is proud of the Government’s policy on the minimum wage, does he not think that the Government should have funded that? Is not the key problem the one that I outlined: the 2% precept will only raise £1.6 billion, but my local council will need £2.7 billion just to deal with these pressures? We cannot get to a position in which those in the care sector can pay the minimum wage unless there is funding for it, and that is the Government’s responsibility.

George Freeman: I will come on to the funding of social care, which is a major issue that we all face as a society and will require some pretty deep thinking over the years ahead. I will also describe the extra money that the Government have put in. Although there is never enough money, we have made this priority very clear.

It may help if I review how we got to be where we are today. In 1999, the national minimum wage came in. It was the first time that legislation had been introduced in the UK to ensure a minimum level of pay for virtually all workers. Its aim is to help as many low-paid workers as possible, end extreme low pay and ensure a level playing field for employers. We are absolutely clear that anyone who is entitled to be paid the national minimum wage or, from 1 April, the national living wage must receive it.

Melanie Onn: Will the Minister give way?

George Freeman: I will continue, if I may—I am under a tight time limit. The enforcement of the minimum wage is therefore essential to its success and we are committed to cracking down in every sector across the economy on employers who break the minimum wage law. Our approach is simple: through effective national minimum wage enforcement, we are able to support workers and businesses by deterring employers from underpaying their workers and removing the unfair competitive advantage that underpayment could bring.

Mr Andrew Smith: Will the Minister give way?

George Freeman: I will very briefly, but I am going to run out of time if Members keep intervening.

Mr Andrew Smith: Does the Minister not agree that those efforts would be very strongly buttressed if the power were taken under section 12 of the National Minimum Wage Act for mandatory statements showing compliance?

George Freeman: I will deal with the right hon. Gentleman’s points, with which I have a lot of sympathy, if I am given time to crack on.

Hon. Members have rightly raised the issue of non-compliance with the minimum wage in this sector. I want first to set out the measures that we are putting in place now and that we have put in place already, before touching on some things that we may go on to do in due course. HMRC responds to every complaint made by workers through the ACAS helpline. When a third party reports suspected non-compliance, HMRC evaluates the report and investigates the employer when there are grounds to do so.

Since HMRC began enforcing the minimum wage in ‘99, it has identified more than £65 million in arrears. Between April and November 2015, HMRC took action against 557 businesses, clawing back over £8 million for 46,000 workers who had been illegally underpaid. That is already the largest amount of arrears identified in any single year since the national minimum wage was introduced and is possible as a result of the increased investment and extra measures we have put in place to support enforcement.

We are going further. The Prime Minister has committed to a package of measures that are currently being implemented that will build on Government action to date and strengthen the enforcement of the national minimum and living wage. First, we are increasing the enforcement budget from April 2016, demonstrating our ongoing commitment to ensuring that the hardest-working and lowest-paid people receive the pay that they are entitled to. HMRC will also continue to promote compliance with the law and respond when employers have got things wrong.

Secondly, the Government are further increasing the penalties that employers will have to pay when they break the law. From 1 April, the calculation will increase further, to 200% of the arrears that an employer owes. By increasing the penalties for underpayment of the national minimum wage, we intend that employers who would otherwise be tempted to underpay comply with the law and that working people receive the money they are legally due.

Furthermore, under changes being implemented through the Immigration Bill, we are creating a statutory director of labour market enforcement, who will set out a single set of priorities for the enforcement bodies across the spectrum of non-compliance. That should ensure a targeted approach that addresses problems and best helps victims.

Under the Immigration Bill, we are also creating a new type of enforcement order. That labour market enforcement undertaking will be supported by a criminal offence for non-compliance. We want to tackle employers who deliberately, persistently and brazenly commit breaches of labour law and fail to take remedial action. That cannot always be done satisfactorily through the repeated use of existing penalties or offences, which may lead to the continued exploitation of workers.

Christina Rees: I am grateful to the Minister for giving way. Will he provide examples of where that happens in the care sector? He is quoting a lot of statistics overall about the national minimum wage and recovery, but they are not specific to the care sector.

George Freeman: Perhaps I can come back to the hon. Lady on specific cases—I do not have them to hand. I just want to talk about what we are doing to deal with the issues that have been raised, but she makes an interesting point.

In the care sector, we have in particular a high incidence of workers who have not been paid the national minimum wage in the right way. Other sectors are hairdressing and retail, and there is some dispute about where the
worst practice exists, but the care sector clearly has a major historical problem. That is in part attributable to the fact that many of the more complex rules on calculating working time are prevalent in the sector—for example, the calculation of travel and sleeping time. On those points, although I am sure that Members will appreciate that I cannot comment on individual cases, I want to restate the Government’s position: when workers are performing work under their contracts, they must be paid the minimum wage.

It is also worth noting that there is no perfect measure of non-compliance within the sector, and there is a possibility that current estimates of non-compliance overestimate work time and underestimate pay, because the information is reported by workers themselves. That is why we are continuing to work with the Low Pay Commission, the Office for National Statistics and others in order to improve our estimates and better understand the scale of the problem.

On the point that was mentioned by the right hon. Member for Oxford East (Mr Smith) and others, the Low Pay Commission’s proposals on transparency merit serious consideration, and we are looking at those and a number of its other recommendations. We are determined to continue to drive forward and send the very clearest signal to companies and employers that we are becoming less tolerant of non-compliance, and we want them to recognise that.

None the less, increasing compliance with the minimum wage in the sector remains a top priority for us and we are taking a number of steps to promote compliance and take stronger action against those who break the law. First, HMRC continues to focus on tackling non-compliance, but that activity is no longer reliant on worker complaints and instead targets employers with the highest risk of non-compliance, based on a range of intelligence and information. HMRC can now analyse information from, for example, other Departments, trade union representatives and the Low Pay Commission, and the evidence indicates that this targeted approach in the care sector is working. From April 2013 to January 2016, HMRC opened 443 cases in the social care sector and closed 308 of those. Of the 308 closed cases, underpayment of the national minimum wage was found in 32% of investigations—for total arrears of £700 million.

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Members have also raised the important issue of affordability within the sector, given the introduction of the national living wage. That pay rise for the lowest paid could be seen to be a threat in terms of increasing non-compliance. That is partly why we are taking steps to signal strongly our commitment to clamp down on it.

With an ageing society, social care funding is a major strategic issue for the country and this Government. We are engaging closely with all the relevant stakeholders on that issue to ensure that councils recognise the need to increase the price that they pay for care in order to cover costs and to reflect rising costs and, not least, the national living wage. That is partly why we are giving local authorities access to an extra £3.5 billion of new support for social care by 2020, to be included in the better care fund. Councils will also be able to introduce a new social care precept, allowing them to increase council tax by 2% above the existing threshold. Taken together, the new precept and the additional better care fund contribution mean local government has access to the extra funding that it will need to increase social care spending in real terms by the end of this Parliament.

Barbara Keeley: I thank the Minister for giving way again, but there is a two-year gap. There is nothing from the better care fund this year, only £100 million next year, and—as I said in giving the example from my local authority—the 2% social care precept only covers about half of what is needed. Nationally as well as locally, that is the problem and that is why the Local Government Association asked the Government to bring forward £700 million.

George Freeman: I understand. These things are never straightforward or simple. As the right hon. Member for Oxford East pointed out, a lot of creativity is required from councils and the healthcare sector. There is best practice across the country to ensure that health and care are better integrated. [ Interruption. ] It is all very well for Opposition Members to shake their heads as if this were an easy problem to solve. It is a problem we inherited from the last Government. I am trying to be reasonable in setting out our commitment to deal with it, but it should be remembered that we inherited the problem from the Members who are shaking their heads and suggesting that it is easily solved. I hope that the measures I have set out provide reassurance that we are taking the matter seriously.

Perhaps I may conclude by framing the central elements of the package that we are putting in place. We have toughened up the sanctions and made it easier to name and shame. We have now named 490 employers, raised over £1 million in penalties and recovered over £30 million in unpaid arrears. We are now running at a 94% rate of naming since our revisions to the code in 2013.

Several hon. Members made the point about four-year delays, including my hon. Friend the Member for Dudley South (Mike Wood). I think that that is completely unacceptable. Although we are seeing progress in the speed and rate at which investigations are being pursued, I will talk to the Minister for Skills to make sure the very strongest signal is sent to HMRC saying that we cannot tolerate such delays.

As I have signalled, we are seriously interested in looking at the Low Pay Commission’s recommendation on payslip transparency. It is important that employers are held to account and that employees, particularly when it comes to individual elements of time, can see clearly what time they are being paid for.

I want to highlight the fact that the advice available for employees is free and confidential and that we have introduced important measures to ensure that, when HMRC has information from a third party to carry out an investigation, it keeps the complainant’s identity confidential and that that should trigger a whole workforce investigation.

I also want to highlight the fact that HMRC offers a free service to any employee who believes they are not being reimbursed properly. HMRC also has powers to enforce the reimbursement of expenses. That gives me the chance to highlight the fact that all expenses properly incurred by care workers in the course of doing their duty, often in a sector that requires them to travel extensively across large areas, should be, must be and the Government expect will be, properly reimbursed.
I hope that that helps to set out the Government’s real commitment to tackling the issue. I again thank and congratulate the hon. Member for Sheffield Central on raising it and giving me the opportunity on behalf of the Government to set out how strongly we support cracking down on non-compliance.

4.12 pm

Paul Blomfield: I congratulate you, Mr Hollobone, on the seamless and unnoticed way in which you assumed the Chair.

I thank all Members for their contributions, which are too numerous to cover in a couple of minutes. They have illuminated the scale of and damage caused by the problem. It is ironic that a sector that is supposed to be about care shows so little duty of care to its employees. To illustrate the cross-party concern, I cite the words of the hon. Member for Dudley South (Mike Wood) that something is very wrong indeed with national minimum wage enforcement in the care sector and that has to change.

I thank the Minister for the constructive way in which he has engaged with the debate and the issues that we have raised. I do not think he covered all the points that a number of us raised. I will write to him and I hope he will have an opportunity to get back to me on those.

I want to follow through on the Minister’s suggestion that the Government may take up the issue raised by the Low Pay Commission and Unison and to ask him to indicate—he can do so simply by nodding—that he is willing to meet me, the commission and Unison to discuss how we can move forward with implementation of transparency on payslips.

George Freeman indicated assent.

Paul Blomfield: The Minister is nodding and I am pleased to acknowledge that we will be able to have such a meeting.

Question put and agreed to.

Resolved, That this House has considered Government policy on enforcement of the national minimum wage in the care sector.

Registration of Births

4.15 pm

Stella Creasy (Walthamstow) (Lab/Co-op): I beg to move,

That this House has considered the registration of births of children of deceased people.

I am conscious that our debate may be interrupted at any moment by the sound of the Division Bell. I will start, but I presume that the sitting will be suspended for 15 minutes.

I called for this debate following a number of cases that had come to my attention. I want to make a simple request to the Government about freedom. Since I became an MP in 2010, we have had many debates about equality, and many of us were proud to support legislation to enable same-sex marriage, but many equality battles remain, and this is one. It is about bringing legislation on the registration of births into the 21st century.

4.16 pm

Sitting suspended for Divisions in the House.

4.35 pm

On resuming—

Stella Creasy: As I was saying before we were interrupted by high-speed rail, this debate is about equality and freedom, because the law on equality is ultimately about the freedom for people to live their life as they wish. The freedoms we are talking about today are freedoms held in one of the most tragic circumstances possible: a mother losing a loved one just as she is bringing a new life into this world. Today I will talk about the way in which, perhaps inadvertently, our legislation discriminates against people in those circumstances.

Mrs Madeleine Moon (Bridgend) (Lab): The freedom that my hon. Friend is referring to exists in Germany and Switzerland, both of which have the sensible rule that parental information is taken when the baby is first introduced to the midwife and maternity system and the father acknowledges paternity. The legal situation is clarified at that point, rather than at the point of the baby’s birth.

Stella Creasy: My hon. Friend, like me, has such cases in her constituency, hence her concern to get the law right. The legislation does not make sense in the 21st century, and our concern is that it inadvertently discriminates against women. It makes a value judgment about the mothers in question and therefore enshrines an outdated attitude towards women in the process.

I have some examples, and I am grateful that one of the people tragically affected is here with us today. My constituent, Joana, is a young mum from Walthamstow, and she already had one child with her partner, David, when he tragically had a stroke shortly before the birth of their second child, Eira. Having his role in Eira’s life recorded was therefore an important part of the grieving process for the family, and doubly important for Eira because it gives her the same rights to David as her sister. Joana has described to me the dehumanising process of trying to get David’s role in Eira’s life recorded on the birth certificate. She described turning up at the register office only to find that the registrar had no idea what to do, and she then found out that she had to go to
court to prove that David was the father. She had been in a long-term relationship with this man. She shared a mortgage with him, and he had been at the National Childbirth Trust classes. He had been an integral part of the preparations for the birth of their second child. They were clearly in a committed relationship, but alas, the law includes no ability to recognise that and does not give the registrar the ability to record David’s part in Eira’s life, because of the simple fact that Joana and David were not married.

Joana is not alone. Penny’s partner Nathan sadly died two weeks after their son was born. Their son was conceived using IVF, so Nathan was clearly the father. Again, purely because Nathan and Penny had chosen not to marry, they were not able to record Nathan’s role in their son’s life on the birth certificate. Penny told us:

“Babies don’t come from wedding rings.”

There is also Rebecca, who already had a child with Mark before he tragically died in a paragliding accident when Rebecca was just 17 weeks pregnant.

All three women faced the same scenario in which their word, and even the basic evidence they could provide for the long-standing, committed relationships they were in with the fathers of their children, was not enough, so they had to go to court. They faced a court fee of £365 and possible further fees for DNA tests to prove that their partner was indeed the father. In fact, in Joana’s case, David’s father had to come to court. They had to take DNA not just from Eira but from her sister and from a family member to prove that most basic relationship, which was obvious to the outside world.

The situation was very different for Kate, who also lost her partner in tragic circumstances shortly before the birth of their son. Three weeks before he passed away they married in a hospital intensive care unit. The £27 licence meant that not only was she able to register her child’s father with no further questions asked—even though, just as in the cases of Joana, Penny and Rebecca, he was not present at the registration process—but she was entitled to a bereavement allowance of £2,000 and an ongoing widowed parent’s allowance of £510 a month.

There is a simple question at the heart of this matter. I wanted the debate because as a society we have not yet considered these issues, even though they affect how people live today. In securing the debate, the first thing I wanted to do was put this matter on the Minister’s list of things to resolve. The situation still exists only because nobody has really looked at it in the 21st century. Why do we treat Kate differently from Penny, Rebecca and Joana?

I pay tribute to the organisation Widowed & Young, which has been helping equally all four of the women I mentioned. It recognised the iniquities in the existing system. When those women’s partners were alive, all four couples were treated equally with regard to taxation. It is only in death that we see the inequality in people’s treatment. By having that marriage licence, Kate did not have to go through the indignity of having to try to prove her child’s paternity in the way the other three did.

The Births and Deaths Registration Act 1953 is truly from another time. I say for the avoidance of doubt that I think everyone understands that because legal rights come with parenthood, there must be a process for registering children. That process must withstand scrutiny and nobody, either male or female, should be registered if they are not a parent. But the Act is designed to protect fathers from having an illegitimate child registered.

I would caution that the term “illegitimate” in itself speaks volumes of the 1950s, not the 21st century in which we live.

The existing law requires the courts to verify parentage when the parents are not married, as if marriage in and of itself verifies the truthfulness of what a woman says. There is, though, already a process in place for a birth certificate to be amended to add a name. We already recognise that it is right for a registrar to have the discretion to amend a certificate in certain circumstances—they can use their professional judgment and respond to the person in front of them—without requiring people to go to court, which can cost families thousands of pounds at the most tragic of times.

We do not, though, have the ability to correct an absence. There is no way to allow a registrar to look at the evidence that Joana could have so easily presented, at the time, of the sincere and committed relationship she was in with David, and to act accordingly. At the most difficult and sensitive time for a family, the law stands firm. It does not see the lives that people had, but simply makes the judgment that they were not married. We must change that. Turning up with a father is in itself no guarantee that he is the father, just as turning up without him does not mean that he can be verified by DNA testing alone.

Will the Minister consider ending the inequality and making sure that this part of the law does not judge those who choose not to marry, just as we seek to support those who do choose to marry? In not giving registrars the same power to correct an absence as to make an addition, we persist with the inequality of saying that some women will lie and that marriage is what makes them truthful. Why treat women who choose not to marry as somehow untrustworthy? Why not enable registrars to seek evidence, act and use their professional judgment? We are seeking a small change in the law, but it would be a big injustice for the families if we did not drag the legislation into the 21st century.

I appreciate that this might be the first time the Minister has considered the matter. As my hon. Friend the Member for Bridgend (Mrs Moon) pointed out, there are different processes in place in other countries. We want the Government to commit to looking at how they can make a change happen, and to recognise that this is an injustice that needs resolution. It is now too late for Joana—she has managed to record David’s role in Eira’s life through other means—but we know that many more families out there are suffering the same experience and hope the Government will act accordingly.

4.44 pm

The Parliamentary Under-Secretary of State for Women and Equalities and Family Justice (Caroline Dinenage): It is a great pleasure to serve under your chairmanship, Mr Hollobone. I congratulate the hon. Member for Walthamstow (Stella Creasy) on securing this important debate on such a vital issue.

We are here because of the tragic death of the hon. Lady’s constituent, David. At the outset, I pay tribute to him, to his partner, Joana, and to all the other women she mentioned—Penny, Rebecca and Kate. Joana and the others have shown incredible bravery in utterly
devastating circumstances. I was deeply moved when I read Joana’s account of her family’s experience. I acknowledge the courage and determination she has shown by speaking out publicly on this issue. It cannot have been easy for her.

The hon. Lady makes a compelling case for addressing the issue at hand, which is the lengthy and complex process that Joana had to undertake to put the name of her baby’s father on her birth certificate after he tragically and unexpectedly died before the child was born. Of course, nothing can undo the devastation of these terrible circumstances, but recognising a deceased father on a birth certificate is an important step in honouring their memory.

I understand utterly the sense of frustration when the system appears to make things very difficult. It has been very valuable to listen to the points that the hon. Lady has made today, all of which I have taken on board. I hope that I can explain how the law operates and why, and how the law, the courts and the registration process provide for the recognition of fathers in such tragic circumstances, but I will also consider all the suggestions that the hon. Lady has made.

Moving away from the specific details of this case, I will lay out the general position on parentage. The two key principles in English law in this regard are the “presumption of legitimacy”, which assumes that a child born to a married woman is the child of her husband, and genetic fatherhood, whereby evidence can be used where necessary to prove paternity.

The law presumes that a married man is the father of his wife’s child, so his registration as the child’s father is automatic. The law does not give the same recognition to unmarried fathers, because currently there is not any legal framework that presumes their paternity. In ordinary circumstances, an unmarried father will consent to his registration as the father of the child and usually he will attend the registration of the child’s birth with the mother, but the registrar can also recognise the father’s entitlement to be registered if he has a parental responsibility agreement, a parental responsibility order or another suitable form of court order. However, where that is not possible, in tragic cases such as that of Joana, the law provides an alternative way for a deceased father to be recognised as a child’s father, and then to be recognised through the birth registration process.

The Family Law Act 1986 allows a court to make a declaration of parentage, and anyone can apply for a declaration to the High Court or the family court, and the final order of the court will be a declaration that a person named in the application was the parent of the child. The Registrar General is then responsible for authorising the re-registration of the birth to include the name of the deceased father, under the Births and Deaths Registration Act 1953. This process should not be lengthy or expensive, but unfortunately that does not appear to have been the experience of the hon. Lady’s constituent.

The hon. Lady rightly points out the necessary provision to prevent birth registration from naming someone falsely as a child’s father, because obviously a birth certificate could potentially be used to support a false claim for something such as nationality or the right to inherit property. Consequently, it is really important that a birth certificate generates a high level of confidence in the information that it contains.

However, a key intention of the provisions for family proceedings was to try to make the process simpler, so that people would not need legal representation, which should keep the costs down. The application form for a declaration of parentage explains all the information that is required and contains directions that enable the application to be completed successfully. However, in light of the experiences I have heard about today, I am very happy to look at the information available to people registering births and to consult with the General Register Office to see whether this process needs to be improved to make the position clearer for applicants, especially those unfortunate enough to have experienced the death of a partner shortly before the birth of a child.

In addition, I know that one of my ministerial colleagues in the Home Office is already looking at the registration process for marriage and I am more than happy to have a conversation with him to request that the registration of births is also covered. I will particularly ask that international examples are looked at to see whether they can be taken into consideration.

Stella Creasy: I thank the Minister for her comments. Nobody is suggesting that we do not need a robust process for registering births. However, what troubles me particularly in this instance is the difference between a registrar taking on that role and seeking a court intervention. She and I may differ on whether the cost of the court fees is excessive, but the principle that the court has to be involved at all is the challenge, especially when we allow registrars to amend a birth certificate. It is registering a name in the first place that is the challenge when the father is deceased and the parents are not married.

Will the Minister commit to examining why we presume a registrar can exercise their professional judgment to amend a registration when perhaps even married people might not have given the whole truth at the point of registering a birth, but, when it comes to adding the name of a person who cannot be there for a very reasonable reason—because they have passed away—we deny the registrar’s professional expertise? The simple resolution would be to extend the use of that professional expertise to both instances, rather than saying that only the courts can add a name, but that a registrar can amend a name.

Caroline Dinenage: Yes, as I have said, I will consider that, and also discuss it with my counterpart in the Home Office, who is already considering registrations of marriages, to see whether that scrutiny can be extended to registration of births as well, particularly in cases of this kind. I would like, in conclusion, to express my sympathy to Joana, who had such a terrible experience following the loss of her partner, and to her daughters, on the loss of their dad.

Stella Creasy: For clarity, may we have a timetable for the scrutiny of marriage licences, and for consideration of extending the registrars’ powers to add a name? Now that we have opened up the matter in debate, we know that several families are in the same position, and they would welcome clarity about when they will get answers.
Caroline Dinenage: Yes, that consideration is happening in the Home Office. As the hon. Lady will know, I am a Minister in the Ministry of Justice so I do not know the timetable, but I am more than happy to get back to her with that information as soon as I have it.

Question put and agreed to.

Hong Kong: Sino-British Joint Declaration

4.52 pm

Richard Graham (Gloucester) (Con): I beg to move,

That this House has considered Hong Kong and the Sino-British Joint Declaration.

It is a pleasure to serve under your chairmanship, Mr Hollobone. Today is exactly the right moment for the House to consider this important issue. The debate is prompted by the most recent six-monthly report from the Foreign Office on Hong Kong, the 38th in a series of reports written every six months on the implementation of the 1984 joint declaration. One thing that I have been proud to introduce to the House since I became chairman of the all-party group on China is the fact that our group debates the reports and brings them to the House for debate, so that they are not just written, filed and forgotten. Every six months, members who are interested have the chance to discuss the reports and to express to the people of Hong Kong the objective British view on the maintenance of the joint declaration.

Today’s debate clashes, alas, with a number of other events in the House, as is often the way, and a large number of Members who said that they wanted to come and participate have unfortunately been unable to do so. However, I would not want anyone watching or listening to the debate, or reading the Hansard record later, to be confused by that and to think that there is little interest in the joint declaration or in the present and future of Hong Kong. It is a territory of huge significance to us and to China—and most importantly, of course, to its residents. It is therefore right that we should go through the exercise of reviewing what has happened, what changes there have been and whether they are broadly positive or negative.

The latest six-monthly report, which came out on 11 February, is, as so often with Foreign Office documents, a model of precision. It covers a wide range of subjects and is often as interesting for what it does not say as what it does say. I want to highlight first the overall themes of the report, secondly the areas of concern that it highlights, and thirdly the wider issue of the rule of law. The report deals with that final point in some detail, and it is what we should concern ourselves with today.

First, I want to talk about the overall tone of the report. It concludes that during the second half of 2015, the programme of one country, two systems, which the joint declaration committed itself to, “has, in very many areas, continued to function well”, but that there are specific grounds for serious concern, which “revolve...around the rights and freedoms guaranteed by the Joint Declaration, including academic freedom and the freedom of the press.”

The overall theme that the constitutional arrangement of one country, two systems has served Hong Kong well is repeated in the Foreign Secretary’s foreword to the report. He says that the constitutional arrangement continued to function well during the reporting period, but that there are areas of concern where we should reinforce the responsibilities on both our countries set
out in the joint declaration. I will come back to the Foreign Secretary’s specific remarks on the case of Lee Po, a British citizen.

At this stage, I simply highlight the comments with which the Foreign Secretary finishes the foreword, which relate to the wider constitutional issue. He observes:

“The UK Government judges that constitutional reform will help to ensure that the Hong Kong SAR Government... A more democratic and accountable system of government would help strengthen those rights and freedoms which have come under increasing pressure over the past two years... We encourage all parties to play their part in rebuilding constructive dialogue”.

That has to be right, because it is in our interests and those of China, Hong Kong and the wider world that Hong Kong continues to thrive and be the success that it has been in the almost 20 years since handover in 1997.

I come on to the areas of concern that have been highlighted during and since the second half of last year. I will first focus on the broader attitude to the rule of law and the separation of powers. I note from the report that on 12 September, the Central Government Liaison Office director, Zhang Xiaoming, argued in a speech that “the existence of the executive, legislature and judiciary did not mean the separation of powers could be applied to Hong Kong in its entirety... he described the Chief Executive's special legal position as 'transcending' the executive, legislature and judiciary.”

That statement is incompatible with the fundamental freedoms guaranteed under the one country, two systems philosophy that underpins the joint declaration. I would be interested to hear the Minister’s comments on that speech by Zhang Xiaoming, which in many ways appeared to suggest that the Chief Executive can control the executive, legislature and judiciary with overweening powers.

The Chinese response to the six-monthly report again accused Her Majesty’s Government of interfering in Hong Kong affairs. That has always been a difficult and sensitive area, and we have to address it with a sensitivity that recognises that the sovereignty of Hong Kong lies entirely with the People’s Republic of China. As the Government have been accused of interfering in Hong Kong affairs, I think it is worth recapping the importance of British interest in Hong Kong. That is partly a commercial interest, as has often been noted, with more than 630 UK companies based in Hong Kong and UK investment there conservatively valued at about £35 billion, which makes up just over a third of the total UK investment in Asia.

However, our interest in Hong Kong is not simply the interest of a mercantile nation. It stretches much wider, starting with the human involvement—the fact that 3.7 million British passport holders live in Hong Kong, and continuing with the strong education links. The UK was the top overseas English-speaking study destination for Hong Kong higher education students in 2014-15, the last date for which we have complete data, and that has been the case for a long time.

British companies based in Hong Kong are not there simply to do business with Hong Kong itself, although that is often important. They often have headquarters in Hong Kong but use it as a gateway into China. Some 126 UK companies have regional headquarters and 220 have regional offices there. It has been a frustration of mine for many years that it is impossible to quantify accurately British trade with and investment in China, precisely because so much of it is routed through Hong Kong and therefore appears in the trade statistics as being of Hong Kong origin. The total two-way goods trade between the UK and mainland China, routed through Hong Kong, as far as we can estimate it, was valued at just over £5 billion at the last count in 2014-15.

Our stake in Hong Kong is wide. It starts with a very large number of British citizens—British passport holders and British overseas passport holders. It continues through education and an important trading and business relationship, which is important not just to us and to Hong Kong, but to China. The success of the British business relationship in Hong Kong underpins the fact that the freedoms established through the joint declaration are still there. They are succeeding, and they provide the core of the reasons why British firms enjoy doing business with Hong Kong. Were that ever to be damaged, it would not only be British trade and investment that would suffer from the change in Hong Kong’s reputation; investment and trade with a wide range of other countries, which underpins Hong Kong’s success, would also suffer. That investment and trade is critical to China as proof of the success of the joint declaration and the handover of Hong Kong, and of the fact that one country, two systems can thrive and offers precedents for its diplomacy in other parts of the world.

On the accusation of interference in Hong Kong affairs, I suggest that the rule of law—the absolute conviction that the judiciary in Hong Kong is independent, will make independent decisions and will not favour businesses of one type over others, other than through the process of a legal case—is absolutely essential to the success of Hong Kong and, ultimately, to the success of China itself. I hope the Minister will comment on that. It is therefore no surprise that when President Xi Jinping ascended to the chairmanship of the Chinese Communist party, his opening speech highlighted both the challenge of the dangers of corruption, and the opportunity to strengthen the rule of law in China. He said that he was committed to that, and that it was at the heart of his mission in the leadership of that great country.

It would be curious to hold this debate and discuss the six-monthly report on Hong Kong without making reference to what the Foreign Secretary described as “a serious breach of the Sino-British joint declaration”, which undermines the principle of ‘One Country, Two Systems,’ which assures Hong Kong residents of the protection of Hong Kong legal system.”

I refer, of course, to the unexplained disappearance of five individuals associated with a Hong Kong bookstore and, in particular, the disappearance of Mr Lee Po from Hong Kong to mainland China.

None of us in this House has access to the true facts behind that curious situation, other than what we have read in the newspapers, what the Foreign Secretary said in a meeting with the Chinese Foreign Minister and the subsequent statements from the Foreign Office and the Chinese Government. An interview with Mr Lee Po, of which I have seen a translation, was shown on Chinese television. It suggests that he no longer wishes to be a British citizen and has renounced his citizenship—although clearly not in accordance with the rules for doing so.
Today is an opportunity for the Minister to brief the House on the latest situation and on whether he believes that the disappearance of Mr Lee Po, who has now reappeared in Guangdong, constitutes a serious breach of the joint declaration. What reaction has there been in discussions between the Foreign Secretary and the Chinese ambassador, my friend Mr Liu Xiaoming, here in London, and in other meetings in China and Hong Kong? Will he clarify the situation and explain how it will be resolved? Ultimately, it is about whether the freedoms that have been guaranteed are for real, and about the perception of whether China is adhering to those freedoms in Hong Kong. It is about whether this is a one-off incident that will not recur or the beginning of a seriously disturbing trend.

The most poignant thing, in a way, is how the people of Hong Kong have reacted to that issue. I received an email only an hour or so ago from a young resident of London who is a student here but is from Hong Kong. She expressed her own particular concerns. The long and the short of her email is that she has serious concerns about the future of Hong Kong and feels that the freedoms guaranteed under the joint declaration are being eroded. She wrote:

“As a Hong Kong citizen, I am concerned about the future of Hong Kong. And maybe you have heard...that the freedom and democracy in Hong Kong is deteriorating under the rule of Chinese government.”

She says that personally, she thinks that China “have been violating the Joint Declaration and never kept their promises.”

That expression of concern is by no means unusual. There have been other letters and emails from Hong Kong citizens, resident either here in London or in Hong Kong itself. They are the future of Hong Kong. It is the young people who, with their energies, resources and commitment, will determine whether Hong Kong continues to thrive as one of the greatest examples in the modern world of a free marketplace enjoying growth and opportunity for all of its people, or whether their concerns will lead to a rather different situation—a sad, continual decline in Hong Kong’s importance. None of us wants to see that.

I am conscious that at least a couple of other Members wish to speak, so I will move on from the individual case of Mr Lee Po and touch briefly on the wider issue of the rule of law.

The rule of law in China, one of the two main driving forces of the joint declaration, has now been raised in other contexts as well as that of Hong Kong. I refer in particular to issues in the South China sea, where last October an arbitral tribunal under the United Nations convention on the law of the sea ruled that it had jurisdiction to consider the Philippines’ claim in its maritime dispute with China. I believe there will be a ruling from the tribune soon; the Minister might want to comment on that. If there is, the reactions of all those involved will be important. Whatever the decision is, we will get a clear idea of the reactions of the Philippines, China and the United Kingdom. That will be a symbolic signpost of whether China is going to take forward the rule of law not just in the People’s Republic itself, but in a wider context and in how she engages with the world at large. China is one of the great nations of our time; of that there can be no doubt. Her aspirations and ambitions are considerable, and many of them are hugely positive things that can lead to the development of better standards of living in parts of the world, as she has enjoyed herself through the reforms of the past 35 years.

However, there are also dangers in China’s ambitions, particularly in the South China sea, where there is a risk of rising tensions over rival claims. China and other nations are strengthening their military capabilities and increasingly having clashes that could spiral out of control. We have seen another of those clashes in the past few days, this time on the edge of Borneo, or Kalimantan, involving the Indonesian Government. I believe the Indonesian Minister of Marine Affairs and Fisheries intends to launch a legal case against China. From Britain’s point of view, the escalation of such disagreements and China’s recent large-scale reclamation activity—it has even sited missiles on Woody Island in the Paracels—poses a serious risk of escalations that could cause greater problems. The United Kingdom would not wish to see that at all.

Will the Minister comment on the rule of law outside China’s own sovereignty and on her relationships with other nations in the South China sea? Will he also comment on how we in Britain—particularly the Government—can play a constructive role in helping with the peaceful settlement of all claims in line with international law? “In line with international law” is the part that matters.

The Minister commented recently that how China responds will be seen as a signal of its commitment to the rules-based international system. My friends in the Chinese embassy and the Chinese Government will not necessarily welcome this, but I believe that over the next five, 10, 20 years, the way in which China engages with the world, and whether it adopts rules-based international law as the starting point for its engagement with the wider world and its commercial and cultural advantages, will be the measure by which the world judges its advancement into being one of the handful of greatest nations.

In summary, today we have reviewed the most recent six-monthly report on Hong Kong, which confirms that in many ways the joint declaration continues, and that many, if not most, of the freedoms set out in it are in good shape and are being endorsed and carried out by all parties. There are, however, serious concerns to do with the rule of law, brought alive most vividly by the possible abduction of a British citizen from Hong Kong to China. The exercise of the rule of law in a wider, international context may indicate further problems with China’s adherence to a rules-based system. The House is absolutely entitled to discuss that, not least because of this country’s significant investment in and commitment to the future of Hong Kong.

China is our friend; we are in a partnership with it in a large number of fields. I am proud to be the chairman of such a large all-party group on China, with almost 400 members—

5.16 pm

Sitting suspended for a Division in the House.

5.26 pm

On resuming—

Mr Philip Hollobone (in the Chair): When we were so rudely interrupted, the hon. Member for Gloucester was still on his feet.
Richard Graham: Thank you, Mr Hollobone. You are correct, I was still on my feet, but I was moving swiftly to the climax of my contribution.

I was highlighting the huge steps that the People’s Republic of China has made in so many ways. Today, its partnership with us extends across a wide variety of sectors, areas and countries throughout the world. One example of a field in which China’s advances are important, particularly to British business, is intellectual property rights, which are now better protected in China than in many other countries in the world, not least because it has an interest in intellectual property rights for its own significant intellectual property.

We all want to be reassured that, as China engages in a partnership with us that extends into areas previously considered sensitive by many countries—for instance, nuclear power—the rule of law, sticking to agreements and standing by what has been signed and agreed to will be a cornerstone of the People’s Republic now and in future. I hope that the Minister will touch on that reassurance, and that he will address the concerns about a specific breach of the joint declaration—the first, let it be said, since the handover in 1997—and about China’s engagement with the rule of law as it applies internationally.

I am grateful for your forbearance, Mr Hollobone. I hope that Members from other parties will express their views on the latest Foreign Office report and on the importance of keeping to the freedoms and rights established under the one country, two systems philosophy, and that the Minister will shed light on his latest understanding of events.

Several hon. Members rose—

Mr Philip Hollobone (in the Chair): The debate can now run to 6.14 pm. The recommended Front-Bencher speaking limits are five minutes for the Scottish National party, five minutes for Her Majesty’s Opposition and 10 minutes for the Minister. Those are recommendations. In addition, one prominent Back Bencher has caught my eye—I call Jim Shannon.

5.28 pm

Jim Shannon (Strangford) (DUP): Thank you for calling me, Mr Hollobone. It is a pleasure to be able to speak on this issue. I congratulate the hon. Member for Gloucester (Richard Graham) on setting a good scene and one that I agree with—I suspect that we will have consensus.

I was just saying to the Opposition spokesperson, the hon. Member for Hornsey and Wood Green (Catherine West), that it is Groundhog Day this afternoon, with almost the same players—perhaps fewer in number—and the Minister in his place as well. I do not say this lightly, but the Minister was most responsive in the Burma debate this morning. I appreciated his comments; I think we all did. The shadow Minister, too, made a valuable contribution to that debate. It was good to have consensus.

Here we are now, all back to look at a different subject, and one that is close to my heart. Why is it close to my heart? Some of my constituents came to stay in Northern Ireland from Hong Kong. They did not go home again, but have contacts through relatives and families and business connections even today, so I thought I should make a contribution. I was not sure whether I could fit in with the timing, but we have made sure that I could do so.

Although Hong Kong was handed over almost two decades ago, tensions and Chinese intrusion remain rife. The hon. Member for Gloucester outlined that and I think other Members will do the same. The issue is more about finding solutions, co-operating better, having a better understanding of each other and how to move forward before 2047. Despite the handover, there will always be a paternal connection between us here in the home nations of the United Kingdom of Great Britain and Northern Ireland and the citizens of Hong Kong and the British expats who are living out there, some of whom we know and some of whom we have direct contact with.

We have a tremendous sense of shared history and a shared way of life. In many ways, the Britishness we have here is still apparent in Hong Kong. Those characteristics and personality traits are real. We have a remarkably similar system and our aspiration and drive have helped Hong Kong and the United Kingdom, in stark contrast with the socialist system in the People’s Republic of China. The issue is how we retain that for the next number of years and how we make sure that Hong Kong can develop as we want it to develop, with our relationship remaining the same, and China understanding the line in the sand that it cannot go over.

The Sino-British joint declaration paved the way for Hong Kong’s bid to be recognised as a sovereign entity by the United Nations in 2047 as part of the unchanged status for five decades from 1997. That was agreed to by all parties and it is worrying to see continuous Chinese intrusion into Hong Kong’s affairs and the consequent tensions and unease.

Over the years, we in Northern Ireland have built up strong relations with the People’s Republic of China. We see things that we can work together on. That is how it should be. We have business contacts, economic contacts, educational contacts and student exchanges. Other Members will probably confirm that that is happening in other UK regions, but in Northern Ireland our Minister and the Department of Enterprise, Training and Investment have strengthened those relations and we want that to continue.

Hong Kong was supposed to have a democratic Government and an independent constitution, but instead we have seen mass protests and, in response to that, disturbingly expansive infringements of civil liberties. Last year, as part of the all-party armed forces group, I attended the Royal College of Defence Studies. The people there were in their third and final year of the course. A Hong Kong police chief was involved and he told me—it was a year ago, of course—that there were 3,000-plus protests on the streets of Hong Kong every year and that they were always peaceful. I wish we could say that the last years have been peaceful, but they have not been. There have been clear infringements of civil liberties. In his introduction, the hon. Member for Gloucester referred to the bookkeeper and shop owner who was arrested and we must be mindful of the breach of his civil liberties, his rights and his physical liberty, which China has ignored.
The protests had some undesirable elements, as every mass protest does, but the protestors must be commended because for a movement with such numbers and such spread the discipline was fantastic and the resulting pressure on Beijing can only be a good thing. We have had perhaps more than our share of protests on the streets in Northern Ireland—I sometimes took part—and they had the potential to get out of control, but the protests in Hong Kong have only been good.

Suspicion is the key feeling among those in Hong Kong. The Sino-British joint declaration paved the way for Hong Kong to be recognised as a sovereign entity, but instead, we see over-coercive tactics employed by Hong Kong’s law enforcement officials, while the Chinese mainland authorities pull the puppet strings. We have to express some concern at that and ask China to draw back and keep to the law on the Sino-British joint declaration.

Publishers disappearing is not my idea of advancement; it never can be. In relative terms, there are far greater sins in the world, but that is not what we signed up for or agreed to. We, the British, are pulling our weight when it comes to the future of Hong Kong. The Minister, I am sure, will confirm that. It is time for Beijing to get a reality check and realise that the resolve and determination of the Hong Kong people is one that it cannot beat or break.

In 1993, China’s chief negotiator on Hong Kong, Lu Ping, had the following to say:

“The method of universal suffrage should be reported to China’s Parliament for the record, whereas the central government’s agreement is not necessary. How Hong Kong develops its democracy is completely within the sphere of the autonomy of Hong Kong. The central government will not interfere.

Those are the words he used in 1993, but here we are in 2016. Given the experiences in 2015, things are not exactly as he envisaged. Indeed, they have changed.

What has changed? We are 20 years into the declaration’s 50-year period. Surely Beijing should be moving forward and away from its shameful authoritarian past, not moving backward and seeking to impose its undemocratic and oppressive regime upon what is clearly an independent and notably different people. Let us recognise, as I am sure we will, the independence of the people of Hong Kong, their characteristics, their personalities and their culture.

Under the Chinese Government’s one China, two systems principle, Hong Kong and Macau should continue to possess their own Governments, multi-party legislatures, legal systems, police forces, monetary systems, customs territory, immigration policies, national sports teams, official languages, postal systems and academic and educational systems. They should have all those things, but do they? Is China adhering to the law on that?

To conclude, China is committed in law to affording at least this 50-year period of autonomy to Hong Kong, but I believe that it is reneging on some of its commitments. We need to pressure China at home and abroad to give the Hong Kong people the dignity of self-determination. It is our duty in this House to speak out for those who need help, as the hon. Gentleman said, as other Members will say in this House and as the shadow Minister will say. I look forward to the Minister’s response.

5.38 pm

Patrick Grady (Glasgow North) (SNP): It is a pleasure to serve under your chairmanship, Mr Hollobone. As I rise, I see on the green screens that the House is moving to Third Reading of the Scotland Bill; much as that tempts me to reflect upon the end of empire and last remaining colonial outposts, I shall contain the contents of my speech to the UK’s relationship with Hong Kong. I congratulate the hon. Member for Gloucester (Richard Graham) on securing this debate and recognise his deep and long-standing commitment to this issue. He has considerably greater experience than me, and I will not speak with anything like the authority he has today.

The hon. Member for Strangford (Jim Shannon) said we are having a bit of a re-run of the cast of characters who were here this morning for the Burma debate. Front-Bench Members and, indeed, the hon. Gentleman and the Minister’s Parliamentary Private Secretary will have heard me reflect on how I grew up hearing about the struggle of Aung San Suu Kyi and the fate of Hong Kong being a very live issue throughout the early days of my life. I do not quite remember the agreement itself being signed, but I definitely remember the deadline coming into force. It seemed like an incredibly long period in the future—some dim, far-off time in 1997—but of course more time has passed since then than between the declaration being signed and the handover taking place. It was remarkable that that agreement was made and the handover was secured with a reasonable and peaceful transition. Now a system for monitoring the success of that agreement exists in the Foreign and Commonwealth Office’s regular reports.

I want to touch briefly on three key themes: the importance of co-operation and mutual respect between the two parties to the declaration; the grounds on which engagement ought to take place, which are particularly with respect to human rights and the rule of law; and the message we want to put across when we are engaging, which is that human rights and equality in society are a fundamental part of achieving greater equality and economic growth, particularly in China. The ongoing commitment to work together to achieve the principles of the Sino-British declaration in a way that benefits all parties is vital and the scrutiny process is important in that.

We have heard a lot about the report’s detail, which is important to recognise, particularly when looking at the continuing progress made towards universal suffrage, but we must recognise that there is always more to do. I echo the concerns expressed about the disappearance of the individuals associated with the book store and in particular the situation that faces Mr Lee Po. Like the other Members, I hope we will hear an update from the Minister.

One of the guiding principles for engagement with China has to be around human rights and the rule of law. Last year, the First Minister of Scotland visited China and emphasised that upholding and respecting human rights in conjunction with economic growth is a twin track towards empowering people and lifting them out of poverty. Undoubtedly our countries can learn a lot from each other. We know that China is a key exporter that contributes more than £100 million a year to the Scottish economy, and economic growth and equality must be two sides of the same coin, so I stress the importance of people working together to
tackle poverty and further the cause of women’s rights and equality in particular as well as human rights more broadly.

When the First Minister visited China, she made a point of raising human rights and stressing equality. I hope the UK Government will be prepared to follow that lead. Questions have been asked about whether the opportunities when the Chancellor visited China in September and when the Chinese President met with the Prime Minister here in October were fully utilised to stress the human rights agenda and the actions we discussed today. The situation in Hong Kong is a key manifestation of that. Many such concerns have been expressed by the Foreign Affairs Committee over the years, particularly when the hon. Member for Gloucester has been involved. I hope that the UK Government will continue to stress their commitment to human rights and work for the promotion of democracy in Hong Kong and across the whole of China.

5.43 pm

Catherine West (Hornsey and Wood Green) (Lab): It is a pleasure to serve under your chairmanship, Mr Hollobone. I extend my congratulations to the hon. Member for Gloucester (Richard Graham) on securing the debate. Indeed, I recognise his record of being critical of China as regards Hong Kong and his recent intervention in the House on the case of Mr Lee Po, shortly after his disappearance.

When we balance the relationship with China, our great partner, we must recognise the importance of putting on record what we hold dear about human rights, equality and freedom. That is not always easy, but it is important to uphold. I am sure that hon. Members recognise the continued importance of Hong Kong to the UK. Our shared history, the development of economic ties and the fact that more than 3 million British citizens are currently resident in Hong Kong mean that the UK will continue to have a very special relationship with this special administrative region. With more than 600 UK businesses registered there, an export market worth £8.6 billion and a UK investment stake of more than £33 billion, the signs are clear that trade is healthy.

I will focus on two specific areas, both relating to the key issue of stability. The one country, two systems framework is crucial in underpinning confidence in Hong Kong—in the place of Hong Kong, which we all love. We all want reassurance that there is a robust and structured judicial framework and that the rule of law is upheld. The hon. Member for Gloucester is right to describe the importance of the rule of law as defined by the independence of the judiciary. He is also right to praise China for its robust approach to addressing corruption in the wider piece—not just in Hong Kong but in the wider country—and the zealfulness with which corruption is being addressed demonstrates that there is an ability to uphold the rule of law where necessary. The rule of law can therefore be upheld in Hong Kong; it just takes political will to make that happen.

The joint declaration is crucial in upholding understanding and confidence in Hong Kong. We all know that many perceive Hong Kong as the gateway to the broader Chinese market and to China culturally, and it is perceived as a place where corporate structures can grow within a familiar system. The dynamic in Hong Kong and the Legislative Council is changing, and we have heard from the hon. Member for Strangford (Jim Shannon) that there is a sense that whereas protest was peaceful several years ago, in the past few years it has started to become less peaceful. There is more use of police and certain tactics that are not welcome in controlling crowds, which is the sort of tone that needs to be underlined in this debate.

Equally, what we are seeing happen at constitutional level and in debates in the Legislative Council—the filibustering, the discussions, the lack of harmony—are all things that, in a sense, change the temperature in Hong Kong. They are the sorts of things that, as a partner of Hong Kong, we need to underline and draw to China’s attention. I would welcome the Minister’s assessment of the current situation in Hong Kong on constitutional reform, on the peacefulness or non-peacefulness of demonstrations and on how young people feel. The hon. Member for Gloucester was right to read out an email from a young person, and I have been approached both by British-born Chinese and by Hong Kong students who are studying here. They are concerned about their future in Hong Kong, and they want to enjoy in Hong Kong the kinds of freedoms that we enjoy here.

Upholding the one country, two systems principle goes beyond ensuring commercial interests. Members are right to mention the debate we had this morning, in which I talked about our triangle of aims in foreign affairs. The triangle has three parts: first, economy and trade; secondly, security—I am pleased that the hon. Gentleman has raised the South China sea issue, because we do not speak about that as much as perhaps our partners would like—and thirdly, human rights. We cannot just have to ourselves the freedoms and rights that we enjoy here; we must hold them up abroad, too.

Upholding the one country, two systems principle goes beyond just ensuring commercial interests; it is about that triangular approach. I think particularly of our great collaborations on the rule of law. We share best practice in our legal teams with Hong Kong, and our great collaborations on the rule of law. We share the human rights agenda and the actions we enjoy here; we must hold them up abroad, too.

Richard Graham: The hon. Lady is making a number of good points, as one would expect from someone who has been engaged on this issue for a long time. Does she agree that it is important that we offer constractive criticism as friends in a partnership between two nations, and that we highlight what more China can do to win friends and, above all, trust as she goes increasingly global? The idea behind one country, two systems and the 50-year period of the joint declaration was that by the end of that period the systems in Hong Kong and China would be so similar that there would be no need for one country, two systems any longer. Does she think that things are heading in that direction at the moment and that the systems are getting more similar, or is there a risk, in the worst case scenario, of the two systems moving further apart?
Catherine West: Indeed, and that is where we need a balance. In China, they talk a lot about harmony and balance, and that is what we have to do. We must ensure that all our work streams come together at the same time. When we work on legal relations, technological advances, business and education—our wonderful collaboration between universities—we must not forget who we are. We are determined to promote human rights, equality and so on, and so we must bring all of those work streams together, including the important one that the hon. Gentleman mentioned—peace. We must maintain peaceful, open dialogue.

To digress slightly—I will be very brief, because I know the Minister wants to get away—/Interruption./ He is so busy. The tone in the all-party China group when Mr Liu was present recently was excellent. We had a very open discussion about best practice on anti-corruption and on a number of work streams to do with local business in various constituencies. We also had a robust discussion about a recent delegation to Hong Kong, and we raised our concerns about Mr Lee Po and other cases, and about the steel situation. I felt that it was a perfect meeting. Members of Parliament were able to discuss openly what we feel, and we had a wonderful conversation and dialogue. From my tiny knowledge of China—I lived there, but one never knows everything—I felt that we made progress in our dialogue. It is important to emphasise that.

In our meetings with China we must continue to be energetic in raising matters such as the cases of Mr Lee Po and Cheung Jingping and not shy from them. We must remember that Mr Po is a British citizen. Information and press freedom are crucial to democracies, so it is important that they are front and centre of our discussions. I will be grateful if the Minister can update Members on what further action he will take to investigate the nature of Mr Po’s recent public communication and whether it was genuine or made under duress.

We all want a stable Hong Kong. I remember stepping off an aeroplane there in 1974 and smelling the tropics and feeling the warmth. All of us who have been there, lived there and love that place want it to be stable. We want freedom, human rights, genuine democracy and all of those wonderful things to be kept going, and we want to maintain those international friendships. We do not want a closed Hong Kong whose young people are unhappy about their future. The joint declaration must be meaningful, and stability must allow economic life to flourish. We must also support freedom of expression, the rule of law and a peaceful future.

5.55 pm

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): I congratulate my hon. Friend the Member for Gloucester (Richard Graham) on securing the debate and pay, once again, tribute to his valuable work through his chairmanship of the all-party group on China, as well as to his deep personal interest in Hong Kong. I agree with his opening remarks in which he drew attention to all those who are following the debate outside this place. The rather thin attendance in no way reflects the level of continuing interest in Hong Kong, in the UK and in Parliament. It is purely the result of the timing of the debate being shifted, and of other competing demands on Members’ time.

To the shadow Minister, the hon. Member for Hornsey and Wood Green (Catherine West), I would say that this Minister is not at all in a hurry to get off. He is at the disposal of Members, although limited by time. I am anxious only to get on with the debate, to address some of the extremely important and interesting points raised by hon. Members this afternoon.

As the hon. Member for Strangford (Jim Shannon) reminded us, Hong Kong remains of great importance to the United Kingdom. There are more than 295,000 British citizens and 3.4 million British national overseas citizens living in the city. In 2015 approximately 530,000 visitors from the UK went to Hong Kong. Our bilateral trade continues to be one of the foundation stones of our partnership. UK investment in Hong Kong, conservatively valued at £33 billion, makes up about 35% of total British investment in Asia. I was slightly intrigued to hear the comparison that the hon. Member for Glasgow North (Patrick Grady) sought to make in a rather roundabout way between Scotland and Hong Kong and England and Hong Kong. I would just point out that I believe the Scottish Government would do well to study the free market approach of the special administrative region in running a very successful financial enterprise. I have no doubt that even the First Minister, in her visit to Hong Kong last year, might have noticed the difference in the comparative financial positions of Scotland and Hong Kong.

Hong Kong is the regional headquarters for 126 British companies and, incidentally, some of the leading ones have a distinguished and strong Scottish heritage. Some 630 British companies operate in the city, reflecting its pivotal role as an international gateway to mainland China and as a global financial centre. Hong Kong also, as has been pointed out, has a key role in our wider bilateral relationship with China, where we are supporting economic growth and the rule of law.

The Government’s relationship with the Hong Kong SAR Government is also strong. I most recently visited Hong Kong in July and discussed a full range of UK-Hong Kong bilateral issues with the Hong Kong Chief Executive CY Leung, the Financial Secretary John Tsang and the Secretary for Housing and Transport, Anthony Cheung. I also saw legislators and investors, and met Fred Lam, the new chief executive of the airport authority, to explore opportunities for British companies in the third runway expansion of Hong Kong international airport. In October we welcomed CY Leung to London for his first official visit as Chief Executive. Both I and the Foreign Secretary discussed with him the importance of Hong Kong’s high degree of autonomy, and of preserving the rights and freedoms enshrined in the Sino-British joint declaration.

The United Kingdom strongly believes that it is those rights and freedoms that underpin Hong Kong’s continuing success. The joint declaration agreed the peaceful return of Hong Kong to Chinese sovereignty under one country, two systems, and was one of the great successes of United Kingdom-China diplomacy. Some 31 years after its signature, our commitment to ensuring the faithful implementation of the joint declaration, and the protection of the rights and freedoms it guarantees, is as strong as ever.

It is in that context that the Government remain so concerned about the disappearance from Hong Kong of British citizen Lee Po and others associated with the
Mighty Current publishing house. The Foreign Secretary made it clear on 11 February in his six-monthly report to the House that “our current information indicates that Mr Lee was involuntarily removed to the mainland without any due process under Hong Kong SAR law.” That constitutes a serious breach of the Sino-British joint declaration on Hong Kong. The United Kingdom and 11 other countries signed a US-led statement at the UN Human Rights Council on 10 March that made it clear that the disappearance of the Hong Kong booksellers was “violation of the high degree of autonomy promised Hong Kong under its Basic Law.”

We have raised the case of Mr Lee with the Chinese and Hong Kong special administrative region Government at the highest level. I raised the case with the Chinese ambassador to the United Kingdom on 22 January, and I made clear the need for the Chinese authorities to return Mr Lee to Hong Kong immediately. The Foreign Secretary raised the case with Chinese Foreign Minister Wang Yi in Beijing on 5 January and in London on 4 February, and the Prime Minister raised the case with the Chinese ambassador on 8 February.

More recently, when the Chancellor of the Exchequer visited Beijing on 25 and 26 February, he raised the case with the chairman of China’s Politics and Law Commission, Meng Jianzhu. I understand that the delegation from the all-party group on China, led by my hon. Friend the Member for Altrincham and Sale West (Mr Brady), visited Hong Kong from 25 to 29 January and also raised the case with the Hong Kong special administrative region Government.

As we make clear in the six-monthly report, “we have called, in our contacts with the Chinese government at the highest level, for Mr Lee’s immediate return to Hong Kong. Moreover, we urge the Chinese and Hong Kong Special Administrative Region Governments to reassure the people of Hong Kong that law enforcement in the Hong Kong SAR is exclusively the responsibility of the Hong Kong authorities, and that the fundamental rights and freedoms of Hong Kong residents will continue to be fully protected, and respected by all, in accordance with the Joint Declaration and Basic Law.”

Catherine West: The debate has been focused on Hong Kong, but if Mr Po is now in China, will the Minister elucidate how the UK Government will use their influence when it is a question of mainland China rather than Hong Kong? There is perhaps more familiarity with how the judicial process works in the latter.

Mr Swire: We believe that if Mr Lee Po is to face any kind of trial, that should be in Hong Kong. That is agreed by the SAR as well. I shall continue, but the hon. Lady may want to come back to me if I do not fully answer her question. I raised Mr Lee Po’s case on 16 March at an “Advancing the Rule of Law in China” seminar organised by the Great Britain-China Centre, where I made it clear that “the rule of law has been fundamental to Hong Kong’s continued economic success”.

On the issue of citizenship, I stress that Mr Lee remains a British citizen with the right of abode in the United Kingdom. Despite the formal requests that we continue to make, we have not been granted consular access. Let me be clear that the Chinese and Hong Kong Governments have been left in no doubt as to the importance we attach to this case. We call again for the immediate return of Mr Lee to Hong Kong.

Catherine West: I just want to clarify what processes there might be to have Mr Lee returned to Hong Kong if he is not currently there. What influence might the UK Government bring to bear to achieve that outcome?

Mr Swire: I have rehearsed the high-level contacts and representations we have had with the Government in Beijing, not least those involving the Prime Minister, the ambassador and the Chancellor when he was in Beijing. We have raised the case at every level and will continue to do so until such a time as Mr Lee is returned to Hong Kong.

Several Members mentioned the South China sea. We support the Philippines’ right to peaceful arbitration. I stress that we take no view on the underlying sovereignty issues, although we do believe in a rules-based international system and the freedom and movement, and we do expect all others to abide by whatever ruling comes out of UNCLOS through the International Tribunal for the Law of the Sea settlement. We are concerned about the risk that some of the large-scale land reclamation in the South China sea could pose to maritime freedom of navigation and to the area’s stability.

The six-monthly report makes it clear that, while the implementation of one country, two systems has served Hong Kong well in the vast majority of cases, there are specific grounds for serious concern in some other areas, such as academic freedom and the freedom of the press. As the six-monthly report states, “it is essential for continued confidence in ‘One Country, Two Systems’ both in Hong Kong and internationally, that Hong Kong continues to enjoy, and is seen to enjoy, the high degree of autonomy and the rights and freedoms enshrined in the Basic Law and guaranteed in international law by the Joint Declaration.”

I was asked specifically by my hon. Friend the Member for Gloucester about the comments that Zhang Xiaoming, the head of the Central Government Liaison Office, made in a speech. I welcome the comment by Chief Justice Geoffrey Ma, whom I have met, on judicial independence. He reiterated article 25 of the Basic Law, which states: “All Hong Kong residents shall be equal before the law.” At the recent National People’s Congress annual session in Beijing, the Chinese Government reiterated their commitment to one country, two systems, and I welcome that.

Continuing the theme, my hon. Friend also raised the issue of an independent judiciary. Our assessment is that, while there have been specific challenges, on the whole the rule of law continues to function and the judiciary continues to be independent. We are confident in Hong Kong’s legal and judicial system, which has been and will remain an essential foundation for Hong Kong’s success.

The shadow Minister, the hon. Member for Hornsey and Wood Green properly raised the issue of constitutional reforms, which we were all involved in, one way or another, in the past year or so. I remind the House that in the last Westminster Hall debate on Hong Kong, which was in October 2014, we discussed that very issue. It remains a crucial issue, both to meet the aspirations
of the people of Hong Kong and to ensure effective governance. As the six-monthly report makes clear:

“The UK Government judges that constitutional reform will help, not hinder, the Hong Kong SAR Government to deliver. A more democratic and accountable system of government would help strengthen those rights and freedoms which have come under increasing pressure over the past two years... We encourage all parties to play their part in rebuilding constructive dialogue to pave the way for the resumption of the process at the earliest opportunity.”

Jim Shannon: The Minister is explaining things well, and I thank him for that. We need to have continual economic contact, but within that, how can we persuade? The shadow Minister said that we do not see much evidence of how we can move the process forward for that British citizen to be returned. I am keen to have the economic contact. The Minister mentioned the airport. It is built with stone from my constituency, from Carryduff—believe it or not, that is what has been used. There are strong economic contacts between Hong Kong and my constituency and the whole of the United Kingdom. We want that to continue, but we want liberty and human rights to be enforced as well.

Mr Swire: The hon. Gentleman is right. I never think these issues are binary and that it is either human rights or trade. Through trade, rules and an international rules-based system, human rights very often benefit, too. It is not about putting one of those to one side. We are very strong on human rights, which is why we produce a six-monthly report—it is not universally popular—and will continue to do so under our obligations in the Sino-British joint declaration and, further, under the Basic Law.

The hon. Gentleman talked about the protesters in Hong Kong. As we have said before, it is essential that Hong Kong’s fundamental rights and freedoms, including of assembly and demonstration and as guaranteed by the joint declaration, continue to be respected. Demonstrators should express views peacefully and in accordance with the law. Incidentally, I seem to remember saying that during my enjoyable two years as a Northern Ireland Minister, despite not coming across the hon. Gentleman at any particular demonstration during my time there.

Jim Shannon: They were all legal protests.

Mr Swire: All legal, of course.

The links between the United Kingdom and Hong Kong of course remain strong. Ours is a relationship that is not only based on history but is innovative, forward-looking and dynamic, with excellent prospects for the future. We continue to build on that. In that spirit, the Foreign Secretary hopes to visit Hong Kong in the near future.

Where we identify challenges, such as the case of Mr Lee and the other booksellers, this Government will continue to raise them with the authorities at the highest level in Hong Kong and in Beijing. It is important to address these concerns and thus ensure that the principle of one country, two systems is maintained, together with the sanctity of the rights, freedoms and values that it upholds.

I am once again indebted and grateful to my hon. Friend the Member for Gloucester for giving me the opportunity to state the Government’s position on this important issue. He is a champion of Sino-British relations. Some may not always agree with the principled stance he takes, but he is absolutely right that, if we are to understand each other better, to learn to respect each other more, and to be partners in international trade and in underpinning the things that matter to us in terms of rights and responsibilities, we need to have these free and frank exchanges. I know that when he speaks he has the best interests of the people of the United Kingdom, Hong Kong and China at heart. So I thank him again for all his continuing work in furthering the relationship, and I am grateful to hon. Members this afternoon for adding to what has been an interesting debate.

Mr Philip Hollobone (in the Chair): I call Richard Graham to wind up.

6.11 pm

Richard Graham: You are kind to give me that chance, Mr Hollobone.

I will simply record my thanks to those who have contributed to the debate today, and to those who have given their apologies for being unable to join us but whose voices have been heard, I think, through comments made by those who have contributed. We have reached a high degree of consensus on the importance of the issues discussed and above all on the importance of the rule of law. I thank the Minister for his remarks, perhaps particularly those at the end about the importance of this in our ongoing, wider partnership, which now stretches to many countries.

Mr Hollobone, thank you for chairing what has been an extremely helpful debate.

Question put and agreed to.

Resolved,

That this House has considered Hong Kong and the Sino-British Joint Declaration.

6.12 pm

Sitting adjourned.
Westminster Hall  

Thursday 24 March 2016  

[NR ANDREW TURNER IN THE CHAIR]  

NHS in London  

1.30 pm  

Dr Rupa Huq (Ealing Central and Acton) (Lab): I beg to move,  

That this House has considered the NHS in London.  

I thank the Backbench Business Committee for granting this debate, and I thank the London Members from three different parties who supported my application.  

Our consideration today of the NHS in London is timely because there are reorganisations—or reconfigurations, as they are called—going on all over the city. I will address on the situation in north-west London in particular. In Ealing, the NHS was the main issue in the election campaign, and it continues to be a preoccupation, as I can see in my inbox and postbag. I shall talk today about matters such as the junior doctors contract negotiations we hear so much about; A&E closures; changes in maternity and paediatrics, which affect us in Ealing; community pharmacies and some of the other allied services, such as optical services; and staff morale. I have several specific cases from my surgery, including those of whistleblowers. I have a constituent who was sacked and has been effectively blacklisted from NHS employment ever since exposing a bribe taking at Ealing hospital. I have raised her case three times on the Floor of the House, but nothing practical seems to be forthcoming for her.  

There have been two important reports relating to the health service in north-west London. Most recently, the Independent Healthcare Commission for North West London, chaired by Michael Mansfield QC, was set up in response to the NHS’s “Shaping a Healthier Future” programme to reshape hospital and out-of-hospital health and care services in north-west London. The proposals in “Shaping a Healthier Future” are euphemistically called changes, but they are actually cuts—we know what they really are—and they include nearly halving the number of hospitals in our local area with a proper 24-hour A&E service. There were nine, but that is going down to five.  

The London Borough of Ealing is around the same size as cities such as Leeds, but it will have no properly functioning A&E services at a hospital. The nearest four hospitals to my constituency—Central Middlesex, Hammersmith, Ealing and Charing Cross—are set to be downgraded to minor hospitals with no A&E. Instead, there will be urgent care centres.  

Ruth Cadbury (Brentford and Isleworth) (Lab): I congratulate my hon. Friend on securing this debate. She is obviously concerned about the loss of services in her constituency, as are other colleagues about theirs. Is it not true that many people, including my constituents, are concerned about the pressure on the remaining hospitals, such as West Middlesex University hospital, when all the surrounding hospital services are closing? There is no guarantee that the remaining hospitals will have either the capital or the revenue funding they will need to cope with the inevitable increase in demand when services such as those at my hon. Friend’s hospital close.  

Dr Huq: When all the surrounding hospital services are closing?  

Dr Huq: Yes, I certainly do. I do not know the St Helier hospital well, but I believe it is renowned as a teaching hospital. The business plans must account for such things; there is often too much short-termism.
The implementation of the closures listed well under way. The A&E departments at Central Middlesex and Hammersmith shut their doors in September 2014, despite assurances from the Conservative party during the 2010 general election campaign that that would not happen. The closures have negatively affected waiting times at Northwick Park hospital in Harrow. That hospital is a considerable distance away from a lot of my constituents; as the crow flies, it is pretty far from East Acton to Harrow. I do not like to churn out loads of statistics, but Northwick Park does have the dubious distinction of the worst A&E waiting times on record in England—

Bob Blackman (Harrow East) (Con): Will the hon. Lady give way?

Dr Huq: May I just finish this sentence? The partial sentence might not make as much sense as if I am allowed to complete it. In six out of the 15 weeks that immediately followed the closure, Northwick Park had the worst record in the country. There were anecdotal stories of ambulances backing up at that hospital.

Bob Blackman: I congratulate the hon. Lady on securing this debate, but we must get to the facts of the matter, particularly when we refer to specific hospitals, their standards of performance and what they are achieving. It is true that before the opening of the new A&E at Northwick Park hospital, it had the worst record in London and one of the worst in the country, but since the new A&E opened in November 2014, it has had the best record in London and one of the best in the country.

Dr Huq: There is a target of 95% of patients being seen within four hours. Immediately following the closure, at that hospital the proportion was 53%. We should not just brush that away.

Bob Blackman: Will the hon. Lady give way?

Dr Huq: I have already given way to the hon. Gentleman once. I want to finish because a lot of Members want to speak, so I shall crack on for the moment. We should not just brush these things under the carpet and say that they did not happen.

The Independent Healthcare Commission for North West London was set up because of the public distrust of the “Shaping a Healthier Future” programme, known among locals as “Shafting a Healthier Future” because it does not do what it says on the tin. One reason why it was further discredited by the Mansfield commission is that it was based on demographic forecasts from 2012 that massively underestimated the population in north-west London, which has increased at a much faster rate than was foreseen. Perhaps the Minister can clarify this, but there has been no clear indication that the programme has been adjusted to take account of those demographic changes.

Reforms have to make sense economically as well as clinically. Last week, we heard in the Budget about the continuing drive to control expenditure, but this ill-advised reorganisation seems to have been given a blank cheque. The Mansfield report states:

“There is no completed, up-to-date business plan in place that sets out the case for delivering the Shaping a Healthier Future...programme”.

There is nothing that demonstrates that the programme is affordable or deliverable, so serious question marks remain regarding its value for money. We are told that we are living in a time when every pound of taxpayers’ money spent has to be justified. Initially, the programme was supposed to deliver £1 billion of savings and cost £235 million, but the costs are ballooning. So far, there has been £1.3 billion of capital investment. Lots of that money has gone to external consultants such as McKinsey and on people’s jollies to America to see how it works there—quite a scary idea. The independent commission concluded that the likely return on the investment is insufficient, based on the strength of the existing evidence.

On the subject of finance, The Independent reported last year that London North West Healthcare NHS Trust warned its staff to limit their use of stationery and stamps, as it is aiming for a £88.3 million deficit this year, and it might miss even that target. Some 95% of NHS acute trusts, which run hospitals, were in deficit in the second quarter of this financial year. The hospital sector is heading for an overall £2.2 billion deficit this year. My hon. Friend the Member for Lewisham East (Heidi Alexander) has warned that the £3.8 billion of extra funding for the NHS next year that was promised in the spending review is going to get lost in the black hole that has emerged in NHS finances; it will be swallowed up in all that debt.

I am a new MP, but since my election I have seen the maternity unit at Ealing hospital join the list of closed departments. That was one of the “Shaping a Healthier Future” recommendations.

James Berry (Kingston and Surbiton) (Con) rose—

Tulip Siddiq (Hampstead and Kilburn) (Lab) rose—

Dr Huq: Who is first? I give way to my hon. Friend; there are two of her.

Tulip Siddiq: I congratulate my hon. Friend on securing this debate. I apologise, because I have to run off in half an hour for an appointment at the Royal Free hospital’s maternity unit. The birth rate is the highest since the 1970s, yet maternity wards in London have been closing left, right and centre. Elizabeth Duff from the National Childbirth Trust has pointed out how disruptive that is to women’s pregnancy and labour. Will my hon. Friend share her experience of the closure of the maternity unit in her constituency?

Dr Huq: I thank my hon. Friend for that excellent intervention, which is very pertinent to where she is going after this debate. As a mother who has been through these services, I know that it is massively disrupting if the goalposts are suddenly moved, causing people to travel for longer to get to their appointments. The closure of Ealing hospital’s maternity unit was called a consolidation. It was meant to be part of the centralisation of services, but it has had really adverse effects.

The Parliamentary Under-Secretary of State for Health (Jane Ellison): Obviously, I will respond to the debate at the end. The hon. Lady is making a wide-ranging speech, but when she talks about adverse consequences, particularly in the context of maternity services, I urge her to give examples and to be careful about her language. We do not want to alarm people—particularly those who are accessing healthcare in her area—for the sake
of a rhetorical device. Particularly on Ealing’s maternity unit, where there is now 24-hour consultant coverage, I urge her to be cautious in expressing herself.

**Dr Huq:** I thought interventions were not allowed to be lengthy.

**Dawn Butler:** On my hon. Friend’s behalf, I thank the Minister for that intervention. The Government’s language over the past few months, saying that we do not have a seven-day NHS, has been alarming and destabilising for a number of people, who have failed to attend services. Perhaps the Minister should take her own medicine.

**Dr Huq:** My hon. Friend puts it excellently. I have some figures that illustrate the adverse consequences. Ealing mums were promised access to 24/7 consultant cover—168 hours per week—for a better, safer service. That has not materialised. Eight months after the closure, the only hospital to come close to that figure is West Middlesex, in the constituency of my hon. Friend the Member for Brentford and Isleworth—it is not even in north-west London. St Mary’s has fallen short at 98 hours. Queen Charlotte’s—the hospital where I was born, although it was somewhere else in those days—offers 116 hours; Chelsea and Westminster, 115 hours; Northwick Park, 108 hours; and Hillingdon, 112 hours. They all missed. There has been nothing concrete. Only on a wing and a prayer will they reach that nirvana any time soon. So much for a better service.

Paediatrics is next for the chop. On 30 June, there will be no children’s wing at Ealing hospital. I have a lot of figures, but people are often numbed by statistics, and other Members want to speak. According to the Office for National Statistics’ 2014 population estimates, Ealing is a very young borough—23.5% of the population is under the age of 18—so we need a children’s wing.

It is worrying. People can be treated quickly and effectively for accident and emergency cases at Ealing hospital at the moment, but the consequence of the changes will be that ambulances will have to take people to Hillingdon and other places miles away. It is unclear who is going to fund that. A lot of those who are admitted to the children’s wing are not taken in an ambulance; they come under their own steam. Will a nurse or a doctor accompany everyone who uses patient transport service, to ensure child safety? There are a lot of question marks.

**Jake Berry (Rossendale and Darwen) (Con):** The hon. Lady is familiar with Kingston from having worked there. She knows that it is an excellent hospital with excellent community healthcare service provided by Your Healthcare. She is talking about additional funding for hospitals and acute trusts. Does she agree that, although the Government have provided £10 billion of additional funding for the NHS, it is important that money is not taken out of community services to prop up acute services, because community services are meant to keep people out of hospital?

**Dr Huq:** The hon. Gentleman makes an interesting point, and I would include community pharmacies among those community services. There is a lot of worry among pharmacists in my constituency.

**Tom Brake:** I wanted to make that point, too. It looks like up to one in four community pharmacies in my borough—a total of 11 pharmacies—are going to close. That is a bizarre policy, given that the Government have rightly been pressuring Members of Parliament to encourage our constituents to go to community pharmacies. Now they propose to close a large number of them.

**Dr Huq:** I completely agree with the right hon. Gentleman.

**Clive Efford (Eltham) (Lab):** On the issue of community services, to which the hon. Member for Kingston and Surbiton (James Berry) referred, my local clinical commissioning group is facing a 20% cut in its funding. It has to make savings of £20 million—a fifth of its income—so services that are meant to prevent people from going into tertiary healthcare are being depleted. The Minister said that we should not alarm people, but how do we hold the Government to account if not by bringing these issues to this House for debate?

**Dr Huq:** I completely agree with my hon. Friend. We are trying to have a serious debate, but we are pooh-poohed at every turn. When my hon. Friend the Member for Hammersmith (Andy Slaughter) asked a question about the Mansfield report, he was told that he was living in a bygone age. I cannot recall the exact remark, but it was something like, “You’re an old soldier fighting a war that’s concluded.” Dismissing people in that way does not inspire confidence.

**Andy Slaughter (Hammersmith) (Lab):** I always do what I am told by my hon. Friend—the dismissive comment was that the Mansfield report was commissioned by five Labour councils. I have actually had a slightly more considered response, but it was still dismissive. It was a very serious independent report, and I am sure my hon. Friend will agree that the Minister should take it a bit more seriously.

**Dr Huq:** My hon. Friend puts it very well. People’s concerns are serious and should not simply be dismissed.

I also agree with my hon. Friend the Member for Eltham (Clive Efford) that the community pharmacy network is a vital component of our country’s health and care system. Suddenly, the Government seem to be imposing arbitrary cuts in a high-value, easily accessed, community-based facility, which relies on private investment as well—pharmacists are small businesses. Hiten Patel of the Mattock Lane pharmacy opened my eyes when I spent a bit of time shadowing him there. I saw how the burden on the NHS and GPs is reduced by people having such pharmacies at the end of their street. For most people, they are much nearer than a hospital or even a GP service.

Hiten Patel and his staff help people to make lifestyle choices. They provide a range of services and information to promote health, wellbeing and self-care. They are a useful check on prescribing errors and are dedicated and trusted people. We have such pharmacies all over the country, and they form obvious buck-up and support at a time of crisis for GP recruitment and retention. We should value those people, not make life more and more difficult for them.

Last Sunday, I collected my elderly mum’s meds from Harbs pharmacy in South Ealing Road. That pharmacist is open out of hours. I recall that one year he was open even on 25 December—I did not go past this year,
but he was probably open then as well. That releases the Ealing Park surgery practice next door for more acute and specialist care, but the Government seem to do short-termism. The long-term impact of eroding the network will have a disastrous effect.

Another troubleshooting service that is located at the heart of the community and has hidden value is opticians. They, too, have a valuable role of social contact, with networks and support mechanisms, and they can contribute to signposting and safeguarding the vulnerable. As the right hon. Member for Carshalton and Wallington (Tom Brake) pointed out in connection with community pharmacists, opticians can also catch things early.

I visited the Hynes opticians in Northfield Avenue, where staff are worried about the continuity of their supply chain. Joint strategic needs assessments enable clinical commissioning groups and local authorities to work in tandem, and the Ealing Council assessment mentions effective eye services and sight loss, but the NHS Ealing CCG does not use the JSNA in its commissioning decisions. Will there be some guidance from the Minister about how to integrate CCGs and local authorities better?

I could go into mental health services, which are chronically underfunded and a huge cause for concern. The Prime Minister made a speech about them last month, but I would like to see more action. Labour has a shadow mental health services Minister. The chief executive of Central and North West London Foundation Trust, Claire Murdoch, has claimed in an interview that mental health can be an “easy target” at times of belt tightening, saying that “during recessions mental health tends to be hit first and hardest...There is an absolute anxiety that people are depressed and really are suffering as a result of some of the economic reforms. What we don’t know yet is the extent to which some of the welfare reforms are driving people to real, serious illness.”

I have the sense of morale taking a nosedive locally. My constituent Michael Mars, who is now retired but was a senior consultant at Great Ormond Street hospital, said:

“The essential problem is the feeling of impotence experienced by those at the coal face

because of an

“overwhelming management culture where clinical knowledge and experience is secondary to management.”

Such words echo, because we hear them from a lot of other public service professions such as teachers and the police. They all say that they are doing all the paperwork and are not allowed to do what they are supposed to do. Michael Mars talked about survival in the culture of management and worries that we might be in danger of forgetting what clinical consultants are appointed to do.

At the other end of the career scale are junior doctors, on whom there was a debate in this Chamber on Monday. I have had numerous representations from constituents who are junior doctors. The latest NHS staff survey showed that the percentage of junior doctors suffering from work-related stress has gone from 20% in 2010 to 34% in 2015.

**Tulip Siddiq:** As my hon. Friend is aware, junior doctors are poised to withdraw emergency cover for 48 hours in April. Does she agree that the Health Secretary’s comments, such as those about the British Medical Association being “brilliantly clever at winding everyone up on social media”, show his total disregard for medical professionals who are quite capable of knowing a bad deal when they see it?

**Dr Huq:** My hon. Friend makes an excellent point. The Health Secretary is the one who is winding everyone up. It cannot be advisable to make staff feel undervalued and overworked. The health service cannot run on good will alone, nor can pharmacists and other such professions. The imposition of a new contract that is overwhelmingly opposed by the vast majority of junior doctors is part of a pattern. The majority of NHS staff have faced pay freezes or real-terms cuts in recent years. The Government should accept that they cannot keep asking everyone to do more and more for less and less.

With such a vast topic, there is never time to cover everything. As I said, I did not want to make this speech a blizzard of statistics, so I will briefly highlight one constituent’s case, then I will make some concluding remarks. Bree Robbins, from Ealing Common, actually ended up not coming to my surgery because she was in too much pain to make it in person, so we took up her case on the phone. Her issue is access to breast reconstruction surgery, and there is a question for the Minister here. My constituent was diagnosed with breast cancer in 2013. She underwent a mastectomy and then suffered an infection, which meant that the reconstruction was delayed. Eventually, she underwent partial reconstruction in January at Charing Cross hospital. She now needs that to be completed, but she is experiencing continued delays, even though she is in pain.

The response from Imperial College Healthcare NHS Trust explained that the delay was due to an increase in urgent cancer cases in the plastic and reconstruction department. That is highly unsatisfactory for my constituent and prompts the question, what are the Government doing to ensure that those awaiting breast reconstruction surgery will undergo it in a timely manner, without having to face delays of three years, as my constituents do?

Ealing has an expanding population. Today, the House of Commons Library confirmed that, paradoxically, the number and percentage of the population aged under 18 and aged over 65 are increasing. Those are the two demographics that need NHS services most. The young and old populations seem to be getting bigger—I feel that I am “the squeezed middle”, to coin a phrase, as I am a mother and a daughter who has to run off to NHS services for offspring and parents.

No one doubts the need for comprehensive weekend care and for efficiencies to be made, but too often such plans amount to cutting corners. We heard in the Budget statement about the need for devolution, but the centralisation that we have discussed today is at odds with that. Pharmacists in my constituency fear that, ultimately, they will be merged with GP surgeries—or co-located or whatever it is called—contrary to popular need. People like to have such services at the end of their street.

Cuts are being targeted at the most deprived communities. There is a lot of distrust about the public consultation, “Shaping a Healthier Future”, because it was so flawed.
We have mentioned the escalating costs, and the changes are not good value for taxpayers; they are a waste of precious public resources and involve no business plan.

I have not gone into the Government's long-standing ambition to integrate NHS health services with council-run care services for the elderly. Eating is not one of the pilot boroughs, so I will leave that subject to my colleagues. Nor are we a pilot borough for the health devolution deal, announced at the end of last year by Simon Stevens, but I will end with his words at the launch. He said:

“In London’s NHS, we’ve got some of the best health services anywhere on the planet, but also some of the most pressurised. London is the world’s most dynamic and diverse city—why shouldn’t it be the healthiest?”

I am sure that both Opposition and Government Members agree, and I am interested to hear other contributions to the debate.

1.59 pm

Bob Blackman (Harrow East) (Con): It is an honour to serve under your chairmanship, Mr Turner. I congratulate the hon. Member for Ealing Central and Acton (Dr Huq) on securing the debate on London’s NHS. The subject is vital to people not just in London but nationally and internationally because we provide a health service for not just people resident in London but those who work in London and those who come to London for specialist treatment. I apologise that I may not be here for the winding-up speeches; I must attend the debate in the Chamber where I am the lead speaker. My apologies if I have to scuttle off before other contributions.

I want to speak about three issues in my contribution: primary care; the position at Northwick Park hospital; and the Royal National Orthopaedic hospital. In terms of primary care, without doubt, one problem we experience in London is that people have difficulty getting on to a list for a GP and then getting appointments when they are ill. As a result, when a person is ill, they immediately say, “Well, if I can’t get an appointment with my GP, I will go to A&E or the urgent care centre or whatever facilities are around.” That means that people turn up at A&E and at urgent care centres who should be seen by GPs or even by nurses at GP surgeries—they do not necessarily need to be seen by doctors.

We all have anecdotes we can share, but at the health centre to which I go the GP appointments system is now such that people can only register for appointments 48 hours in advance—it is always quite difficult to know whether one will be ill in 48 hours—or walk in and wait; however, how long will it take to be seen after all the appointments? That leads to a challenge. Immediately, people say, “I’m not going to do that, because I can turn up at A&E or the urgent care centre and make sure I am seen.” Therefore, the all-party parliamentary group on primary care and public health, which I co-chair, has pointed to the need for better signposting in the national health service to point patients to the right place and to ensure that primary care in particular can provide care for those who need it.

I will move on to Northwick Park hospital. As I said in my intervention on the hon. Member for Ealing Central and Acton, who led the debate, its A&E performance was truly dreadful. I can speak from personal experience: I waited in A&E for some eight hours before I was seen on an urgent care basis and received medical intervention. It was a disgrace. People were waiting for far too long and never, ever were the targets achieved. However, in November 2014, the Government invested in the new A&E at Northwick Park hospital and since then there has been a complete transformation.

One of the problems we had with Central Middlesex hospital having an A&E was that its brilliant doctors and nurses were sitting around, waiting for patients to arrive; patients would go to the A&E at Northwick Park because it was nearer and more convenient. The consequence of the A&E at Central Middlesex closing and those doctors and nurses transferring to Northwick Park was that performance transformed overnight.

I have the latest figures. When we talk about stats, we should talk about what is going on now in reality, not what happened in the past. At Northwick Park, in January, 89% of patients were seen within four hours and—[Interruption.] I accept that the target has not been reached, but the key issue is that that is far from the dramatic underperformance that the hon. Lady described. The reality is that 90.3% of patients were waiting less than 18 weeks to start treatment at the end of January, and we all accept that January is probably the hardest month for the NHS because of difficulty with the cold weather.

Cancer waiting times are a vital aspect, and Northwick Park hospital meets the targets: 94.1% of patients with suspected cancer were seen by a specialist within two weeks. I would much rather see that figure at 100%, but that is above the target of 93%. Of patients diagnosed with cancer, 99.2% began treatment within 31 days; the target is 96%, so that is an outstanding performance. Finally, 86% of patients began cancer treatment within 62 days of an urgent GP referral; the target is 85%. It is therefore fair to say that Northwick Park hospital—it is not in my constituency but virtually all my constituents use it—has transformed itself under this Conservative Administration. It is important to get the facts on the record, so that people can congratulate the health providers, who are delivering an excellent service. Of course, there are always challenges. We know there is a deficit, but the key is that Northwick Park hospital’s funding from the CCG will see a 6.01% increase this year. That is a good performance; we can see that money is being invested.

Just before the 2010 election, when I was elected for the first time, under the previous Labour Government, there was a review of accident and emergency services in north-west London. We heard not a squeak from Labour MPs about the fact that as part of that review they wanted to close down five of the A&Es in north-west London. [Interruption.] Oh yes. The incoming Health Secretary said, “We are going to stop that review in its tracks, and any review of A&E services will be clinically led, not driven by particular elements or arguments.” The reality is that this is nothing new; this is being driven by the NHS and the NHS bureaucracy. That is what I want to move on to finally.

Andy Slaughter: The hon. Gentleman needs to substantiate both elements of what he just said. To go back 10 years to try to defend the current crisis in the NHS in his constituency is a bit unnecessary. The fact is that promises were made by his party about specific hospitals as well as about A&E generally and it has gone back on almost every single one of those. A little less hubris from him would be appropriate.
Bob Blackman: I am going back not 10 years but to 2009 when a report was produced under the previous Labour Administration that would have decimated us in north-west London in terms of A&E. The incoming Health Secretary froze that and said, “No, we’re not going to implement this. We want a clinically led review of what provision should be provided.” In certain instances, it is clear that some of those areas have been led in that way. I am going to talk about Northwick Park hospital because through better investment and better provision it has been transformed and it treats people better.

Dr Huq: Will the hon. Gentleman give way?

Bob Blackman: I will give way briefly to the hon. Lady, who made a very long oration.

Dr Huq: The hon. Gentleman will know that the most recent Care Quality Commission report on Northwick Park hospital says that it requires improvement. Several shortcomings were found. Does he appreciate why Northwick Park strikes fear into the hearts of many of my constituents?

Bob Blackman: I will come on to a CQC report on the Royal National Orthopaedic hospital in my constituency. The reality is that we can pick and choose from CQC reports, but I want to ensure that the brilliant doctors, nurses and support staff who work in Northwick Park hospital are recognised for the work they do and not the fear, uncertainty and doubt created by Opposition Members about the performance of an outstanding hospital.

I will move on to the Royal National Orthopaedic hospital in my constituency. The Minister knows about this subject extremely well. The reality is shown in the most recent CQC report, which I will quote directly. It said that the hospital has “Outstanding clinical outcomes for patients” in premises that were—and are—“not fit for purpose—it does not provide an adequate environment to care and treat patients.”

I could not have put it better myself. The reality is that, over the past 30 years, under Governments of all persuasions, we have heard promises to rebuild the Royal National Orthopaedic hospital. The medical and support staff there do a brilliant job; if I took you to that hospital, Mr Turner, you would see for yourself. They are treating patients in Nissen huts created during the second world war. It is an absolute disgrace that they have to operate out of substandard buildings. The more that we do to improve them, the better.

As the Minister will know, I have been agitating on this issue for the past six years. I will not stop until we get what we deserve—a rebuilt hospital of which we can all be proud. The reality is that the NHS Trust Development Authority, which seems to dictate finances within the national health service, is holding up this prestigious project. The hospital now has planning permission, and we are ready to go. Immediately on approval by the TDA, demolition of the existing buildings will start, and work will begin on the new hospital in June or July this year. However, the TDA has yet to approve. We now have a further eight-week delay while the TDA looks again at the business case. The staff, patients and everyone connected with the hospital are growing frustrated as a result of what has happened over not just the past six years but the 30-odd years before it as well.

We seek assurances from the Minister that the prevaricating TDA will be leaned on to give a decision, which will be to the benefit of the hospital, the patients and the health service in London and nationally, so that we can ensure that this brilliant hospital continues with its great work. I apologise that I will not necessarily be here to hear the Minister confirm the good news that she will do all that she can to make that happen, but I will sit down—

The Parliamentary Under-Secretary of State for Health (Jane Ellison): On that specific point, as I am conscious that my hon. Friend might not be back, my noble Friend Lord Prior in the other place took a debate on this topic this week and undertook to set up a meeting with the NHS Institute for Innovation and Improvement and interested peers should there be any slippage in the timetable set out today by NHSI for approval of this
important project. I know that that invitation will be extended to my hon. Friend as well, to give him a little assurance on that.

Mr Andrew Turner (in the Chair): I call the Minister—no, Mr Blackman.

Bob Blackman: Mr Turner, if I were the Minister, I would be ensuring that it was delivered, but that is another issue. I welcome the Minister’s remarks. Clearly, people will be watching and waiting. As she said, there was a debate in the other place only last week, and we had a good, positive answer during oral questions this week, assuring us that it is a key project for the health service. All those who are waiting with their pens poised could give us an Easter present of which we can all be proud on Maundy Thursday by signing off the business case, letting us get on with the project and ensuring that it is delivered for the benefit of all.

2.16 pm

Andy Slaughter (Hammersmith) (Lab): It is a pleasure to be here under your chairmanship, Mr Turner, and to be called early in the debate. I thank the Backbench Business Committee for giving us this long and generous slot on the last day before the recess. Given that it is the last day, there is a good turnout from London Labour Members, and one or two London Conservative Members. Indeed, we had the whole of the Liberal Democrat representation for London, but he has gone now.

I particularly thank my neighbour and hon. Friend the hon. Member for Ealing Central and Acton (Dr Huq) for introducing this debate in a comprehensive manner, which permits me to make my contribution shorter than it otherwise would have been, because I am going to deal with some of the same issues. I preface my remarks by saying that London Members deal with a great many health service issues—on the whole successfully—through their clinical commissioning groups, hospital trusts and the other myriad health service bodies that the Government inflicted on us in the last top-down reorganisation.

We have heard about primary care, mental health and community pharmacies. The reason why we—particularly the 11 Labour MPs for north and west London—keep returning again and again to the issue of acute hospitals and the “Shaping a Healthier Future” programme is not only that it is such a major reorganisation of services but that it has become very politicised. Of course, all these issues are political—money spent on the health service is always political—but we feel that we are either not being given information or being given the wrong information.

I must disagree with the hon. Member for Harrow East (Bob Blackman). My memory goes back a long way. I was part of the campaign against the closure of Charing Cross hospital in the early 1990s. It was successful, obviously, but it was a long and hard-fought campaign, and again, the grounds for closure were entirely spurious. I remember the former Member for Brentford and Isleworth, who was a Health Minister, leading that campaign when she was the head of nursing there.

Dawn Butler: I remember leading a campaign in 2006 to save Central Middlesex hospital’s A&E, which was successful. Unfortunately, it then closed when I was not an MP in, I think, 2011.

Andy Slaughter: We all bear these scars. I am grateful for all the efforts that Members have made to protect their local health services.

The next time that Charing Cross hospital came up, it was in the context of the 2005 election campaign, when a Conservative candidate, now the right hon. Member for Chelsea and Fulham (Greg Hands), shamelessly said that it was going to close, with no evidence whatever; there were no plans to close it. The candidate running against me in 2010 did exactly the same in relation to the hospital in my constituency. The difference was that immediately after the 2010 election, plans began to be drawn up—we did not see them until 2012—by McKinsey and others. The reference to consultants was well made by the hon. Member for Harrow East, because the spend on consultants on “Shaping a Healthier Future” alone is running at something like £20 million per annum at the moment.

I did not recognise, in what the hon. Gentleman said, what has actually happened. The brief history is as follows. Those plans were presented. They were kept under wraps and took us all by surprise with the dramatic changes they contained—the downgrading of the four A&Es and what was going to happen to Ealing and Charing Cross hospitals. However, that was a long time ago now, in the summer of 2012. The only revision to those published proposals was at the end of the so-called consultation process in February 2013. Apart from references in board papers and other statements, we have not had a formal upgrade to the process since then.

That is more than three years ago, yet the proposals affect about 2 million people across the whole of west and north-west London.

I accept that there can be faults on all sides and that in the run-up to elections, people get quite emotional and political about these issues, but that is partly because they matter so much to our constituents. At the 2015 election, at least we were getting emotional and political about something that was actually proposed, rather than something that was invented. Since the election last year, we have attempted—certainly I have, and I think this goes for a number of my colleagues—to engage in the process with Ministers and officials, partly to find out what is going on and partly to try to influence the outcome. The Minister met a group of MPs last summer and said that there would be a great deal of engagement and transparency. I have not given up on that, but it has not happened so far.

The key document in the “Shaping a Healthier Future” programme—the implementation business plan—is still under wraps. We have been asking for it for the best part of three years, formally, informally or through freedom of information requests. Different reasons have been given at different times—“It’s a work in progress,” or “It’s commercially confidential”; all the usual reasons. It becomes a bit ridiculous after a while. I am not sure it is very helpful to the Government or the NHS, because in the end we have to rely on what information we can scrape together.

Of course, the world has changed a lot in those three years. Let me give some examples. The London head of NHS England, Anne Rainsberry, came to brief Labour London Members earlier this week and gave us some fascinating information. First, “Shaping a Healthier Future” alone will not deal with the financial problems, which have got substantially worse. My trust, Imperial College Healthcare NHS Trust, last reported that it was
[Andy Slaughter]

running a £25 million deficit, but I know that other trusts, including London North West Healthcare Trust, have higher deficits than that.

The position has got markedly worse. I know the Government say there is a clinical basis for "Shaping a Healthier Future", but it is interesting that there has been a concession that there is a financial basis to it; it is about saving money. Opposition Members would say that it is mainly about saving money, but the Government might say that that is an ancillary purpose. We are now being told that even if "Shaping a Healthier Future" were implemented, it would not save enough money given the deteriorating situation.

The shadow Secretary of State, my hon. Friend the Member for Lewisham East (Heidi Alexander), mentioned the shift from capital to revenue, partly as a bail-out. That may be a crisis move to offset the immediate financial crisis, but it has implications, particularly for a grandiloquent project such as "Shaping a Healthier Future", which is about a major redesign of hospital sites—particularly the Charing Cross and St Mary's sites, which are taking the bulk of the money.

We know—the NHS is now being slightly more candid about this—that the Treasury is getting cold feet about the programme, and the date is being pushed back and back. That is good in a way, because originally we were told that Charing Cross was going to be demolished in 2016-17, and now we are talking about 2020 at the earliest. I am delighted by that, because the longer it is pushed back, the less likely it is to happen, but it reflects serious concerns in the Treasury, and possibly in the Department of Health, about where the programme is going.

Dawn Butler: My hon. Friend is being generous with his time. Is he concerned, as I am, by the letter from Clare Parker, the senior responsible officer for "Shaping a Healthier Future"? Brent has been trying to get hold of the latest version of the implementation business case. She notes the request, but states:

"Unfortunately this document is in draft form and not currently suitable to be shared."

Does he wonder, as Brent and I do, when we will be able to have sight of that document?

Andy Slaughter: That is exactly the document I have been discussing. In some ways, Clare Parker's embarrassment comes through in that letter. She is a good officer. She is the officer primarily responsible for delivering "Shaping a Healthier Future" and is effectively running five CCGs in that capacity. I think she would like to be more candid with us than she is in that letter. I urge the Minister to encourage people in CCGs, trusts and the Department to be more candid. She might find that there is more understanding of the problems than she thinks.

The question is—I discussed it with Clare Parker only a few weeks ago—where are we going with this programme? If the Treasury is putting out alarm signals about whether it can fund the programme, and principally the rebuilding of St Mary's and Charing Cross, what will happen? The strong rumour is that reductions in service will have to take place, because services have a financial cost. The type 1 A&E and other services will have to go from Charing Cross, with the hospital effectively becoming a primary care and treatment centre, and the situation will be similar at Ealing.

Rather than the demolition, clearing and part sale of those sites, followed by rebuilding, which would cost hundreds of millions of pounds, we may just mothball the existing buildings, which are on the whole '60s and '70s buildings, with part of them not being used at all and the rest being used for the new facilities. In some ways, that would be the worst of all worlds, although it would at least preserves the sites and the capacity for future Governments to reactivate them. That has certainly not been denied to me, although I think it was said that that is a more advanced plan at Ealing than at Charing Cross, where it is still plan B. In other words, demolition is still on the cards, but there has to be a fall-back position if the Treasury does not fund it.

There is another factor. Even if the NHS does not move on, the rest of the world does. My hon. Friend the Member for Westminster North (Ms Buck), who could not be here today, is pressuring strongly for the facts in relation to St Mary's hospital, which serves her constituents, as I am for Charing Cross. Because of the grandiose scheme to build the "Pole", or the new Shard, which would take up some of the land on the St Mary's site, the existing plans will no longer be possible. Instead of the A&E, there will be a nice piazza outside a 95-storey office block, which I am sure is much more useful to constituents. Such fundamental changes will mean that the land is more valuable, the building costs are greater and the substantial plans for the modernisation of St Mary's will not be able to go ahead, at least as planned. Yet many of the buildings there are listed, so what is happening? I like to think that something is happening, but I would also like to be told about it. It is unacceptable for three years to pass without any information being put on the record or given out.

Anne Rainsberry also said that we are still maintaining the Keogh principles, as if that would be a surprise or we would not welcome it. Many of the changes that have happened are, of course, improvements to the service. The hyper-acute stroke unit at Charing Cross has been classed as the best in the country. It is a fantastic unit that saves a lot of lives. The stroke unit from St Mary's has just been moved to Charing Cross. Of course, the costs associated with that and with ensuring that it operates properly will apparently be wasted, because in four or five years' time, the intention is to close it, demolish it and move it all back to St Mary's again. I just cannot follow the logic, and I begin to lose confidence in the NHS's ability to plan.

We have been through all this about three times in west London. We went through the whole Paddington basin fiasco and other schemes to do with merging Hammersmith and Charing Cross hospitals. In that time, demand has changed. The latest figures show that demand for A&E at Charing Cross has gone up by 13%, and none of the hospitals is meeting its A&E waiting target. There is massive population expansion, and I was pleased to be told by NHS England that when the business plan is produced, it will be based on the latest figures, so we will not be relying on the population statistics from five years ago.

The population is growing astronomically. When people drive through west London, they can see building going on on every street corner. The anticipated growth in
population runs to tens or hundreds of thousands over a very short period, yet whenever I look at the plans—I assure hon. Members that I look at them all, as I monitor demographic changes—I never see any increase in public services. I never see the new schools, hospitals or GP surgeries, I just see massive blocks of luxury flats being put up everywhere. Even people who live in blocks of luxury flats get ill sometimes, although I have genuinely been told that it will mostly be wealthy young professionals living there and they will not need hospitals, so I do not need to worry too much about them.

Ruth Cadbury: Skiing injuries.

Andy Slaughter: Well, perhaps. The situation does not give us a lot of confidence in the plans that are being made.

I hope that I have given a flavour of what is happening. I cannot do much more than that, because I do not have the information available. This is the No. 1 issue for my constituents, yet when I look back to see how often I have raised it—I have made one speech on it since the election and asked a few questions to Ministers—I am sorry to see that on the whole, I get pretty dismissive answers. I do not think that is how this Minister would wish to behave.

I ask that sooner or later—sooner, preferably—we get the business plan so that we can see what changes are being proposed and what the timetable is. I also ask for a realistic reassessment of the need for acute hospital services, because I do not believe that “Shaping a Healthier Future”—2010 or 2012—will be the appropriate mechanism for doing that. If the Government are prepared to do that, I am sure that all Members, irrespective of party or of the proposals for their local hospital, will be prepared to sit down and negotiate.

2.34 pm

Paul Scully (Sutton and Cheam) (Con): It is a pleasure to serve under your chairmanship, Mr Turner. I start by congratulating the hon. Member for Ealing Central and Acton (Dr Huq) on securing the debate. I was delighted to support her bid to the Backbench Business Committee to have the opportunity to debate this incredibly important subject. The NHS is source of great pride. Londoners particularly protective of healthcare in their area, and none more so than the people of Sutton. I shall speak about my local area, but I think the story and the issues are the same throughout London.

For many years, people in Sutton have talked about St Helier hospital as the focal point of the community and of local healthcare. I serve as a volunteer at the hospital—I go regularly to feed people on the stroke ward—and I try to continue doing that even now I have been elected to Parliament, as it gives me a great opportunity to go in and see people on the front line. My family have also used the hospital. Before the last election, the right hon. Member for Doncaster North (Edward Miliband) weaponised the NHS. I tend to weaponise my mum’s use of the NHS. She has been brought in from sheltered accommodation, having taken a couple of falls, and when she injured her hand and fractured her hip, St Helier treated her really well. The hospital has a particularly good hip fracture unit that is renowned across London and, indeed, across the country.

Epsom and St Helier University Hospitals NHS Trust is predicted to run a deficit this year, despite hard work to try and break even, as it did last year. Opposition Members may use that as a brickbat to throw at the Government in respect of funding, but they fail to look at some of the symptoms behind what is happening in St Helier hospital in particular. The building has been crumbling for many years and is getting beyond use. For as long as I have lived in Sutton, which is about 26 or 27 years, there has been a political campaign, primarily by the Liberal Democrats in my area but involving other parties too, trying to “Save St Helier”—scaring people into believing that the hospital is to close imminently. Using the hospital as a political football has resulted in a failure to get some sort of consensus or agreement on how we can protect healthcare and build a really effective healthcare system in Sutton.

The trust has that deficit and the chief executive will need to tackle it without compromising quality.
about to close down, or would they go just up the road to one that receives all the plaudits and which has all the concentration of expertise? I know what I would do. If people talk down their local hospital and healthcare, it may become a self-fulfilling prophecy. They may be in danger of getting a result that is exactly the opposite of what they seek.

Ruth Cadbury: The hon. Gentleman makes a point, but some services have moved or closed without political problems because the people who used them and valued them realised that change was necessary. I suggest that the change in stroke and trauma services in recent years was right—fewer, larger, better. I also suggest that the opposition to changes the hon. Gentleman describes is caused by genuine worry that the solutions will not provide the adequate future service that we all want for London. In addition, in recent years we have seen a significant rise in population in London. We do not oppose that per se, but the health service in all its facets should be seen to be growing to accommodate that rising population.

Paul Scully: The hon. Lady makes some interesting points. There have been changes and closures in Sutton. The stroke service was one, and it made sense to provide immediate treatment at St George’s although it was further away, because those first few hours are crucial. Several smaller hospitals also closed over many years. However, I return to the changes and closures of A&E and maternity services to concentrate them at St George’s. Although it is only a few miles away, in rush hour traffic it takes those without the ambulance service’s blues and twos a long time to get to St George’s. If politicians were concerned, I would have thought they would do a more effective job than just trying to get tens of thousands of signatures on a petition aimed at the primary care trust. It took so long that the petition was still being presented two and a half years after PCTs were abolished in favour of CCGs. Effectively it was a data-harvesting exercise to extract a whole lot of email addresses that we do not have. We have heard a little about the difficulties of getting GP appointments and how infrastructure in London does not always keep up with planning and the need for housing. Sutton is no different. Worcester Park is one of the densest wards on the border with Kingston and has two vets but no GPs. I am not sure what that tells us about Worcester Park, but there is certainly a lack of planning somewhere.

I live in Carshalton and the one Liberal Democrat MP who was here is my MP. There is a health centre and it is a good example of how we might roll things up across Sutton and other areas. Two practices have come together in a purpose-built building with a shared practice, and a health centre has talked about putting in extra funding and integrating the pharmacy service as an alternative first port of call. We have heard a little about the difficulties of getting GP appointments and how infrastructure in London does not always keep up with planning and the need for housing. Sutton is no different. Worcester Park is one of the densest wards on the border with Kingston and has two vets but no GPs. I am not sure what that tells us about Worcester Park, but there is certainly a lack of planning somewhere.

As I was saying, the St Helier building is fast becoming not fit for purpose, with 43% of the space having been deemed functionally unsuitable. That is no way to provide 21st century healthcare. The hospital predates the NHS by some time. The huge white building on a hill was used by German fighters to line up as they were coming to London on their bombing raids.

I look forward to plans being produced, using any capital funding we can attract from the Government in a cost effective way, so that it is not too onerous for the Treasury, to make use of all the component parts of the Epsom, St Helier and Sutton hospital sites. Businesses, the Royal Marsden hospital and the Institute of Cancer Research are sited there and the NHS is planning an exciting project—a London cancer hub—to attract even more world-class research. The Institute of Cancer Research and the Royal Marsden have a world-class reputation and it would be fantastic to expand it, but the Royal Marsden needs acute facilities to support treatment there. If we can use that huge space for healthcare for the borough as well specialist healthcare, that would be brilliant.

The “Save St Helier” campaign is great in theory, but there are some holes in the plans and there may be unintended consequences resulting in the opposite of what we want. With the “Better Services Better Value” campaign, the fact that St Helier sits between Kingston hospital, St George’s hospital, Croydon University hospital and Epsom hospital means it is always at threat because of the way the catchment area is designed. The trust is acutely aware of that. We want St Helier to be meshed into the London cancer hub with an integrated approach.

We have heard that the NHS can be somewhat bureaucratic. A few years back, I was at a hospital that closed—Queen Mary’s hospital for children. It was eventually sold for a secondary school and housing in Sutton, but it took two years and £1 million in legal fees for two public bodies, the local authority and the NHS to agree terms. The lawyers got the money and children were not educated there for another two years at a time when there was a shortage of school places. Cutting through that bureaucracy and making sure we get the healthcare we want without having to go through the 11 tiers to which my hon. Friend the Member for Harrow East (Bob Blackman) referred would be fantastic.

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Dr Huq: I understand that the block grant that pharmacists receive for things such as driving around delivering medicines is being cut by 6%.

Paul Scully: My understanding is that that may vary from pharmacy to pharmacy. It is important that, however the block grant is carved up, we can offer the range of services in any area. I was at a pharmacy last week that had a needle exchange programme, but another just round the corner does not offer that. It is important to have a range of services in a given area.
Heidi Alexander: The hon. Gentleman is referring to community pharmacies. One of the latest estimates of the Government’s proposals is that up to 3,000 community pharmacies could close. What impact does he believe that would have on his constituents?

Paul Scully: The pharmacists raised that with me last week, and I am meeting a delegation of them next week as well. Rather than an estimate, I want to see more detail on that to work out how we can give pharmacies more information, data and space to use their consulting rooms, to make them the true first port of call. It occurs to me that people tend to look to their GP when they are ill, whereas pharmacists—especially the ones that deliver and go into people’s homes—can see people in their homes and get indicators that may predict other illnesses. Any preventive measures that can be taken through community pharmacists would be very useful.

In conclusion, I come back to the fact that I really do not want to see hospitals and healthcare used as a political football in Sutton or across London. I want to ensure that we have excellent healthcare in St Helier, but this is not about saving St Helier per se. It is about saving and protecting local healthcare, so that every one of the 190,000 odd residents in the London Borough of Sutton can get easy access to a GP, a community pharmacy, A&E, maternity services, children’s services, daycare and the whole range of services in their local area. I want to ensure that they can do that not in a building that is making them feel worse by its very nature, design and crumbling fabric, but in a building that is designed to help them get better.

Sutton has made one innovation particularly well. It is one of two trusts in London that is running a vanguard scheme in nursing homes. That kind of innovation is really interesting: a group of nursing homes have got together in Sutton with the hospital trust; there are ward rounds in the nursing homes, so that the patients do not have to go into hospital. Although hospital is the best place to get treatment, it is not usually the best place to recuperate. The more we can work effectively out in the field—in people’s homes and in care homes—the better. I want that collection of innovations to develop over the next few years for excellent healthcare in Sutton.

2.52 pm

Kate Osamor (Edmonton) (Lab/Co-op): It is a pleasure to serve under your chairmanship for the first time, Mr Turner. I thank my hon. Friend the Member for Ealing Central and Acton (Dr Huq) for her lovely contribution. It was very colourful, as per usual. As well as the subject being serious, I appreciate her opening speech.

I will talk about the crisis in A&E and access to primary care in my constituency. North Middlesex University hospital A&E has recently become the subject of national attention. In December 2015, a patient died in A&E and, at the end of January, the A&E department subsequently received a notification of a risk summit. Waiting times reached crisis point on Friday 19 February, when patients were reported to have been left for up to seven hours on hospital trolleys. Medics came under such extreme pressure that they were forced, at 11 pm, to put a message over the tannoy advising patients to go home unless they were dying. The crisis at the hospital did not go unnoticed. It was widely reported in the media, including in my local paper and many major national newspapers such as The Daily Telegraph, Daily Mail and The Independent.

Earlier, the Minister accused my hon. Friend the Member for Ealing Central and Acton of being alarmist. I would like the Minister really to listen to me and appreciate where I am coming from. My constituents were those people in that hospital and the reality for them is very difficult, so I would like her to reflect on what she said.

The incident was not isolated. Separate reports reveal that, over the previous week, paramedics were forced to wait for hours in A&E because there was a shortage of trolleys. One of my constituents phoned my office from the A&E complaining about the unacceptably long waiting hours. She was so worried about her loved ones that she did not know whether to leave her mother there or to take her home. My staff had to talk her through that and told her to stay because that is where the doctors were, so it was the safest place for her to stay with her mother.

I believe that the staff in North Middlesex University hospital are under enormous pressure and are doing a fantastic job despite that. The unfolding events are clearly symptomatic of a wider crisis in the NHS locally. A Care Quality Commission report in 2014 failed the department, saying there is an overreliance from people living in the community. That overreliance is understandable given the December 2013 closure of Chase Farm hospital A&E, which is in the west of Enfield, the borough in which Edmonton resides. That has put North Middlesex University hospital under enormous pressure. It is clear that the overreliance on the A&E service results not only from the closure of Chase Farm A&E, but from the pressures on local GP services.

Research published in 2015 by the National Audit Office, entitled “Investigating the impact of out-of-hours GP services on A&E attendance rates: multilevel regression analysis,” found that satisfaction with overall GP services is significantly associated with the level of attendance at A&E both overall and out of hours. A 1% increase in patients satisfied with their GP practice’s opening hours is also associated with the reduction in A&E attendance. The latest report from the NAO, “Stocktake of access to general practice in England,” shows that patient satisfaction continues to decline. A fifth of those surveyed reported that GP opening hours were inconvenient.

Enfield, in general, has a problem with unhealthy living, which has contributed to the problem in my constituency. We have a prevalence—unfortunately, the ninth highest rate in London—of coronary heart disease. Strokes are prevalent; we have the eighth highest rate in London. Enfield also has the seventh highest rate of diabetes in London. As hon. Members can see, my constituents are very sick and poorly. We need GP services that people can attend at a convenient time, and where they can get an appointment that will ensure they get a referral to hospital, so that they do not present themselves at A&E.

With the exception of one ward, Bush Hill Park, Edmonton is, socially and economically, a deprived constituency. Of the seven wards in my constituency, three—Upper Edmonton, Ponders End and Jubilee—are among the five wards in Enfield with the lowest life expectancy. Healthwatch Enfield found, through a survey
in the summer, that the vast majority of those not registered with a GP in Enfield are in Lower Edmonton, which is in my constituency. However, when the Government replace public health funding by local business rates, as suggested in the 2015 spending review, it will be challenging for an economically deprived borough such as Enfield adequately to fund public health activities to monitor and sustain the current pace of improvement in the health of Enfield’s population.

I wrote to a Health Minister raising my concerns and requesting a meeting about these matters more than a month ago, and I received a response to one of my questions about half an hour ago. I thank the Under-Secretary of State for Health, the hon. Member for Battersea (Jane Ellison) for that—[Interruption.] She has done well. I did ask a few days ago, but I thank her for responding. I was going to say that I received no response but I will not say that because I did. However, I would like to have a meeting, if possible, to talk about the seriousness of the crisis in my constituency and the effect it is having.

Jane Ellison: I would be happy to do that.

Kate Osamor: I thank the Minister very much for that, and I will end there.

[Ms Karen Buck in the Chair]

2.59 pm

Wes Streeting (Ilford North) (Lab): It is a pleasure to serve under your chairmanship, Ms Buck, and a pleasure to follow so many contributions from hon. Members from across London. I congratulate my hon. Friend the Member for Ealing Central and Acton (Dr Huq) on securing the debate. I thank the Backbench Business Committee for granting us this opportunity to talk about the NHS across London.

The context is challenging across London, with a swiftly growing population, huge health pressures arising from demographic change and from London lifestyles, and a national health service that across the city is struggling to cope with those myriad pressures. We have seen that across the capital since the 2010 general election. A&E waiting times in hospitals throughout London, referral-to-treatment times and cancer waits have worsened throughout the period. As we have heard, Members from every corner of our capital city are reporting local pressures that reinforce that picture of national health service provision across London.

We feel that pressure acutely in Redbridge. Both the NHS trusts that cover our borough are in special measures: Barts Health NHS Trust, which covers the west of my constituency; and Barking, Havering and Redbridge University Hospitals NHS Trust, which serves patients throughout my constituency. Primary care is an issue, with patients increasingly struggling to get a GP appointment and finding new barriers put in their way, such as telephone consultations before a GP practice will even grant an appointment. There are also service reconfigurations.

We have already heard about service closures across the rest of London, and in Redbridge we remember the Conservative party’s commitment before the 2010 general election that there would be no enforced closures of accident and emergency or maternity units. Well, we lost the maternity unit at King George hospital, and the decision to close the accident and emergency department at Queen Ilford hospital was taken in 2011 by Andrew Lansley when he was Secretary of State for Health. That decision still stands, although it has not yet been implemented because the NHS is in such a state of crisis locally. Our local A&E waiting times for the last six months show that we have failed at any point to hit the target of 95% of patients being seen within four hours. The worst rate in the last six months was 76.8%, in December, and the best was 92.6%, in February. People living in my constituency will not find that satisfactory. In the last couple of weeks, the chief executive of the Barking, Havering and Redbridge trust has had to apologise to the 1,015 patients who have waited more than a year for routine treatment such as knee operations, which is simply unacceptable.

There are some positives. I have mentioned the chief executive of the Barking, Havering and Redbridge trust. I have confidence in the trust’s leadership. Since they came on board, they have approached the task energetically. They inherited an absolute mess that developed over a number of years, and there are some improvements, but as recent events have shown, there is still a long way to go.

I welcome the work that the clinical commissioning group and GPs are leading on primary care transformation to try to improve primary care services locally, but we are yet to see the fruits of their labour. I also welcome the extent to which the local authority, which is now Labour-led, has been leading the way on integration to help partners across the local health economy. I am pleased to see that my borough is taking part in piloting the accountable care organisation initiative, which I hope will bring real benefits to patients through greater integration between healthcare providers and our local authority. In that context, the cuts to local government spending and, in particular, to public health budgets are a real concern.

I should probably declare that I am still a serving councillor in the London Borough of Redbridge, albeit an unpaid one, so I am excellent value for money for my constituents.

Andy Slaughter: They should be the judge of that.

Wes Streeting: They may well be the judge, but I am standing down as a councillor in 2018. I was elected to Parliament while serving as a councillor, which is a good indication.

Seriously, the London Borough of Redbridge has the fourth lowest public health grant in London. Given the diversity of our population, and the pressures that that brings, it is a cause for concern. In that context, I was even more disappointed to find that the Government have cut our public health grant in-year. As a former cabinet member for health and wellbeing in Redbridge, and as the former chair of our health and wellbeing board, I know that we were already struggling to meet our statutory duties on public health, not least the new responsibilities we have been given, such as for health visiting, for which the allocation received from the Government was not sufficient. We managed to squeeze some extra funding out of the Government, but we are still struggling.
The reduction is disappointing, particularly in the context of London, where people’s healthcare needs and lifestyles are placing pressures on the NHS. Public health investment is an upfront investment in people’s lifestyles that will reduce NHS costs in the longer term, as well as improving people’s health and wellbeing. I cannot understand why, in that context, preventive budgets such as public health budgets are bearing the brunt of cuts. I hope Redbridge’s public health allocation in particular is something that the Department of Health will revisit.

I have talked about the financial challenge for local authorities, and I will now address the financial challenge facing the NHS and our local health economy. I was concerned, as everyone else was, to read David Laws’s revelation at the weekend that, far from the £8 billion that keeps being mentioned as the hole in the NHS budget, Simon Stevens actually identified a £30 billion hole, of which he said £15 billion could be found through efficiencies and improvements. My maths makes that a £15 billion hole in the NHS budget, and it is a source of concern that the £8 billion promised by the Conservatives at the last election is still not there. We have seen the Chancellor having to shuffle money around. Earlier, my hon. Friend the Member for Lewisham East (Heidi Alexander), the shadow Secretary of State for Health, talked about the reallocation from capital to revenue in terms of the health budget.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): The Public Accounts Committee recently considered the health budget following a National Audit Office report. There is a £22 billion gap, and one of the key drivers of that is the 4% efficiency savings year on year. Simon Stevens has himself acknowledged that that is too high and that 2% would be more reasonable. The head of NHS Improvement also acknowledged that it is a cause of acute hospitals’ deficits at the moment.

Wes Streeting: I am grateful to the Chair of the Public Accounts Committee for giving us that insight, which gives me even greater cause for concern about our local situation in Redbridge. The overall gap in funding for the NHS should be a concern to the whole country.

In my borough in particular, I am concerned by a report produced for NHS England by McKinsey & Company in, I believe, July 2014. The report has just been released by NHS England following a freedom of information request, and it identifies a Barking, Havering and Redbridge system gap of £128 million for commissioners and £260 million for providers. I am concerned by several things. One is that one way in which McKinsey identified that the BHR system will be able to address that gap is through acute reconfiguration of King George hospital, where the accident and emergency department is threatened with closure. I am deeply disappointed that, at a recent meeting of the Ilford North Conservatives attended by the hon. Member for Richmond Park (Zac Goldsmith) for his London mayoral campaign, the Conservatives once again stood up and said, “People should not worry about the accident and emergency department, because we always say it’s going to close and it never does.” The only reason why the accident and emergency department at King George hospital is still there is not because of a positive decision to keep it but because the NHS trust and the local health economy are in such a mess that it would not be clinically safe to close it at this time; the accident and emergency department is still very much at risk.

Mike Gapes (Ilford South) (Lab/Co-op): The national health service bureaucracy has been trying to close the A&E at King George hospital since 2006. We are coming up to the 10th anniversary of the misnamed “Fit for the Future” document. My hon. Friend’s predecessor, Lee Scott, and I fought a vigorous campaign to stop the closure at the time, and the closure decision was deemed to be clinically unsound. Now, the Trust Development Authority is in charge, and the A&E cannot be closed because the trust is not out of special measures. My hon. Friend has mentioned the trust’s chief executive, Matthew Hopkins, who was hoping to get out of special measures by the end of the year, but that has not happened. We are still in a period of great uncertainty.

Wes Streeting: I agree with my hon. Friend. And I welcome him back to Parliament this week after his break. [ Interruption. ] I know that he has gone to extraordinary lengths to test the resilience of the NHS in London and that he will talk about that shortly. We look forward to it.

In all seriousness, the A&E department is still at risk and many of my constituents worry that it is the financial drivers that are pressing ahead with the closure, rather than the clinical drivers. As my hon. Friend has said, given the length of time since the original case for closure was prepared and since the decision to close was made, it is not unreasonable to ask the Minister to commit to reopening that closure decision and to look at the issue with a fresh pair of eyes, testing whether the evidence base is still there, testing the assumptions that were made when the original closure proposal was put forward and giving people the assurance that it is clinical factors and the healthcare of our residents, rather than financial factors, that are driving this process.

The final thing I will draw upon from the McKinsey report is about meeting the financial pressure within the BHR system. McKinsey observes that to fully close the gap will require further stretch productivity achievement beyond the levels agreed locally, as well as additional private finance initiative support and the closure of the gap to the CCG allocation. The £140 million-odd deficit in 2013-14 was only reached after a £16 million PFI subsidy, and the deficit as a percentage of income is far larger even than it was for Barts at that time.

It is not unreasonable, as part of the wider changes in Redbridge and the work being led by the accountable care organisation, to expect the Government to provide further support in relation to our PFI debt. Many challenges face the local health economy in Redbridge and that debt is like an albatross around our necks. If the Government were to invest now in alleviating that pressure, we may get better outcomes in the long term. I hope that that is an issue the Minister will address when she responds to the debate.

3.12 pm

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): It is a pleasure to serve under your chairmanship, Ms Buck. I congratulate my hon. Friend the Member
for Ealing Central and Acton (Dr Huq) on securing the debate, and I thank the Buckbench Business Committee for granting it.

I represent the Homerton hospital, which is a foundation trust, and a clinical commissioning group in Hackney that has good, clear clinical outcomes in a very deprived population. The level of deprivation is such that we have underlying population health outcomes that are not good despite the good healthcare available locally.

There is huge pressure on GP surgeries across east London in particular and London in general. Funding for the minimum practice income guarantee is under threat, and recruitment of GPs is very difficult now. Too often, committed but demoralised GPs, many of whom are older, are—in line with national trends—retiring early. We also have a devolution model that is being piloted in Hackney.

Given the time and to give the Minister the chance to respond, I will jump to some of the questions that I want to put to her. I will refer to the McKinsey report that has just seen the light of day today, although it was published in July 2015. It is very worrying. I do not have time to go into the report in detail, but it raises issues about my area that are similar to those raised by my hon. Friend the Member for Ilford North (Wes Streeting). Friend the Member for Ilford North (Wes Streeting).

It gives an indication of the gap in the health economy and the funding. We have looked at this type of gap in the Public Accounts Committee, holding three hearings on these issues in recent months. Those hearings have underlined the crisis in recruitment, poor retention of experienced staff and particularly the financial crisis in the NHS.

The PAC, which of course is a cross-party Committee, is not alone in looking into this situation; the National Audit Office has, too. The NAO tells us that in 2014 NHS commissioners and providers overspent for the first time, with a deficit of £471 million. It must have been around that time or before then that McKinsey was commissioned to do its work. We know that the position is deteriorating, despite the efforts of consultancies to come in and save the day—let me make it clear for the Official Report that I am being slightly ironic. The position is deteriorating so much that the total deficit in NHS trusts and foundation trusts is projected to be £2.2 billion.

As I highlighted in my intervention, in a PAC hearing on the subject, Jim Mackey, the head of NHS Improvement—we have also heard from Simon Stevens, the head of NHS England—acknowledged that the 4% efficiency savings target that was established by the Department of Health in 2010-11 was unrealistic. In fact, that target was set by the Chancellor, so I should perhaps absolve the Department of Health a little, as it was clearly set by the Treasury. Both Jim Mackey and Simon Stevens acknowledged that. Simon Stevens has said on the record that he would call delivery of 2% efficiency savings “more reasonable” for trusts. As I have highlighted, we have said in our report that there is not really a convincing plan for closing the £22 billion gap in NHS finances now looming.

I will come back to the McKinsey report as it relates to my own area, referring again to huge financial gaps in the NHS budget locally. However, it also refers to how to deal with those gaps, and that is what really concerns me and it is what I am seeking an answer from the Minister about. The report refers to the engagement that McKinsey had:

“an intensive series of meetings and engagement…with material senior time and...complemented this with numerous sessions with Chairs, CEOs, Clinical Leaders and Finance Directors.”

So McKinsey has been getting people round the table, which is all well and good. However, the report continues:

“This engagement has been focused on building alignment around the case for change”—

so change is looming—

“on forcing the pace of this work and also in scoping future governance changes to sustain more rapid future delivery.”

Will the Minister be clear about what the plans are for “future governance” of health services in my part of London? I am sure that other Members will be interested to hear about their parts of London, as well. I ask her directly: is there a plan to amalgamate CCGs or to establish sub-regional health commissioners in London? We need to know what is happening and what the timescale is for any proposed changes.

Also, while we are considering the budget and the gaps in the budget, what commitment can the Minister make about NHS land? That has been a constituency concern of mine for some time. The PAC has heard fairly recently that the capital released to balance the budget deficit that we are seeing among trusts factors in some land for homes for health workers. So the full dividend of sale will not be taken and some land will be used to build homes for health workers, but figures were very light on the ground. If the Minister is able to respond today on this issue, I would be very grateful; if not, I would welcome a detailed letter from her on it.

In particular, I would be grateful if the Minister provided more information about the list of NHS sites released under the Government’s land disposals programme. The programme was overseen by the Department for Communities and Local Government and required every Department to come up with a list of sites that could be provided to build new homes. So far, it has been difficult to identify the sale of land and how many homes have actually been built. Again, that may not be something that the Minister has answers on today, given that another Department is the lead, but I think her Department should have some figures. Once again, if she cannot tell me about that today, I ask her to write to me about it, because housing for health workers is a key concern.

Heidi Alexander: My hon. Friend is making a very important point. I intervene to put on the record my desire to be copied in to the response that she receives from the Minister.

Meg Hillier: I am sure the Minister will do that, but I am happy to share anything I receive from her. I am sure she will not be writing me secret letters, and even if she told me that she was I would ignore her, so I hope she provides information that is fully public.

There is a real concern about health workers being unable to afford to buy homes. When a group of local MPs met officials from the Barts trust after one of the trust’s more recent crises—it was around the time of, or just before, the general election—we asked them about the release of land for health workers. We got the distinct impression that those running the trust at the time—we have had new management in since—did not think that it was their responsibility to provide housing;
the process was just about disposing of the land to fill the black hole in the trust’s budget. However, we know that health workers cannot afford to live in London and work locally; that is often true of doctors on good salaries, let alone anyone on a lower salary. There will be a real crisis if we cannot recruit health workers, and I will touch on that issue in a moment.

NHS England is keen to lay the blame for the financial crisis in acute trusts at the door of agency staff costs. The Secretary of State announced a cap on the pay rate in October, but the National Audit Office found that is not the underlying problem. We also touched on the matter in a Public Accounts Committee hearing. It is the volume of agency working, rather than the rate paid, that is the bigger problem—the vacancy rate, requiring backfilling with agency workers, rather than the amount that they are paid. No doubt there is an problem there and the NHS should begin—I hope that it is beginning—to use its purchasing power to tackle that, but the foundation staffing model for hospitals, which is designed to fit the budget allocated by the Department, often has too few staff to deliver the required health outcomes. The NAO has uncovered the fact that 61% of temporary staffing requests in 2014-15 were to cover vacancies, not emergency cover.

Mike Gapes: Is my hon. Friend aware that the NHS employers and London NHS partnership have this week sent out information stating that nursing vacancies in London are running at 17%, which is 10,000 nurses? The NHS and local trusts are going all over the world to recruit, but the Home Office is bringing in a requirement for people to earn £35,000 before letting them in. Does not that contradict what the NHS is trying to do?

Meg Hillier: My hon. Friend anticipates what I was going to say—or perhaps it is just that we are all dealing with the same problems. Will the Minister outline what conversations her Department and NHS England have been having with the Home Office about the issue? We have seen many changes in the immigration rules, and they affect what happens. We should be recruiting and training British citizens and enabling them to earn a living, although I have no problem with other people working in the NHS. When we have problems with recruitment, of course it is right to look overseas, and many of our hospitals are well staffed by people from all round the world; but if those people cannot meet the threshold, they will not be allowed in, and that will cause a problem. I know that it is also causing concern to NHS England. No doubt the Minister is being lobbied; perhaps she can advise us. The cost to hospital trusts of the agency staff who fill in the gaps—they could be full-time workers from overseas or from the UK—has risen from £2.2 billion in 2009-10 to £3.3 billion in 2014-15.

I do not have much time to discuss GPs, but we know that that is a big issue, given the demand on the health service at primary care level in particular. On national figures, recruitment of new GPs is slow and early retirement is a looming crisis. If the Minister has not been alerted to that problem, I hope she will look into it. It is not a new phenomenon, but it is getting worse. Between 2005 and 2014 the proportion of GPs aged between 55 and 64 who left approximately doubled. In addition, there is an increasing proportion of unfilled training places—the figure was 12% in 2014-15—and an increasing number of younger GPs are leaving because the job is becoming untenable, with 12-hour days typical. Many GPs just do not want to do that. We need good access and support in primary care to make it work.

The Public Accounts Committee has recently looked at another issue that is worth highlighting, which is the management and supply of NHS clinical staff. We would acknowledge, although our report is not yet out, that in an organisation the size of the national health service, getting things exactly right will always be complex. The figures and the available data about who is needed, together with the problems that I have mentioned to do with GPs and recruitment of hospital and other health workers, could have been predicted. That is something on which I want the Minister to respond: surely, if there is a prediction, there is a need to be able to react quickly, so that training places are available and people are encouraged to take them up. That way, we would ensure that there were enough health workers.

To return to the issue of housing, it is at crisis point in my constituency. Someone on quite a good income cannot afford to buy or to rent in the private sector and will not have a hope of getting social housing, so we have a vast turnover of people. Young people come and live like students, but when they want a home of their own, a spare bedroom for a child, or just a lifestyle that they think befits their status and age, they move out. We have a crisis across the board, but particularly for the NHS. I hope that the Minister will answer some of my questions about how housing can become a key concern for her Department as well as the Department for Communities and Local Government, which delivers housing. My worry is that if the Minister and her colleagues do not lobby hard, the problem will be forgotten in the overall housing crisis and will become a major crisis for public health and health and wellbeing in London.

3.24 pm

Mike Gapes (Ilford South) (Lab/Co-op): I am particularly pleased that you are in the Chair today, Ms Buck, because I am going to refer to St Mary’s hospital and the Imperial College Healthcare NHS trust, which saved my life. You know it very well. This is my first speech or question in the House—apart from my earlier interventions—since November. My neighbour, the hon. Member for Ilford North (Wes Streeting) referred to my extended interventions into this debate. I have been at a concert at the Royal Albert Hall—in fact, Jools Holland saved my life, because if I had not gone to the concert I would not have had friends with me during the events of that November evening. I was rushed by ambulance initially to Chelsea and Westminster hospital, where I collapsed. They scanned me and decided that I had such a serious ruptured thoracic aneurysm that they had to transfer me by ambulance to St Mary’s hospital in Paddington. I came to in the ambulance and I have a vivid memory of going down the ramp out of the ambulance into A&E at St Mary’s, where about 10 people were waiting. They ran me in the trolley straight into the operating theatre, where the consultant said, “I hope you don’t mind. We have injected you with the anaesthetic, but do you mind if we cut the shirt off your back, because I need to start stripping away for The anaesthetic will take a moment to work.” Then I heard a female voice saying, “I know this is hurting, but I’m sorry, I’ve got to do this.” Then I was unconscious.
I had a total of eight weeks in St Mary’s hospital, with five and a half weeks in the intensive care unit, for nearly three of which I was in an induced coma. I had a series of operations on my heart and a tracheostomy, which is an interesting experience whereby a tube is permanently inserted—or it seems as if it is permanent; fortunately it is not there any more. I had other operations while I was there, as well, so I am a bit bionic. I have not yet flown anywhere, and I am waiting to see what will happen to the metal detectors at the airport, because I have some stents that might cause some complications.

I was at the hospital this morning and they were pleased with my progress, so I am able to be back here in Parliament. I want to say thank you to all the staff—the consultants, the senior and junior doctors, the cleaners, the people who gave me my food, all the nursing staff, and the physiotherapists. They initially got me walking with a Zimmer frame, with oxygen cylinders first at 100% and eventually at 28%; they managed to get me to walk up some stairs, so I could be sent home. I pay tribute to them because it is a bit of a miracle that I am here today—I have been told that by at least two consultants. Most people who go into hospital with what happened to me do not come out, so every day from now on is a bonus.

I went in on a Friday night, in the early hours of Saturday morning—a weekend. We must not let anyone say we do not have a seven-days-a-week NHS. I have seen it. I have been cared for seven days a week, looked after and fed seven days a week, for two months. I have had the most excellent treatment. I have seen the 8 o’clock in the morning shift come on and then the 8 o’clock at night shift—12-hour shifts. I have seen the turnaround. Whether I was in the intensive care unit, the Charles Pannett ward or the Zachary Cope ward, I have seen the dedication and commitment of the staff. They come from all over the world. The nurses who treated me included a man called Riad, a Palestinian from Jordan, who was fascinated to know that I had been in Amman with the Foreign Affairs Committee four days before I went into hospital. There were nurses from Malaysia, the Philippines, Ireland, Ilford and many other places around the world.

The fact is that we in London depend on a pool of staff who have come to our city from all over the world to help us, to save us and to keep us well. We must never forget that. It is why the Home Office needs to understand that London’s success as a global city depends on the workers in London being healthy. As Anne Rainsberry told us in the meeting with London Labour MPs the other day, 20% of the people treated in London do not live in London. London serves the whole community. The vascular facilities at St Mary’s take patients from all over. I was told that even if I had had the heart problem in Ilford, I might still have been transferred to St Mary’s. The unit has patients from Southend, Newport in south Wales and even from Gibraltar.

That indicates to me that we have to retain the staffing levels and level of expertise in our specialist hospitals and in our specialist departments within London hospitals. That is not possible, as my hon. Friend the Member for Hackney South and Shoreditch (Meg Hillier) pointed out, if people cannot afford to live in London and if most newly trained nurses seek jobs elsewhere within two or three years. It is not because they do not enjoy their work, but because they cannot afford or are led up with two or three hours of travel every day.

We have to deal with the problem, and it requires the new Mayor of London, all our local authorities and the Government to look at it seriously. It also requires the Home Office, after the European referendum, to think again about the absurd position where we will cut off our nose to spite our face by making it impossible in a shortage period to recruit people to certain occupations because of the £35,000 threshold.

Paul Scully: The hon. Gentleman is making an incredibly powerful speech and I am grateful to hear about his personal experience. On the shortage of nurses, while it is preferable to train people domestically, does the hon. Gentleman agree that where we cannot fill those places, the shortage occupation list—it is devised by the Migration Advisory Committee, which has placed nurses on the list—goes some way to mitigating the £35,000 criteria?

Mike Gapes: The interesting thing is that NHS nurses were not originally on that shortage list. There had to be a lobbying campaign to get them put in because of the stupidity of the people in the Home Office who drew up the list. The fact is that the £35,000 figure will present a problem. Obviously, it will not present a problem in recruiting doctors from abroad, but it is a significant problem in recruiting nurses and other people at lower wage levels. We need to raise that issue, because it will be damaging in the long term.

Of course we need to train more nurses, but to do so the Government need a consistent policy. It takes several years to train a nurse. It is not something that can be switched on and switched off. The other issue is retention. Large numbers of nurses leave our NHS and go and work in other countries. Just as we take nurses from other countries, so British nurses go abroad. There is no reason why that should not be the case; it is a global health economy and the reality is that if we do not pay the lower paid staff in the NHS what they need, we will not recruit sufficient numbers of people to do those jobs.

Wes Streeting: In the context of the recruitment and retention challenges for NHS staff, does my hon. Friend share my concern and that of a number of Members from all parts of the House on the plans to charge nurses, midwives and students of allied health subjects full tuition fees and to remove the NHS bursary? Those things will be deeply damaging to recruitment of the very staff that we need to bring into the NHS.

Mike Gapes: Absolutely, I do agree. That is why I signed my hon. Friend’s early-day motion today. I am about to put it in so that my name is added, now that I am back.

In conclusion, it is a great pleasure and a bit of a coincidence that this debate was here today, but I could not miss the opportunity to say thank you to those people who saved my life.

3.34 pm

Barry Gardiner (Brent North) (Lab): It is a great pleasure to serve under your chairmanship, Ms Buck, but it is an even greater pleasure for all of us to see our
hon. Friend the Member for Ilford South (Mike Gapes) back in his proper place in the House, doing what he does so well: representing his constituents.

I wish to make two points in this debate, and I am grateful for your indulgence, Ms Buck, in letting me come in at the end of the debate; I had other engagements. First, I wish to mention the case of Dr Chris Day v. NHS and Health Education England, which has exposed a particular lacuna in the protection for whistleblowers in the NHS. HEE oversees the training placement of doctors, and I understand that its role will increase under the new contracts. If a junior doctor blows the whistle, HEE will be able to terminate the doctor’s training as a punishment with absolute impunity. I know that the Minister would not wish to see that and that she is keen to ensure that whistleblowers get appropriate protection. I simply ask that she looks at that issue and takes the necessary action to remedy it.

The main focus of my remarks is the recruitment process for GP surgeries in north-west London. Specifically, I refer to Integrated Health CIC, which is known locally as the Sudbury surgery, and the number of problems that have arisen with that and the commissioning thereof. In 2013, the surgery was given to two doctors, Dr Omodu and Dr Akumabor, until March 2016. In fact, the contract on the surgery expires in precisely seven days’ time. I have been in correspondence with NHS England and Dr Anne Rainsberry, and the local council’s health scrutiny committee has been in correspondence with Monitor, to try to ensure that the concerns of local people are respected in relation to the surgery and the procurement process, and that is what I want to bring to the Minister’s attention.

There has been a lack of clarity in the handling of conflicts of interest in relation to the procurement. According to Brent CCG’s website, in February this year, five of the seven local GPs who have declared interests in relation to their Brent CCG activity have interests in Harness, which is the name of another surgery. They include the chair and vice-chair of the CCG.

It is noted that the practices that have been removed from the commissioning timetable are also associated with Harness, and that in October, Harness Harlesden and Harness Acton Lane surgeries were withdrawn from the timetable. It was reported that they were to merge and procure a service from either current Harness Harlesden premises or from primary care hub. In March 2016, it was confirmed that Brent GP Access Centre, run by Harness, was also removed from the timetable to align it with the service start of the walk-in service contract, also run by Harness, that is provided on the same site, but is being procured and commissioned by the CCG. This is to reduce the chance of any confusion about accessing the services and to avoid any unnecessary disruption to either service. It would appear that Harness Locality, representing 21 of the 69 GP practices in Brent, has disproportionate representation on the CCG governing body. It is the belief of members of the scrutiny committee, and a concern of mine and of residents, that there needs to be clarity on commissioner-provider interrelationships to ensure a fair procurement process and the retention of public confidence in that process.

GP practice leaders have expressed misgivings about the ability of local practices to meet the demands of the London key performance indicators. It has been suggested to Members that the London KPI regime is intended to favour larger bidders with the infrastructure to offer economies of scale. If that is the case, it puts NHS England and Brent CCG in direct conflict with residents in my constituency, especially in relation to the Sudbury surgery.

It is the clearly expressed opinion of local residents that the practice has served the community incredibly well, and they are extremely distressed, angry and puzzled by NHS England’s treatment of it. To give an example of just how well regarded the surgery is locally, in the three years that the two doctors have been running it, its list has increased from 3,500 to more than 8,000. That is by word of mouth, and that is success in action. People are rightly concerned about how the surgery has been treated.

On 11 March, I received a letter from Dr Anne Rainsberry of NHS England, in which she confirmed to me that “in undertaking the decision making processes with the local CCG related to this time limited contract, the NHS England standard operating procedure ‘Managing the end of time limited contracts for primary medical services’…was followed.” She goes on in her letter to talk about key stages 1 and 2, which she says were “completed to enable a decision on how the services should be provided after the end of the contract and to implement that decision.”

I refer to stages 1 and 2 and the time standards for that contract. Stage 1 lists four requirements to be carried out a minimum of “9 to 15 months before contract end (all essential).” Those requirements are: “Needs assessment…Value for money…Impact assessment…Consultation proposal.” The first contact that NHS England had with the surgery is noted in Dr Rainsberry’s letter, in the fourth paragraph from the bottom of the second page, which states: “NHS England wrote to the current contractors in September 2015 regarding their contract and the proposal to re-procure the contract when it expired.” On that page, she has outlined the fact that the procedure was not followed within the set time period. Yet on the first page of her letter, she told me that it was followed. That is not good enough.

Procurement does not have the confidence of local people or patients certainly in north-west London. I have enormous respect for the Minister—she is one of the Ministers I respect most across the House. She deals with things in a straightforward, plain-dealing manner. I urge her to look at the process I have outlined, because I do not think it has been done properly. I trust her to get it done right.

3.42 pm

Clive Efford (Eltham) (Lab): May I start by saying what a pleasure it is to serve under your chairmanship, Ms Buck? We have been colleagues here for nearly 20 years, and this is the first time I have spoken in a debate under your chairmanship. It really is a pleasure to see you in the Chair.

I was not going to contribute, but as we have some time before 4.30 pm, I thought I should take a little time to discuss one or two issues relating to my constituency
and the situation in London. Most of London’s hospital trusts are facing serious deficits, and this is an extremely worrying time for our national health service. When the London group of MPs met Dr Anne Rainsberry the other day, we asked her what the major sources of stress on our hospital trusts’ budgets are. She said that there was a failure in planning for the number of nurses that the NHS was going to require, and that because not enough training places had been made available, not enough nurses were becoming available for employment in our hospital trusts, which in turn meant that the trusts were having to look to agency nurses.

I have spoken to a number of nurses who live in my constituency. They point out that, taking into account the stress they are working under in the NHS and the pressure that they come under from management, it is easier for them to work for an agency. As an agency nurse, they can manage their time more effectively, because they are not under direct management and pressure to work extremely long hours, and earn more money, because of the shortages. Meanwhile, our NHS bill for nurses—in some circumstances nurses who were formerly employed in the NHS but have chosen to work as agency nurses—is growing.

As my hon. Friend the Member for Ilford South (Mike Gapes) said, the trusts could not recruit from overseas because nurses were not on the list of people whose professions allow them to come to the UK to work. That exacerbated the shortage and added to the demand for agency staff, and it is a major source of the problem. The lack of foresight and planning has led to this situation. Deficits are growing, and as I pointed out earlier, my local CCG is having to find savings of up to £1 in every £5 of its income to balance its budget. The knock-on effect on partnership working, for example on long-term care in the community, is frightening.

I shall not take much longer, but I want to discuss a couple of local matters. I have been advised by a local councillors that one of my local GP practices was summarily closed over the weekend. There was no notice or advice; the Care Quality Commission went in and literally put a stop notice on the practice. There are 3,800 patients at that practice. I am the locally elected Member of Parliament; can the Minister tell me why no one has been in touch with me to explain what is going on? Who is communicating with my constituents? Do I get a copy of any letters, so that I know what is going on? The Minister really should look into the situation.

We have a right to be kept informed in such circumstances, because we are talking about a public service. Some 3,800 people are affected, most of whom are probably my constituents, and I would really like to be kept informed and know what is going on. I would be grateful if the Minister told whoever has failed to keep me informed to keep me informed from now on, and to take that point on board, so that in future other Members are kept informed of such serious matters in their constituencies.

We can look at the consequences of the savings that my CCG has to make. I have been in my constituency for many years as a councillor and as an elected Member of Parliament—I am in my 30th year as an elected representative of one type or another in my local community. There is an estate in my constituency on the border with Lewisham. More than 20 years ago, the local district health authority closed the doctors’ surgery on that estate because it was a single practice, and it was moved in with another practice. That left the people there with no direct access to a GP surgery. A lot of the patients affected lived on the border, so they went to GP surgeries in Lewisham.

Later, in partnership with the health authority, a local regeneration programme paid for a nurse-led practice on that estate to provide support to elderly people and families. As part of the cuts, the Source, on the Horn Park estate, now faces closure, which will yet again leave the community with no health services on that estate. That is completely unacceptable. People will have to travel a long distance to the nearest service if the Source is closed.

The CCG says that a number of the patients affected are from Lewisham, but they are not; they are actually from Greenwich, but they are considered Lewisham NHS patients. It is madness that they are to be penalised for living too close to the border with the neighbouring borough. That is just another failure in the planning of our health services. I hope the Minister will take that issue on board.

3.51 pm

Heidi Alexander (Lewisham East) (Lab): It is a pleasure to serve under your chairmanship, Ms Buck. I know that, on another day, you would be participating in this debate yourself. I congratulate my hon. Friend the Member for Ealing Central and Acton (Dr Huq) on securing the debate and for introducing it in an engaging and wide-ranging way. I commend the excellent contributions of my hon. Friends the Members for Hammersmith (Andy Slaughter), for Edmonton (Kate Osamor), for Ilford North (Wes Streeting), for Hackney South and Shoreditch (Meg Hillier), for Ilford South (Mike Gapes), for Brent North (Barry Gardiner) and for Eltham (Clive Efford). They all expressed their concerns about the quality of care that their constituents receive. It is really good to see my hon. Friend the Member for Ilford South back and to hear his reflections on his experience of the seven-day service. I am not medically qualified, but I want to offer him a bit of advice to help his continued recovery: he should limit his time on Twitter.
Many of us in this Chamber have discussed the NHS in London previously. I cannot but reflect on the fact that, back in 2010, when I was first elected to this place, the NHS was hardly ever raised with me on the doorstep, but at the previous election it came up on every road that I canvassed. It is clear from the many contributions today that the NHS in London is under real pressure. We heard about the huge financial pressure, crumbling buildings and difficulty accessing GP services—and that was just from the Conservative Members.

As a London MP, I know that some of the health challenges that our city faces are specific to the capital. Others, such as the rising hospital deficits and declining staff morale, are symptomatic of problems that affect the whole country and can be traced back to decisions made by this Government and their coalition predecessor.

Let me start with the issues that are specific to London. London is a fast-growing city. More than 1 million more people are living here in 2016 than in 2006. The birth rate is higher in London than in almost every other major European city. London is a city of huge economic contrasts. Some of the wealthiest parts of the country are here, and also some of the poorest.

The vicious cycle that links poverty and poor health is all too evident in the advice surgeries that London MPs hold weekly or fortnightly. Overcrowded, damp housing and low incomes cause depression and anxiety, which place significant strain on the mental health system and the NHS more broadly. London contains diverse communities with different needs, from City workers dealing with stress to recent migrants from war-torn countries, so the NHS in London faces multiple and complicated challenges.

The huge contrast that characterises our city also creates problems in the delivery of health services. The lack of affordable housing, which my hon. Friend the Member for Hackney South and Shoreditch mentioned, and the instability of the rental market makes staff recruitment and retention a particular challenge. The London Health Commission found that NHS staff cited the high cost of living and the lack of affordable housing as two of the biggest barriers to living and working in London.

The sister of a very good friend of mine used to work as a cancer nurse at the Royal Marsden. She lived outside London and commuted into Clapham Junction by train. She then cycled from Clapham Junction because she could not afford the fare to a zone 1 station. Her daily round trip took four hours. It is probably no surprise that she has now moved to a new job in Huddersfield.

Nurses in my constituency rent single rooms in flats, so they can live close to the hospitals where they work. Nurses with families are desperate for social housing because private rents are unaffordable and owning a property is a pipe dream for them. We should use the NHS’s large footprint to solve that problem.

**Meg Hillier:** My hon. Friend underlines my concerns. Is she also concerned about the advent of PropCo? It took land away from Hackney, and we now have no control over it locally. It would do more for health outcomes to turn that hospital land into good-quality housing, rather than luxury flats, which are unfortunately becoming the norm in Hackney.

**Heidi Alexander:** I entirely agree. We need to look at how we can use the NHS estate to provide more affordable housing for key workers and NHS staff, in particular.

A related issue is the quality of the buildings in which healthcare is delivered. London has some state-of-the-art hospitals but, because of the property prices, some of the poorest-quality GP premises. Some of our facilities look like the first-class lounges at international airports, while others look like unloved community centres. According to figures I obtained recently in answer to a parliamentary question, that difference in quality could get worse. Hospitals in London face a £1.2 billion backlog for key maintenance and repairs, including a £150 million bill for high-risk repairs, which the NHS should address as an urgent priority to prevent catastrophic failure. It might sound like that problem should concern only NHS property managers, but that backlog will have a negative impact on the NHS’s ability to provide high-quality, safe and effective care for patients.

A review of Care Quality Commission inspection reports found hospitals in London with A&E equipment that is a year out of date, and heating that had been left broken for 10 months before being repaired. I do not blame hospital bosses for that situation; I blame Ministers for underfunding them. Rather than an investment in the NHS’s infrastructure, last week’s Budget included a £1.1 billion cut to its capital funding to pay for those repairs. The money is being switched to revenue budgets instead. That might plug a short-term gap on the NHS spreadsheets, but it does nothing to improve the quality of care that Londoners experience. As a number of hon. Members said, capital investment is essential when services are being reconfigured.

London’s NHS faces specific problems. At the same time, it also faces the enormous challenges that affect the whole country. How do we improve morale among a workforce who feel stretched to breaking point? How do we provide high-quality care when, despite what Ministers claim, the NHS faces its toughest funding settlement in a generation? How do we ensure that vulnerable older people are treated with dignity and respect when the budgets that pay for their care are being slashed?

A&E performance is often said to be a barometer for how the health service in general is performing. That is because a well-functioning A&E depends on accessible GP services, the availability of social care and adequate numbers of clinical staff. If we look at the latest A&E performance figures for London, however, they show a bleak picture. The number of people attending A&E has barely changed in recent years—perhaps surprisingly—but the number of people waiting longer than four hours in emergency departments has increased fivefold.

To quote the figures, in the third quarter of 2009-10, under the previous Labour Government, 20,000 patients waited longer than four hours to be seen in A&E; fast-forward six years and in the third quarter of 2015-16, the figure was almost 100,000. When we talk about national performance in A&Es, Ministers try to explain that away by claiming that more people go to A&E, but their claim is simply not borne out by the facts in London. The reality is that focusing solely on the number of people going to A&E is missing the point. We must also focus on the type of person going to A&E.
It is fair to say that in the past six months I have visited more hospitals in London than in the previous 40 years. From all those visits, one image sticks in my mind: hospital wards full of disorientated, frail, older people, many of whom should not be in hospital, and would not be had appropriate care been available for them in their home or community. I am clear—we cannot solve the crisis in our NHS until we solve the crisis in our social care system. That is as true of London as it is of anywhere. Furthermore, A&E is not alone in being under pressure; we can see the same problems affecting the ambulance service, primary care and mental health services.

In the 19th century, London led the way in how we responded to some of the major health challenges facing the world. In this century, London has fallen behind, and other cities are taking some of the bold and radical action necessary to improve health services and to help people live healthier lives. With the right leadership and the political will, London has an opportunity to be that world-leading city once more. I look forward to hearing what the Minister, who is also a London MP, has to say.

4.2 pm

The Parliamentary Under-Secretary of State for Health (Jane Ellison): It is a pleasure to respond to a debate under your chairmanship, Ms Buck, I think for the first time.

The debate has been extraordinarily rich, with many excellent speeches from my fellow London Members of Parliament. We have a reasonable amount of time left, so I will try to respond to as many points as I can, but certainly on some I would prefer to write a response after the debate. In particular, I would not wish to give my friend, the hon. Member for Hackney South and Shoreditch (Meg Hillier), the Chair of the Public Accounts Committee, anything but the best information, so I will write to her afterwards about some of the details.

I congratulate the hon. Member for Ealing Central and Acton (Dr Huq) on securing the debate with cross-party support. I echo the words of the shadow Secretary of State: it is a great pleasure to see the hon. Member for Ilford South (Mike Gapes) back in this place. He made typically generous remarks about the NHS staff who cared for him, and we, too, thank them, because he is a popular Member in all parts of the House. We are delighted to see him back.

I am a London MP, so the debate is about my constituents as well. Rightly, hon. Members have taken this important opportunity to champion their local populations and their healthcare needs. However, some consistent threads have run through many of the speeches, in particular on the long-term strategic direction given the nature of London and its population. As well as responding to specific points, I want to give Members a sense of the strategic direction that the NHS wants to take in London, and some of the thinking around that.

The NHS in London serves a population of more than 8 million and spent £18 billion last year. As the shadow Secretary of State and others have said, London’s population is younger than the national average and more mobile, and its transient nature often makes continuity of care harder to achieve. In Battersea, I represent the youngest seat in England, and I see that transient, mobile population all the time, whether they are shift workers or young professionals. There are wide variations between and within boroughs in the health of the population, life expectancy and the quality of healthcare.

I will not attempt to respond to all the detailed points that have been made about housing, immigration and some of other wider determinants of health, but I fully acknowledge the interaction of all such important factors when it comes to the health of our constituents, and those factors are rightly at the forefront of the ongoing mayoral election campaign. It is inconceivable that the next Mayor of London, whoever is elected, will not have right at the top of their agenda issues such as housing in London, especially for key workers and the people who keep our important public services going. That is entirely right. I acknowledge that some of the issues that have been highlighted are important for the future of London. The population of London is projected to increase to more than 9 million by 2020, with the largest proportional increase expected in the over-65 age group. Members clearly know what that means for the increasing demand for healthcare.

The leaders of the national health and care bodies in England have set out steps to help local organisations plan over the next six years to deliver a sustainable, transformed health service. I accept that there was controversy in the last Parliament, and that the majority of Members present in the Chamber today disagreed with many of the measures enacted. Nevertheless, we have since had a general election and a majority Conservative Government were elected, having stood on the NHS architecture as it is. At the heart of the Conservative manifesto was an acceptance of the NHS in England’s own plan for its future, the five-year forward view. In a fixed-term Parliament, that gives us the opportunity for a stable system, which can look ahead across five years at how it provides sustainable and transformed services.

As in previous years, NHS organisations will be required to produce individual operational plans for the next financial year. Obviously, that work has happened for 2016-17. In addition, every health and care system will be required, for the first time, to work together to produce a sustainability and transformation plan, which is a separate but connected strategic plan covering October 2016 to March 2021. Many Members have highlighted the frustrations felt between the acute sector and CCGs, and some of the other stresses and strains between the different parts of the system. This will be the first time that the NHS has required all parts of the local health and social care system to sit down together to draw up a five-year plan. That is strategically important in understanding how the system responds.

Those local plans represent an ambitious local blueprint for implementing NHS England’s five-year forward view locally. My hon. Friend the Member for Sutton and Cheam (Paul Scully) and many others talked about the need for long-term planning.

Meg Hillier: I thank the Minister for giving way, because I know she is trying to cover a lot of ground. Long-term planning is sensible, but is she not concerned about a five-year plan when at the same time major transformation is being required of acute hospital trusts through NHS Improvement—again, not a problem in itself, except that it is to be in very short order? Is there not a contradiction between a five-year plan and the short-order demands of the improvement plan for trusts, just to make their books balance?
Jane Ellison: I do not accept how the hon. Lady characterises that. Clearly, there is an interaction between action now and action in the next few years—that is part of how we plan for the future—but, as I said, I will respond to some of the more detailed points in writing. I know that she has examined the matter in some detail in the Public Accounts Committee, with civil servants, Simon Stevens and some of my parliamentary colleagues.

The NHS needs to work beyond the boundaries of individual organisations and sectors. All Members in all parts of the House agree about the need, for example, for health and social care to be further integrated. That process began under the better care fund, but the fact that we need more of it was in all parties’ manifestos. Together with the additional investment that has been made available, the plans are intended to ensure better health for local people, transform the quality of care delivery and, crucially, ensure the sustainable financial position to which a number of Members referred.

That approach represents a step change in strategic planning at the local level, moving away from the year-to-year cycle. However, there is no one-size-fits-all template. London will be covered by a total of five footprint areas, which are geographic areas in which people and organisations will work together to create a clear overall vision and plan for their own area. As Members have eloquently illustrated in their contributions, one sometimes finds different parts of a local system in tension with each other, so it is vital that we sit down and understand how the pathway can become seamless for the individual.

We will learn a lot from some of the vanguards in devolution areas such as Greater Manchester.

The NHS’s financial position is undoubtedly challenging. No one would dispute that, least of all me, but it is important to recognise that despite the difficult decisions the Government have had to take, we have chosen to prioritise funding for the NHS. That is why we have committed an additional £10 billion over the lifetime of the Parliament, starting with £2 billion this year. Simon Stevens has been clear that he asked for an amount of money and that is what he got. He also asked for a certain weighting in the spending review settlement, with front-loaded money to drive transformation, and the money has been set up with that structure.

I am a London MP, too, so I do not want the debate to be confrontational. I share many of the concerns that have been raised today. Everyone acknowledges that in London the health system in general is under pressure, for many unique reasons, but I gently point out to the hon. Member for Ealing Central and Acton, who introduced the debate, took half an hour for her opening speech. I will give way if I have time towards the end. It is a matter of record that we committed—[Interruption.]

Dr Huq: Will the Minister give way?

Heidi Alexander: Will the Minister give way?

Jane Ellison: No, I will press on, particularly as the hon. Member for Ealing Central and Acton, who introduced the debate, took half an hour for her opening speech. I will give way if I have time towards the end. It is a matter of record that we committed—[Interruption.]

All right, I give way to the shadow Secretary of State, if she would like to remind us of what the Labour party pledged at the election.

Heidi Alexander: I am grateful that, when making a political point, the Minister is happy to give way to the shadow Front Bencher.

We have been clear that we would always have given the NHS every penny that it needs. However, the calculations for the five-year forward view were predicated on social care being properly funded and there being no further cuts to the public health budget. I think Simon Stevens would say that those two things are essential if we are to deliver a sustainable NHS. Will the Minister therefore tell me how much money her Government took out of adult social care in the previous Parliament?

Jane Ellison: We have been clear that we have given a large amount: £3.5 billion has been made available to local authorities for social care. Ditto on public health—we will spend £16 billion over the next five years. If I have time, I will come to the good point that was made earlier about the move to business rates retention. It is matter of record that the Government committed at the election to what the NHS had asked for in the five-year forward view, and we will continue to make that commitment.

The London health system—CCGs and provider trusts—has planned for a deficit in 2015-16 of about £350 million, and overall the system is expected to be in that position. Some recovery is expected during 2016-17, and I am sure we will debate that again. In addition, a £1.8 billion sustainability and transformation fund is available, designed to address provider deficits in 2016-17. However, I think all Members would accept that additional Government spending is not the only answer to the challenges faced by the NHS. We have taken action with our arm’s length bodies to support local organisations to make efficiency savings and reduce their deficits, but much of the change Members have talked about is driven by desire to get better healthcare rather than to make savings. If we can make savings as well, that is all to the good, because we can reinvest them in great healthcare.

In London, from early April, the new NHS Improvement body will be providing additional expert support and capacity to trusts experiencing particular financial challenges. That support will include identifying and implementing financial improvement and helping them to identify savings to put them in a stronger position to maintain those savings.

Let me talk about the pressures on urgent and emergency care. It is acknowledged that the urgent and emergency care system faces increasing pressure. More and more people are visiting A&E departments and minor injury units, which is stretching their ability to cope. Members listed some reasons for that in their speeches. A lot of visits are unavoidable, but some people are visiting because of inconsistent management of long-term health conditions, difficulty in getting a GP appointment or insufficient information on where to go.

Winter sees an even bigger rise in visitor numbers and pressure on staff. Although the debate inevitably dwelled on Members’ concerns about their local healthcare systems and problems in them, I am sure we all want to place on record our huge thanks and praise, as many
have, to the staff of London’s NHS, who work extremely hard under a lot of pressure and delivering some really good results against that backdrop. I will come on to that.

London’s A&E units have been significantly challenged this winter, and that has been reflected in performance. However, despite those pressures, the capital’s urgent and emergency care system has proved its resilience, with fewer serious incidents declared than in previous years. This winter, London accounted for just three out of 625 serious incidents declared across England. It is important to praise the staff in saying that.

In January, London’s performance was significantly higher than all other regions, with 90% of patients seen within the four-hour A&E standard. London is also the highest-performing region in England this year to date, with 93.1% of patients seen within the four-hour standard. My thanks and congratulations on that improved performance go to the hard-working staff of London’s services.

Reconfiguration schemes have loomed large in the debate. The health needs of people in London are changing and demands on health services are increasing. The hon. Member for Ilford South in his excellent speech illustrated through his personal stories some of the reasons for the changes in the shape of our health service in terms of how we are investing in specialist services and centres of excellence. The work done to centralise stroke expertise was brought up earlier in the debate. I remind Members, although many will remember, that those changes were bitterly opposed by many people. I am not sure whether that includes anyone in the Chamber, but it certainly includes campaign groups. However, all our London clinicians now say with certainty that those changes, with centralised expertise and specialist care, have saved many lives. That is always worth reflecting on.

People are living longer, the population as a whole is getting older and there are more patients with chronic conditions. We often say that people are living longer, but we forget to say that they are living with chronic conditions for longer, and that presents a longer-term challenge than might be seen at first sight. Heart disease, diabetes and dementia will all increase as they are conditions associated with an ageing population.

We did not dwell on the prevention agenda, but I was delighted that the hon. Member for Edmonton (Kate Osamor) spoke about it. The shadow Secretary of State also touched on it when she mentioned dementia and the problems we all know of older people in hospitals. I urge her to look at the dementia implementation plan we published on 6 March, which is a detailed response to the Prime Minister’s 2020 challenge. Dementia has sat in my portfolio since the election, and that plan is a detailed look at how we deliver against that challenge and in particular at the joined-up care that is key to ensuring that people with dementia have safer and better care in our system and are kept out of the acute sector whenever that is possible.

In a number of areas across the capital, the local NHS has concluded that the way it has organised its hospitals and primary care in the past will not best meet the needs of the future. We are clear that the reconfiguration of front-line health services is a matter for the local NHS, tailored to meet the local population’s needs. I was glad to hear that Members recently met with Anne Rainsberry. The Members who came to the cross-party “Shaping a Healthier Future” meeting last summer will know it is vital that officials at all levels and NHS managers engage with elected Members. I was therefore disappointed to hear what the hon. Member for Eltham (Clive Efford) said. I will ask my officials to look into that. A number of Members asked reasonable questions about why they could not have certain bits of information. I have some specific answers and it may be that we can take a moment after the debate and I will point them in the right direction.

**Andy Slaughter:** I am grateful for what the Minister has said. If she could give an indication to health officials that we must have an open review of where we are with “Shaping a Healthier Future”, look at the implementation of the business plan and consider the Mansfield commission report, which really just asks questions along those lines, it would be very useful indeed.

**Jane Ellison:** We have had the time, during a three-hour debate, to make inquiries, so I will perhaps give the hon. Gentleman an update afterwards.

There have been a lot of references to the interaction with Members. Members of any party may feel they are knocking their heads against a brick wall, but sometimes, to be fair, information cannot be shared for good reasons. There may be commercial confidentiality, or things may be at a particular stage where information cannot be shared. However, I am quite clear that all plans for the local populations that Members represent must be shared with the best level of detail possible, at the most opportune moment. I am always happy to hear from London Members if they feel that that is not happening.

Reconfiguration is about modernising the delivery of care and facilities. I recognise that proposals for those changes sometimes arouse concern. There has been a particular focus on “Shaping a Healthier Future” in this debate, but under that programme, many more community services are now in place across all eight boroughs, so more patients can be seen closer to home. Eleven new primary care hubs are now open. Improved access to GP services has meant an additional 32,000 appointments in Ealing since August 2015, while weekend appointments are now offered to more than 1 million patients across north-west London. Rapid access services in each borough are helping to keep patients with long-term conditions out of hospital where possible, which has already prevented 2,700 hospital admissions in Brent alone.

**Dr Huq:** Will the Minister give way?

**Jane Ellison:** I will not, if the hon. Lady will forgive me, because I think she is going to have a moment to speak at the end, if I can allow it. She gave a half-hour opening speech, which is a little longer than I have to respond, so I will press on.

The Mansfield commission report, which I have read, has been referenced. The costs stated in that independent health commission report are not from the NHS and are not recognised by the NHS. In terms of the response, the unanimous conclusion of the north-west London clinical board was that the commission’s report offered no substantive clinical evidence or credible alternative to consider that would lead to better outcomes for
patients than the plan the NHS has put in place. That plan enjoys an extraordinary level of clinical support, and it is important to say that that anomalous clinical support has been sustained. The financial impact of significant delay and challenge cannot be dismissed, and I know Members are aware of that.

Members have rightly focused on primary care. We all know the important role that primary care in London will play in helping us to meet the significant challenges we face. There are still a large number of single-handed GP practices in London. A significant number of GPs are approaching retirement age, and in some London boroughs, patient list turnover is as high as 37% in a year. The Government have made a number of important commitments on improving primary care. In June 2015, the Secretary of State set out details of a new deal for general practice. In London, the transformation of primary care is being planned and implemented with the support of local resources and a pan-London transformation team. More than £40 million has been invested in primary care transformation in the capital this year.

The GP access fund has accelerated delivery in some areas of London. For example, 700,000 patients in Barking, Havering and Redbridge now have the opportunity to see a GP in the evenings, and 305,000 patients in south-east London have seven-days-a-week access to GPs via new primary care hubs. Some important measures are being invested in and taken forward, but we acknowledge that we need to do more in those areas.

Members have raised a number of concerns about trusts in special measures. I reiterate that those trusts are receiving support to ensure they have in place the strong leadership they need to implement their improvement plans. It was good to hear an expression of support from the hon. Member for Ilford North (Wes Streeting) for local leadership in that regard.

We have touched very little on mental health services in London, which I know is not because Members do not think it is important; we all want to drive towards the parity of esteem that is rightly this Government’s aspiration. In March 2015, the London mental health transformation board was established to support the development and delivery of projects to improve the mental health of Londoners. I do not have time to go into local examples of how that is beginning to make a difference, but they are important and making progress.

I have talked about the integration of health and social care. There are 25 integrated care pioneer sites developing and testing new and different ways of joining up those two important services. In Waltham Forest and east London, services are focused on keeping patients at home, providing care close to home and, if patients are admitted to hospital, getting them home as quickly as possible. In Islington, the local health and social care network is providing a named professional to take responsibility for the co-ordination of the patient’s care plan, with a view to providing the seamless, co-ordinated and proactive care that we want to see particularly for our most vulnerable patients.

In the time left to me, I will try to address one or two particular points raised. I have said that I will look to respond in more detail to points made by the hon. Member for Hackney South and Shoreditch on the McKinsey report and the issues around NHS land. One Member mentioned in an intervention the recruitment of nurses and the position of the MAC.

The hon. Member for Edmonton (Kate Osamor) made important points about the particular needs of our poorest populations. Like many hon. Members, my seat in Battersea has everything, from very wealthy to very poor people and everything in between—that’s London. She talked about the need to invest in prevention. This week, we saw the national diabetes prevention programme launched, which is the first at-scale intervention of its kind in the world. We are also working on important areas, such as a new tobacco plan.

A number of Members touched on the issue of public health budgets when we move to business rates retention. Of course we need to get the balance right, to ensure we continue to bear down on health inequalities. I would be happy to have further discussions, but I reassure Members that we are very conscious of that in the Department of Health and will do everything to address it. Important points were also made by the hon. Member for Edmonton about North Middlesex hospital. She rightly mentioned that key safety issues are being addressed there by some of the local leaders.

I am glad that my hon. Friend the Member for Harrow East (Bob Blackman), who has had to go to the main Chamber, talked about the transformed performance at Northwick Park hospital. It is right to shine a light where we see such improved performance, and I know that the staff very much appreciate it. It was good to hear from my hon. Friend the Member for Sutton and Cheam that his mother had great service. He also illustrated the sometimes unintended consequences of local healthcare campaigns, which he has seen at close hand.

I want to give an assurance that the Department’s capital settlement meets the needs of the NHS and allows the Department to continue with priority public capital projects and support delivery on the five-year forward view over the coming years. St Helier was mentioned on a number of occasions. In anticipation of all the plans there, further work is going on around their affordability, and that ongoing work is important.

The hon. Member for Brent North (Barry Gardiner) made quite a detailed point that I will, of course, look into. We have the recess to look back at Hansard and pick up some of the many detailed points made in this debate. Many notes were being written behind me, and we will look to come back to Members.

There will be things that I have not quite been able to capture, but I give fellow London Members my reassurance that I am always happy to talk to them. I would rather talk to me at an early stage if they are concerned about something. We share many of the same challenges, but we also share the same ambition: to have the very best healthcare for our local residents. The Government are determined to invest in the NHS to be able to deliver on that. With that, I leave the hon. Lady a minute to close the debate.

4.29 pm

Dr Huq: It is a shame you were not here to take part in what has been a really good debate, Ms Buck, in which all three parties in London have been represented. I think everyone agrees that the stand-out contribution was from my hon. Friend the Member for Ilford South (Mike Gapes)—the bionic Member for Ilford South. The point I was going to make in an intervention—I was worried I would not have time to make it—is this. Everyone recognises the Minister is a thoughtful person and not really a Conservative because—
Jane Ellison: Can Hansard record that that is not true?

Dr Huq: She is not a robotic one of those; I think people recognise that she is not a robot. She made the point a few times that we should not use this issue as a political football and we should want the best for everyone. Some of the people I quoted in my speech are not Labour party members. Michael Mars is the chair of Ealing synagogue. He came for a visit this week and pointed out that managerial culture is stifling what the—

Motion lapsed, and sitting adjourned without Question put (Standing Order No. 10(14)).
The Secretary of State for Education (Nicky Morgan): The Government are today launching the first stage of their consultation on national funding formulae for schools and high needs.

As part of our commitment to governing as one nation and to educational excellence everywhere, we must fund pupils with the same characteristics and the same costs at the same rate, no matter where they live. Funding should be fair for all parts of the country: rural and urban, shire and metropolitan, north and south. The current funding system fails to do this, and is arbitrary and unfair: a school in one part of the country can receive over 50% more than an identical school with exactly the same children, simply because of an accident of geography. We will tackle this unfairness and end the education funding postcode lottery by introducing new national funding formulae from 2017-18, based transparently on the needs of children, pupils and schools.

Across all of our proposals we have three priorities: 1) allocating funding fairly and straight to the frontline, 2) matching funding to need so that the higher the need, the greater the funding and 3) ensuring the transition to a reformed system is manageable.

We should allocate funding fairly and straight to the frontline.

Following a transition period, we are proposing a single national formula for schools, removing the role of local authorities in determining school funding so that pupils with similar needs will attract the same level of funding to their school no matter where they live. In a system where increasing numbers of schools operate as academies, independent of their local authority, and more and more are in multi-academy trusts which cross local boundaries, there is limited reason for local authorities to determine the funding of schools. For pupils with high needs, the local authority remains the right level at which to distribute funding, as there are still important local decisions to be made both about the pattern of provision, and about the special provision required for individual children and young people.

Funding should be matched to need.

The distribution of need across the country has changed in the last 10 years, but the funding system has not kept up. Eligibility for free school meals has declined markedly in some areas, and risen elsewhere. But the distribution of core schools funding has remained constant, unable to adapt. With the introduction of the national funding formula, funding will genuinely match need, ensuring that pupils from disadvantaged backgrounds receive significant additional funding to help them overcome entrenched barriers to their success. We are consulting on the objective, evidence-based factors that actively drive cost—we would use these in the schools and high needs systems to match funding to need each and every year. For schools, they cover: basic funding for every pupil, funding for additional needs, funding for school costs and funding for area costs. We want to enable head teachers and local leaders to ensure that all children and pupils are given the opportunity to achieve to the best of their ability at every stage of their education.

The transition should be manageable.

Proposals to remove the role of the local authority from school funding represent a significant change to the system. We are therefore proposing to phase in this change so that there is a smooth transition period, before bringing it in fully in 2019-20.

Authorities will continue to determine the funding for schools in their area in 2017-18 and 2018-19. We will use this transitional phase to look closely at how local formulae have responded to the introduction of the national funding formula. We will also make sure that the pace of change in funding is manageable. For schools, this means continuing the minimum funding guarantee. For high needs, we also propose that a significant element of the formula should, at this time, be based on the current pattern of expenditure, to protect provision for children and young people already settled in schools and colleges. Finally, from 2016-17 we will make available additional funding for schools to invest in ways to save money in future, helping them to manage the transition to a national funding formula. We are also providing information, tools, training and guidance to help schools improve their financial management and efficiency.

What we are proposing will be the biggest step forward in making funding fair in over a decade. These are important and significant reforms to get right and so we will consult in two stages. In our first consultation we are outlining our clear vision for the funding system; the principles by which we will set our formulae; and the factors we propose to use. It will be an opportunity to thoroughly debate the principles and the building blocks of the formulae. Once we have done so, we will then be able to set out proposals for the detailed design of the formulae and show how the new formulae will impact on the funding of schools and local authorities, in a second consultation. A consultation on our plans for early years funding will also follow later in the year.

This Government have already protected the schools budget in real terms and protected the pupil premium to target funding at the most disadvantaged pupils—at levels higher than any Government before. Now we are making the system for distributing this funding fair, so that no pupil or school is disadvantaged by where they are.

[HCWS584]

FOREIGN AND COMMONWEALTH OFFICE

Turkey Refugee Facility

The Minister for Europe (Mr David Lidington): In November 2015, the EU committed to provide €3 billion of resources over 2016 and 2017 for Turkey under the
EU-Turkey Action Plan. In return Turkey committed to enhance its support for Syrians under temporary protection in Turkey and to strengthen co-operation with the EU on preventing irregular migration flows to Europe.

Final arrangements for the €3 billion Turkey refugee facility have been agreed by all EU member states. The €3 billion Turkey refugee facility will be funded by €1 billion from the EU budget and €2 billion bilateral contributions from member states. Member states’ bilateral contributions are calculated according to their Gross National Income (GNI) share. The UK’s bilateral contribution will be €327 million (around £250 million). It will be official development assistance (ODA) expenditure and count towards the UK’s ODA target of 0.7% of GNI.

Member states have secured a strong role in the governance of the facility and disbursal will be tied to Turkish efforts to implement the EU-Turkey Action Plan. The €3 billion Turkey refugee facility will provide immediate humanitarian support and is expected also to fund the schools, hospitals and housing required over the longer term to support refugees and the communities in Turkey which host them.

[HCWS582]

HOME DEPARTMENT

Overseas Domestic Workers

The Minister for Immigration (James Brokenshire): I am today setting out the Government’s response to the key recommendations of the independent review of the overseas domestic worker (ODW) visa, which was undertaken by James Ewins QC and published on 17 December 2015.

The Government acknowledge the vulnerability of ODWs to abuse and exploitation, and have already taken a number of steps both to reform entry requirements to guard against it, and put measures in place to protect the position of ODWs who experience such abuse once they are here. Mr Ewins’ review was commissioned in order to improve our understanding of whether existing arrangements are effective and what more can be done to ensure that abuse can be identified; support provided to victims; and perpetrators dealt with. Such evidence remains elusive due to the difficulty of obtaining reliable data.

The first of the review’s key recommendations is that the Government should relax the “employer tie”, allowing ODWs to change employers and be granted an additional two years’ stay for that purpose. The Government’s primary aim is to ensure that where abuse and exploitation takes place, it is brought to light so that victims can be supported and action taken against perpetrators. The National Referral Mechanism (NRM) has been put in place for this purpose and, as with any other victims of slavery our aim must be to create an environment in which ODWs who are victims of abuse are encouraged to report the abuse and to access support.

The Government’s concern is that if ODWs were able to change employers and significantly prolong their stay, irrespective of whether they have reported this abuse and whether there is evidence that such abuse has taken place, they may be less likely to report abuse. This may perpetuate a revolving door of abuse in which perpetrators remain unidentified and free to bring other domestic workers to the United Kingdom with impunity.

The Government do, however, acknowledge the case which has been put forward for providing ODWs with an immediate escape route from abuse. On the basis of advice from the Independent Anti-Slavery Commissioner we have therefore come to the view that there should be two distinct elements to our approach to the employer tie. First, we will provide those admitted as ODWs with the ability to take alternative employment as a domestic worker with a different employer during the six month period for which they are originally admitted. This ability to take alternative employment will not depend on whether or not they have been found to be the victim of abuse.

Second, we will go further and amend the provisions of the immigration rules introduced in October of last year to increase the period for which an extension of stay will be granted to an ODW who has been the subject of a positive conclusive grounds decision under the National Referral Mechanism from six months to two years. This is in addition to the existing provisions under which discretionary leave may be granted to those, for example, assisting the police with their enquiries or pursuing a compensation claim.

These measures will build on the steps that the Government have already taken, under section 53 of the Modern Slavery Act 2015, to ensure that ODWs who are potential victims of abuse are protected from immigration enforcement action. In the absence of reliable quantitative evidence on the prevalence of abuse, we think these measures will strike the right balance between offering ODWs every opportunity to escape abuse while ensuring that those who report such abuse have greater certainty as to their status. The Government will implement these measures through changes to the immigration rules at the earliest opportunity and we will keep them under review as further data on the issue emerges over time.

In addition, the Government are in full agreement with the review’s second key recommendation that more should be done to ensure that both ODWs and their employers are provided with information on their respective rights and obligations, and to provide ODWs with access to a neutral space in which they can be given advice and an opportunity to alert someone to their situation if they need to. We believe that empowering victims of hidden crimes like modern slavery is fundamental to bringing them into the light and ending the cycle of exploitation. The Government will therefore implement the review’s proposals for the introduction of information, advice and support meetings for ODWs who are in the UK, hosted by an organisation independent of the Home Office. We are considering further whether the requirement to attend the meetings should apply sooner than the 42 days period suggested by the review. As the report has recommended, the cost of providing these meetings will be recovered through an increase in visa fees.

We also accept the broad thrust of the review’s recommendations in respect of entry clearance procedures, and will consider whether we should go further in taking a proactive approach to ensuring that information and messages concerning entitlements and obligations are understood before a visa is issued.
We also want to tighten the obligations of employers of ODWs and ensure that these are rigorously enforced. We therefore intend to go further than the review has proposed to ensure employers’ compliance with their obligations. We will introduce a requirement that any employer wishing to sponsor the entry of an ODW must first register with UK Visas and Immigration for this purpose. Registration will be conditional on the employer agreeing that they will allow their employees to attend the aforementioned information meetings; will comply with employment law; and will co-operate with any workplace-based compliance checks undertaken by UK Visas and Immigration. Any employer who fails to comply with these obligations could then be considered for removal from the register, thus losing the right to sponsor the entry of other ODWs in the future. These measures will send out a clear message to employers of ODWs that the United Kingdom will not tolerate abuse and that we will take action against employers who abuse their workers.

We intend that measures to give ODWs working in private households additional protection should also apply to those employed in diplomatic households. The right to change employers will apply to ODWs who have been admitted to work in a diplomatic setting, as will the requirement to attend information, advice and support meetings. In addition, we already require that the entry of such domestic workers must be sponsored by the relevant diplomat. UK Visas and Immigration may seek from that mission a waiver of the diplomat’s immunity if it wishes to undertake checks on, for example, the diplomat’s compliance with UK employment law.

We will also ensure, as the review has recommended, that where a mission sponsors a private servant of a diplomat under Tier 5 of the Points Based System, one of its sponsorship obligations should be to ensure that the relevant diplomat receives written information about their obligations as employers and confirms they have read and understood it.

It is not, however, clear that requiring that the relationship of employment be with the mission rather than the diplomat—as the review recommends—would make a material difference to our ability to check compliance, as the mission itself would enjoy state immunity. It is also possible that requiring such staff to be employed by the mission would cause the worker to be treated as service staff for the purposes of the Diplomatic Privileges Act 1964, making them exempt from UK immigration control, which would in turn reduce the checks that could be applied before the worker entered the UK.

Mr Ewins has in his report made other recommendations concerning, for example, access to legal assistance and the operation of National Minimum Wage requirements. The Government are considering these points and will make clear their position in due course.

The Government will continue to keep their policies concerning the admission of ODWs under review. We have, in this connection, noted Mr Ewins’ comments concerning the lack of robust evidence about the movements of such workers and the incidence of abuse. The Government’s expectation is that the implementation of the measures set out in this statement as well as the data that will become available from exit checks and the operation of the National Referral Mechanism will shed more light on the issue and the effectiveness of the extensive package of measures that are in place to protect victims.

[HCWS583]

**TRANSPORT**

**Northern Transport Strategy**

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): Today, jointly with Transport for the North (TfN), we are publishing the first annual update report on development of the Northern Transport Strategy.

The report sets out progress across the full range of the transport strategy, covering roads, rail, smart and integrated travel, freight, international and strategic local connectivity including:

- an implementation plan for Smart North—the programme to deliver simplified fares, integrated ticketing and improved online passenger information across all the north’s public transport;
- findings from the ongoing roads strategic studies in the north; the North Trans-Pennine Routes (A66/A69), the Manchester North West Quadrant (M60) studies, and the Trans Pennine Tunnel Study into the options for a new all-weather link between Greater Manchester and Sheffield City Region, including a new tunnel under the Peak District National Park.

The report also summarises the initial findings of the Northern Powerhouse Independent Economic review, commissioned by TfN, and sets out TfN’s aim to become the first statutory sub-national transport body to be established under the Cities and Local Government Devolution Act 2016, so that the north of England can speak to Government with one voice on its transport priorities.

Preparation of the report has been led by TfN, working closely with the Department for Transport, Network Rail, Highways England, HS2 Ltd and the National Infrastructure Commission.

This report marks the achievements of TfN in its first year, towards investing in transport to transform economic growth in the north, and rebalance the UK economy. The Northern Powerhouse cannot be built overnight, it is a long-term plan to which this Government are fully committed.

The full report can be found on: www.gov.uk.

Analysis on application of Standing Order 83L (Enterprise Bill—Analysis on the application of Standing Order No 83L), can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-08/HCWS586/.

The next item on the agenda was on the steel industry. This opened with the Commission arguing that both member states and the EU could help create the environment for the steel industry to grow but industry would also need to play its part. The Commission further noted that a record number of trade defence measures had been applied on steel cases and the modernisation of trade defence instruments (MTDI) package would help accelerate future investigations. It, along with other member states, intervened strongly to stress that the reduction of trade defence investigations time scales from nine months to seven would not be enough. I went on to say that while provisional investigation into cold-rolled steel had been welcome, now was the time for urgent EU action. Several member states argued that the stalemate on MTDI needed to be broken and that market economy status (MES) for China needed to be considered carefully.

The presidency concluded that there was agreement in Council that the period for anti-dumping measures should be shortened; access to EU funding should be simplified to facilitate investment in breakthrough technologies; and the burden of regulatory costs, especially for the EU emissions trading scheme, should be significantly reduced for the best performing plants. Presidency conclusions were later distributed.

The European semester and the implementation of country-specific recommendations (CSRs) to tackle barriers to growth were discussed over lunch. Several member states noted that it was important there was a role for the Competitiveness Council and the high-level group on competitiveness and growth. The presidency reported back to Council that it had been a fruitful debate with member states exchanging experiences and agreeing that effective implementation was indeed important for economic growth.

The afternoon session started with a policy debate on the circular economy. The presidency set out the handling arrangements for the cross-cutting circular economy package, which was released in December. It explained that while the legislative aspects would primarily be dealt with in Environment Council the Competitiveness Council had an important role to play in examining the proposals and considering the opportunities and challenges created by the proposed action plan. The Commission noted that both national and local level engagement would be needed. I intervened to support the ambition behind the circular economy action plan and stressed that action should be prioritised to enable ambitious use of voluntary approaches and measures to improve the coherence between existing EU legislation and initiatives.

Several other member states suggested that flexibility was needed to take account of differing member state circumstances: a one-size-fits-all approach would not be appropriate.

A number of items were discussed briefly under “other business”. In a change to the published agenda the unitary patent and plant breeders’ rights were discussed before the Council considered the update on the portability legislative proposal and the recently announced “Privacy Shield” agreement between the EU and the United States of America.

Commissioner Bienkowska stressed that she was keen to see the unitary patent ratified as soon as possible. And in respect to plant breeders’ rights the Commissioner stressed that the Commission had no intention of reopening the Biotech directive.

There was then an update on the portability of digital content, Commissioner Günther Oettinger, responsible for the digital economy and society, set out that rapid progress had been made on the proposed legislation. I intervened to welcome the Commission’s approach and spoke about the importance of speedy implementation of the portability package, subject to the necessary technical changes.

Commissioner Oettinger informed member states that the draft text of the new EU-US “Privacy Shield” agreement had been published. The new agreement would facilitate the transfer of personal data between the EU and the US following the invalidation of the previous “Safe Harbour”
agreement. The Privacy Shield would provide updated safeguards, including a more robust framework for citizens to seek redress, and an annual review. The UK did not intervene.

[HCWS587]

**TREASURY**

**ECOFIN**

The Financial Secretary to the Treasury (Mr David Gauke): A meeting of the Economic and Financial Affairs Council will be held in Brussels on 8 March 2016. EU Finance Ministers are due to discuss the following items:

- **Mandatory automatic exchange of information in the field of taxation**
  - The Council will hold a discussion on a presidency compromise text on the Commission's proposal to amend the directive with regards to the mandatory exchange of information in the field of taxation as part of the EU taking forward the recommendations from the OECD.
- **Current legislative proposals**
  - The presidency will update the Council on the state of play of financial services dossiers.
- **State of play of the banking union**
  - The Commission will give an update on several dossiers linked to the banking union: the single resolution fund, the bank recovery and resolution directive and the deposit guarantee scheme directive. Following this, the presidency will update the Council on progress to establish a European deposit insurance scheme which the UK is not participating in.
- **Fiscal sustainability report 2015**
  - Ministers will adopt conclusions outlining the Council’s position on the Commission’s fiscal sustainability report.
- **Follow-up to the G20 meeting of Finance Ministers and central bank governors on 26-27 February 2016**
  - Following the first G20 of the Chinese presidency in Shanghai on 26-27 February, the Commission and the ECOFIN chair will debrief Ministers on discussions.
- **European semester 2016: implementation of country-specific recommendations drawing on the country reports and in-depth reviews.**
  - The Commission will report to ECOFIN on the implementation of 2015 country-specific recommendations with a particular focus on removing the barriers to investment. Also, the Commission will present the country reports, published 26 February. This will be followed by an exchange of views.

[HCWS594]

**DEFENCE**

**Armed Forces’ Pay Review Body Report**

The Secretary of State for Defence (Michael Fallon): The 2016 report of the Armed Forces’ Pay Review Body (AFPRB) has now been published. I wish to express my thanks to the Chair and members of the review body for their report.

The AFPRB recommendations are to be accepted in full and will become effective from 1 April 2016. Copies of the AFPRB report are available in the Vote Office.

[HCWS593]

**FOREIGN AND COMMONWEALTH OFFICE**

**North Korea**

The Minister of State, Foreign and Commonwealth Office (Mr Hugo Swire): I would like to update the House on recent developments on the Korean peninsula, the international response and what actions the Government are taking.

I remain deeply concerned by North Korea’s continued development of its nuclear and ballistic missile programmes, and its sustained prioritisation of these programmes over the well-being of its own people. Following the nuclear test on 6 January and the satellite launch using ballistic missile technology on 7 February, the UN Security Council has now unanimously agreed resolution (UNSCR) 2270. This was adopted on 2 March. In his statement of the same day, the Secretary of State for Foreign and Commonwealth Affairs, my right hon. Friend the Member for Runnymede and Weybridge (Mr Hammond) welcomed the adoption of this resolution, which contains robust measures to tackle North Korea’s illegal nuclear programme.

UN Security Council resolution 2270 expands and strengthens the sanctions against DPRK. It contains a range of measures that: tackle proliferation networks; increase inspections of North Korean cargo, and controls on shipping; add new sectoral bans on the export of coal, iron ore, gold and other metals, and on the import of aviation fuel; and the mandatory closing of North Korean financial sector entities and banks that we suspect could be contributing to the DPRK’s nuclear or ballistic missile programmes. It also designates additional North Korean individuals, entities, registered vessels, as well as certain luxury goods. These measures provide strengthened means to tackle North Korea’s illicit proliferation and its illegal nuclear programmes and are a strong signal that the international community is prepared to take tough action in response to violations of UNSC resolutions.

We are working to ensure all states fully implement UN Security Council resolution 2270, along with their obligations under all previous UN Security Council resolutions. The UK is not a member of the Six Party Talks but we will remain in close touch with the US, the Republic of Korea, China, Russia and Japan on their approach towards North Korea. The Foreign Secretary has spoken in recent weeks to the South Korean Foreign Minister, the Japanese Foreign Minister, and the US Secretary of State to confirm the UK’s strong backing for a united and robust international response to the DPRK’s provocations and reaffirm the support of our allies in the region.

Our message to North Korea is clear. If it is willing to stop its provocations, fundamentally change its approach and take concrete steps towards re-engagement, it will find that the international community will respond positively. If it continues on its current course, prioritising the development of its nuclear and ballistic missile programmes over improving the well-being of its own people, it will face further isolation and international action. We continue to urge DPRK to engage in credible multilateral talks on denuclearisation and for North Korea to fully abide by its UNSCR obligations.

[HCWS588]
HEALTH

NHS Pay Review Body

The Secretary of State for Health (Mr Jeremy Hunt): I am responding on behalf of my right hon. Friend the Prime Minister to the 44th report of the NHS Pay Review Body (NHSPRB). The report has been laid before Parliament today (Cm 9210). Copies of the report are available to hon. Members from the Vote Office, to noble Lords from the Printed Paper Office and is also available online. I am grateful to the Chair and members of the NHSPRB for their report.

We welcome the 29th report of the NHS Pay Review Body. The Government are pleased to accept its recommendations in full.

We will take forward NHSPRB’s suggestions for how we can continue to improve our support for its important work.

Report of NHSPRB (Cm 9210) (54488 Cm 9210 NHSPRB 2016), can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-08/HCWS589/.

Doctors’ and Dentists’ Remuneration Report

The Secretary of State for Health (Mr Jeremy Hunt): I am responding on behalf of my right hon. Friend the Prime Minister to the 44th report of the Review Body on Doctors’ and Dentists’ Remuneration (DDRB). The report has been laid before Parliament today (Cm 9211). Copies of the report are available to hon. Members from the Vote Office, to noble Lords from the Printed Paper Office and is attached. I am grateful to the Chair and members of the DDRB for their report.

We welcome the 44th report of the Review Body on Doctors’ and Dentists’ Remuneration. The Government are pleased to accept the recommendations in full.

We will take forward DDRB’s suggestions for how we can continue to improve our support for its important work.

Report of the DDRB (Cm 9211) (54290 Doctors and Dentists Pay Review 2016), can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-08/HCWS590/.

HOME DEPARTMENT

Justice and Home Affairs (Pre-Council Statement)

The Secretary of State for the Home Department (Mrs Theresa May): The Justice and Home Affairs (JHA) Council is due to be held on 10 and 11 March in Brussels. I will be attending Interior Day on behalf of the United Kingdom.

Thursday (Interior Day) will begin with a discussion on migration, continued over lunch, during which the Council will evaluate the implementation of measures taken by the EU and member states to address the migration crisis. The discussion will also consider what further action should be taken. I will use this discussion to reinforce our longstanding messages on securing the external EU border and the effective implementation of “hotspots” in Greece and Italy and the UK’s ongoing contribution to joint efforts in these areas. I will set out our view that we should not replace the longstanding principles of the Dublin regulation, and that any reform should focus on making the existing principles work better. I will also urge EU colleagues to consider whether current EU asylum systems allow member states to respond effectively to the migration crisis and will use the discussion to encourage more radical thinking on how the EU collectively restores control over the system.

Lastly, I will reaffirm the importance of a coherent approach along the migration routes, from countries of origin through to countries of destination. In this regard it is essential that the EU and member states continue collective efforts to address migratory flows further upstream, both on the eastern Mediterranean and the central Mediterranean routes, including implementation of the priorities agreed under the Valletta action plan.

This will be followed by discussion on the proposal for a regulation setting up a European Border and Coast Guard Agency, which is likely to focus on the “right to intervene” and concerns that some member states have around national sovereignty. The presidency are aiming for a general approach in April and political agreement by June in order to make the new system operational as soon as possible. The Government support the strengthening of the external border but, as the proposal builds on provisions of the Schengen aquis in which the UK does not participate, the UK will not be bound by this regulation. The Government’s policy priorities in this negotiation are to ensure a continuation of our current relationship with Frontex, whereby the UK participates in operations and other activities on an ad hoc basis by mutual consent, to maintain our seat (as a non-voting observer) at the Management Board, and to protect and ensure no adverse impact on our existing bilateral arrangements such as those in operation at the juxtaposed controls. The UK supports the proposal that the Council take a greater role in the decision making process, rather than that decision resting with the Commission.

There will then be a first reading on a proposal for a directive of the European Parliament and of the Council amending Council directive 91/477/EEC on control of the acquisition and possession of weapons. The presidency will seek a steer from the Council on a number of policy issues.

The counter terrorism agenda item will commence with a presentation, based on a paper, by the counter terrorism co-ordinator. The presentation reviews progress made against the 20 November 2015 Justice and Home Affairs Council conclusions. The UK will continue to push for our priorities on the firearms directive including a prohibition on certain high powered semi-automatic weapons. I will outline our priorities of the effective and reciprocal sharing of information between Schengen and non-Schengen states as concerns refusals of entry, removals and visa revocation.

Friday (Justice Day) will begin with discussion of the draft EU directive on combating terrorism, which will revise the 2002 framework decision on combating terrorism (2002/JHA/475), as amended, with a view to reaching a
the UK has decided not to opt in to the directive. The UK has, however, been an active negotiator and continues to support international collaborative efforts to tackle foreign fighters. The Government broadly support the aims of the directive, which seeks to ensure further compliance with UN Security Council resolution 2178, and the Council of Europe additional protocol to the 2005 convention on the prevention of terrorism. The Government have decided not to opt in to this draft directive, as the UK is already compliant with those international obligations.

There will follow a progress report on the digital single market, specifically on the proposed supply of digital content directive and the distance sales of goods directive. In December the Commission published two new draft directives as part of the digital single market strategy to harmonise consumer contractual rights for the sale of digital content. The Government welcome this approach, which should align progress on the tangible goods proposal with the result of the Commission’s research for the consumer protection regulatory fitness and performance programme (REFIT programme) which aims to cut red tape, remove regulatory burdens, simplify and improve the design and quality of legislation.

This will be followed by a policy debate on the proposal for a European Public Prosecutor’s Office. The UK will not participate in the proposal, and the discussions are not expected to cover how the European Public Prosecutor’s Office might seek to work with non-participating member states such as the UK.

The Commission will be providing an update on the progress of the EU-US umbrella agreement which is a draft agreement between the US and the EU on the protection of personal information; on its proposals for the EU to sign and conclude the Council of Europe convention on preventing and combating violence against women and domestic violence; and on its dialogue with IT companies on tackling online hate speech. The presidency will provide an update on the outcomes of its 7 March conference on securing, exchanging and using e-evidence.

Over lunch, the Commission intends to present a short update on the “EU-US Privacy Shield”, intended to provide a renewed framework for the transatlantic transfer of personal data, on work on radicalisation in prisons and on proposal to authorise enhanced co-operation in relation to matrimonial property regimes. The UK will not be participating in any such enhanced co-operation.

 Violence against Women and Girls

The Secretary of State for the Home Department (Mrs Theresa May): On Tuesday 8 March, to mark International Women’s Day, the Government are publishing their Violence Against Women and Girls (VAWG) strategy for this Parliament. A copy will be placed in the Library of the House.

We have made progress since publishing the original “Call to End Violence against Women and Girls” in 2010. Data from the crime survey for England and Wales shows a general downward trend in sexual assaults since 2005-06 and that 8.2% of women were a victim of “any domestic abuse” in the last year—the lowest estimate since these questions were first asked in the 2004-05 survey.

At the same time, reporting of what often continue to be hidden crimes is increasing which the Office for National Statistics attributes to greater victim confidence and better recording by the police. The number of prosecutions and the number of convictions for VAWG crimes were all higher than ever before in 2014-15. But there were still an estimated 1.35 million female victims of domestic abuse in the last year, and over 300,000 victims of sexual violence. This is wholly unacceptable and we remain determined to end violence against women and girls.

Over the next four years, we will support a transformation in service delivery and a step change in social action to do more still to achieve a long-term reduction in the prevalence of these terrible crimes, to help women and girls rebuild their lives, and to break the inter-generational consequences of abuse. We will continue to ensure victims get the help they need, when they need it, and drive a shift from a model of crisis intervention to prevention and early intervention. We will develop the evidence base on, and embed, what works to tackle the causes of offending behaviour to achieve sustainable reductions in violence and abuse.

Over this spending review period, we are providing £80 million of dedicated VAWG funding to continue to provide a bedrock of critical services for VAWG, and to support the a transformation in local service delivery to support local areas to build coherent pathways of support for victims at every stage.

[HCWS595]

JUSTICE


The Parliamentary Under-Secretary of State for Justice (Andrew Selous): The fifteenth report of the Prison Service Pay Review Body (PSPRB) (Cm 9206) has been laid before Parliament today. The report makes recommendations on the pay for governing governors and other operational managers, prison officers and related support grades in England and Wales in 2016-17. Copies are available in the Vote Office and the Printed Paper Office.

I am grateful to the chair and members of the PSPRB for their hard work in producing these recommendations. The recommendations for 2016-17 will be implemented in full.

[HCWS592]

PRIME MINISTER

EU-Turkey Summit

The Prime Minister (Mr David Cameron): I attended the EU-Turkey summit and informal European Council meeting in Brussels on 7 March. The context for this summit was the significant increase in the number of
people crossing the Aegean from Turkey to Greece in the early months of 2016, compared to the same period in 2015, and the recent actions by EU member states to restrict the numbers travelling on the western Balkans route. From the beginning of this crisis we have been arguing that a comprehensive approach is essential. An approach which tackles the drivers of migration at source; which helps refugees live in dignity as close as possible to their homes; and which reduces the risks to human life by breaking the link between getting on dangerously overcrowded boats and securing entry to the EU. We made important progress in this direction at the London conference on Syria last month, which raised $11 billion to help refugees in the region. This EU-Turkey summit demonstrated clearly that our argument is now widely accepted. It also established the outlines of a new deal with Turkey which, if implemented as envisaged, could finally break the people smugglers' business model and dramatically reduce the number of illegal border crossings from Turkey to the EU. We began with the EU-Turkey summit meeting with Prime Minister Davutoglu, which discussed the main elements of a potential new agreement. EU heads and Prime Minister Davutoglu made clear that their shared aim was rapidly to reduce the flow of illegal migration from Turkey to the European Union. Prime Minister Davutoglu brought a very significant set of new proposals to this summit. For the first time, Turkey offered to accept the return of all those illegally crossing from its territory to the Greek islands, in return for steps by the EU to help it cope with the very large number of refugees it is currently hosting, and certain wider advances in the EU-Turkey relationship. We also discussed the importance of free speech and an independent media. This summit meeting was followed by an informal meeting of the European Council to discuss the EU's response to Turkey's new proposals. Good progress was made in the course of these meetings in establishing broad agreement on the principles which should underpin a new EU-Turkey agreement. These principles will be worked on intensively over the coming week, with the aim of reaching final agreement at the 17-18 March European Council.

Among the key principles were that Turkey would take back all those crossing illegally from Turkey to the Greek islands, whether from Syria or from other countries; and that the EU would reinforce this deterrent to people smuggling by resettling an equivalent number of Syrians to those returned in this way directly from refugee camps and elsewhere in Turkey. The aim would be definitively to break the business model of the people smugglers and to end illegal crossings by boat within a short period, by making clear to all concerned that paying people smugglers to get on a boat would not result in securing access to the EU. The UK would not be obliged by this agreement to resettle any additional refugees; we are already resettling 20,000 of the most vulnerable Syrians directly from Turkey, Lebanon and Jordan through our own national scheme.

The EU made clear in parallel that it was determined to take wider steps, effective immediately, to close the western Balkans route for illegal migration. It was also agreed that the members of the Schengen area would speed up the process of visa liberalisation for Turkish citizens; and that the EU would in due course consider extending the current financial support to help Turkey cope with the costs of hosting such a large number of refugees from Syria from 2018. The EU agreed to prepare for a decision on the opening of new chapters in Turkey's EU accession negotiations as soon as possible, building on the October 2015 European Council.

If these principles can be turned into a final agreement, and that agreement is then implemented as envisaged, it could provide the basis for a breakthrough in the resolution of this crisis, by breaking the link between getting on boats and securing access to the EU. This is what this Government has been arguing for for over a year now. The agreement envisaged would not impose any new obligations on the UK in respect of the resettlement or relocation. Because we are not members of the Schengen area, we are able to maintain our own border controls and make our own decisions on asylum. We will not be part of the process of liberalising visas, and will still require visas for Turkish citizens to visit Britain. The single biggest factor driving the very large-scale migration we have seen in the last two years has of course been the ongoing conflict in Syria. Between the EU-Turkey summit and informal European Council, I hosted a meeting with Chancellor Merkel, President Hollande, Prime Minister Renzi, Prime Minister Davutoglu and EU High Representative Mogherini to discuss the situation in Syria. Along with my EU counterparts, I updated Prime Minister Davutoglu on the phone call we had jointly made to President Putin last week. We agreed on the importance of all sides respecting the current truce to provide space for genuine peace talks and to allow humanitarian access to those areas most in need. We also agreed on the need to continue our support for the moderate opposition, so that they are able to play a full role in the political process. Their participation is essential if a lasting settlement is to be achieved, and a new transitional Government put in place which can represent all the Syrian people. A copy of the statement by the EU Heads of State or Government has been placed in the Libraries of both Houses and can also be found at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-08/HCWS591/ [HCWS591]
Written Statement

Wednesday 9 March 2016

HEALTH

NHS Learning Culture

The Secretary of State for Health (Mr Jeremy Hunt):
I would like to inform the House of the steps the Government are taking to make the NHS the safest healthcare system in the world. Perhaps the single most important thing we can do is to create a learning rather than a blame culture, so that clinicians feel supported to speak out when things go wrong.

NHS Improvement is today publishing a “Learning from mistakes league”. This draws on data from the staff survey and safety reporting data to set out a league table for NHS provider organisations. This will provide information to the providers themselves as well as to the wider public about how well different organisations are learning, and how open and honest they are. The information in the league will be published on an annual basis as part of the CQC’s report on hospital care quality.

Later this month, NHS Improvement will also publish estimates by trust of avoidable mortality, and information relating to this will then be published as part of an annual CQC report on care quality in hospitals.

In addition to greater and more intelligent transparency, a culture of learning means we need to create an environment in which clinicians feel able to speak up about mistakes. We will therefore bring forward measures for those who speak honestly to investigators from the healthcare safety investigation branch to have the kind of “safe space” that applies to those speaking to the air accident investigation branch.

The General Medical Council and the Nursing and Midwifery Council have made it clear through their guidance that where doctors, nurses or midwives admit what has gone wrong and apologise, the professional tribunal should give them credit for that, just as failing to do so is likely to incur a serious sanction. The Government remain committed to legal reform that would allow professional regulators more flexibility to resolve cases without stressful tribunals.

NHS Improvement will ask for the commitment to learning to be reflected in all trust disciplinary procedures and ask all trusts to publish a charter for openness and transparency so staff can have clear expectations of how they will be treated if they witness clinical errors.

From April 2018, the Government will introduce the system of medical examiners recommended in the Francis report. This will bring a profound change in our ability to learn from unexpected or avoidable deaths, with every death either investigated by a coroner or scrutinised by a second independent doctor. Grieving relatives will be at the heart of the process and will have the chance to flag any concerns about the quality of care and cause of death with the independent clinician.

NHS England is working with the Royal College of Physicians to develop and roll out across the NHS a standardised method for reviewing the records of patients who have died in hospital.

These measures, along with the professionalism and dedication of NHS staff will help the NHS to achieve its aim of becoming the world’s largest learning organisation.

[HCWS597]
Business, Innovation and Skills

Enterprise Bill

The Minister for Small Business, Industry and Enterprise (Anna Soubry): I am today placing in the Libraries of both Houses the Department’s analysis on the application of Standing Order 83L in respect of the non-Government amendment passed at Commons Report stage for the Enterprise Bill.

National Measurement and Regulation Office

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid): I wish to inform the House of a change regarding the future of the National Measurement and Regulation Office.

The National Measurement and Regulation Office has responsibility for simplifying technical regulation for the benefit of British businesses through its legal metrology, hallmarking, technical services and enforcement activities.

The National Measurement and Regulation Office currently operates as an Executive agency and is sponsored by the Better Regulation Delivery Office, a directorate within the Department for Business, Innovation and Skills.

Over the last 12 months, the National Measurement and Regulation Office has worked closely with the Better Regulation Delivery Office to improve the regulatory environment, saving money for business and the state, reducing burdens and improving outcomes.

I wish to take this further by bringing the work of the National Measurement and Regulation Office and the Better Regulation Delivery Office together into a single combined directorate—the Regulatory Delivery directorate.

The National Measurement and Regulation Office will cease to operate as an executive agency from the 31 March 2016. The functions and staff of the National Measurement and Regulation Office will transfer to the Department for Business, Innovation and Skills.

The new Regulatory Delivery directorate will report to the Minister for Small Business, Industry and Enterprise. It will operate as a regulatory centre of excellence, ensuring that the way regulation is enforced is proportionate and risk based. It will support British business, ensuring there is the right protection, confidence and equity for businesses as well as simplifying a complicated regulatory landscape.

The new directorate will deliver existing functions of the National Measurement and Regulation Office and the Better Regulation Delivery Office, such as primary authority, better business for all, metrology, hallmarking policy, technical and enforcement work.

Written Statements
Thursday 10 March 2016

Defence

Air Cadet Aviation Relaunch

The Parliamentary Under-Secretary of State for Defence (Mr Julian Brazier): In April 2014 all Air Cadet Organisation gliding was paused due to airworthiness concerns with the Grob Viking conventional glider and Grab Vigilant motorglider fleets utilised by the air cadet Volunteer Gliding Squadrons (VGS).

Substantial operational, technical and commercial negotiations with a range of aerospace leaders in this field have failed to find a value for money approach to successfully repair and recover all 146 gliders. Consequently a comprehensive Air Cadet Organisation review has proposed restructuring this activity. It has been decided that the best value for money solution is to recover at least 73 Vikings, a reduced vigilant fleet of up to 15 aircraft, combined with an uplift to Grob Tutor fixed wing air experience flights (AEFs).

The reduced glider fleet will be operated by significantly fewer, but larger, VGS, which will have a regional focus and be better integrated with synthetic training and increased AEF locations. The number of Grob Tutor aircraft beyond 2017 for AEF/ University Air Squadron (UAS) use will go from 45 to 70 airframes, enabling the enlargement of existing AEFs and the formation of two new AEFs. Regional VGS hubs, which have the facility to provide overnight accommodation, will be also created across the UK.

The Volunteer Gliding Squadrons that are due to be disbanded are: 611 Squadron currently based at RAF Honington, 612 Squadron currently based Dalton Barracks (Abingdon), 613 Squadron currently based at RAF Halton, 616 Squadron currently based at RAF Henlow, 618 Squadron currently based at RAF Odiham, 624 Squadron currently based at RMB Chivenor, 633 Squadron currently based at RAF Cosford, 634 Squadron currently based at MOD St Athan, 635 Squadron currently based at RAF Topcliffe, 636 Squadron currently based at Swansea Airport, 642 Squadron currently based at RAF Linton-on-Ouse, 662 Squadron currently based at RMB Arbroath, 663 Squadron currently based at Kinloss Barracks and 664 Squadron currently based at Newtownards.

The Volunteer Gliding Squadrons that are due to be retained are the Central Gliding School and 644 Squadron currently based at RAF Syerston, 614 Squadron currently based at MDP Wethersfield, 615 Squadron currently based at RAF Kenley, 622 Squadron currently based at Trenchard Lines Upavon, 626 Squadron currently based at RNAS Predannack, 631 Squadron currently based at RAF Woodvale, 632 Squadron currently based at RAF Ternhill, 637 Squadron currently based at RAF Little Rissington, 661 Squadron currently based at RAF Kirknewton and 645 Squadron currently based at Topcliffe (from October 2019). 621 Squadron currently based at Hullahvington will be retained at RNAS Merryfield.

As part of this process, a number of regional gliding hubs are to be created. We also expect that two new air experience flights will be created, 13 AEF and 14 AEF. It is anticipated that 14 AEF will be located in Northern Ireland.
While work is undertaken to set up this new structure, the future locations of these squadrons remains subject to the outcome of MOD estate rationalisation due to announce later this year. While it is likely that many squadrons will remain at their current locations, we are working to ensure that, where this is not the case, flying opportunities will be made available to cadet units within their region and any new locations will be as geographically close to the existing locations as possible.

We recognise that this means that some uncertainty will remain for our cadets, but we are confident that this new structure will maximise flying opportunities for them.

As VGS are run by volunteer staffs, this will not result in any job losses, albeit volunteering options will be affected. The RAF is extremely grateful for the volunteer gliding instructors who become surplus on affected VGS to convert to Viking; transfer to a formally established ground cadre within a VGS; transfer their instructional skill sets into the units of the mainstream Air Cadet Organisation; or to retrain to fly the Grob Tutor in the expanded AEF construct.

The RAF remains committed to air cadet flying and will ultimately increase investment in the VGS and AEF sites which will remain to include the provision of residential accommodation for cadets and staff. This will enable those cadet units which have to travel greater distances to the VGS to undertake a residential weekend, with better associated force development and ground training opportunities alongside the gliding and flying. With the introduction of glider simulators, funded by the RAF charitable trust, the Air Cadet Organisation have developed a common syllabus for cadet flying which better integrates and allocates cadet flying opportunities between realistic synthetic flight simulation, glider flying and an uplift of AEF flights.

We will make a further statement when we can say more on basing.

[HCWS605]

ENERGY AND CLIMATE CHANGE

Energy Bill: Memorandum of Updated Analysis of EVEL

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): I am pleased to announce the publication of updated analysis of the Energy Bill for the purposes of English votes for English laws.

The English votes for English laws process applies to public Bills in the House of Commons. To support the process, the Government have agreed that they will provide information to assist the Speaker in considering whether to certify that Bill or any of its provisions for the purposes of English votes for English laws.

The memorandum provides an assessment of tabled Government amendments, for the purposes of English votes for English laws, ahead of Commons report. The Department’s assessment is the amendments do not change the territorial application of the Bill.

This analysis reflects the position should all the Government amendments be accepted.

The memorandum can be found on the Bill documents page of the Parliament website at: http://services.parliament.uk/bills/2015-16/energy/documents.html and I have deposited a copy in the Libraries of both Houses. [HCWS598]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture and Fisheries Council

The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): The Agriculture and Fisheries Council will take place on 14 March in Brussels. I will be representing the UK.

Also in attendance will be the Scottish Cabinet Secretary for Rural Affairs, Food and Environment, Richard Lochhead MSP; the Northern Irish Minister of Agriculture and Rural Development, Michelle O’Neill MLA; and the Welsh Deputy Minister for Farming and Food, Rebecca Evans AM.

The following items will be discussed:

The primary focus on fisheries will be the adoption of a European Court of Auditors report entitled: “Are the Fisheries Partnership Agreements well managed by the Commission?”, as well as a political agreement on the management of sandeel through the establishment of a total allowable catch for 2016.

The primary focus on agriculture will be a presentation by the Commission and an exchange of views on present market situations, and the use of financial instruments in the agriculture sector. The adoption of a report entitled: “EU support to timber-producing countries under the FLEGT action plan” is also tabled.

The UK has tabled an any other business item on the simplification of CAP audits. I will be encouraging the Commission and other member states to take a fresh look at the way in which we audit and control the common agricultural policy in order to simplify arrangements and reduce the burdens placed on farmers while providing proper protection for public money.

There are currently two additional confirmed any other business items tabled for this Council:

“Hybrid” nutritional labelling system—tabled by the various delegations.
High-level meeting on African swine flu—tabled by Estonia. [HCWS601]

FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs Council and General Affairs Council

The Minister for Europe (Mr David Lidington): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs will attend the Foreign Affairs Council on 14 March and I will attend the General Affairs Council on 15 March. The Foreign Affairs Council will be chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini, and the General Affairs Council will be chaired by the Dutch presidency. The meetings will be held in Brussels.
FOREIGN AFFAIRS COUNCIL

The agenda for the Foreign Affairs Council (FAC) is expected to include Libya, Russia, Iran and the middle east peace process.

Libya

The FAC will take stock of the latest developments in the UN-led political process and assess where the EU can provide support. The UK and international partners continue to urge swift Libyan endorsement of the Government of national accord (GNA). We will highlight the need for the EU’s support package to take migration activity into account and encourage planning to be co-ordinated with the UN.

Russia

Ministers will discuss the EU’s relationship with Russia, both in the immediate and longer term. We expect ministers to underline the importance of continued EU unity.

Iran

Ministers are expected to exchange views on Iran following implementation day of the nuclear deal and the lifting of nuclear-related economic sanctions. We also expect Ministers to discuss the EU’s developing bilateral relationship with Iran and the opportunities and challenges this will bring.

Middle east peace process

Ministers are expected to discuss what more the EU can do to encourage progress in the middle east peace process.

GENERAL AFFAIRS COUNCIL

The General Affairs Council (GAC) on 15 March is expected to focus on European Council follow up, preparation of the 17-18 March European Council, European semester, the inter-institutional agreement on better regulation and cohesion policy.

European Council follow up

The GAC will discuss the implementation of conclusions adopted at previous European Councils.

Preparation of the March European Council

The GAC will prepare the draft conclusions for the 17-18 March European Council, which the Prime Minister will attend. The March European Council agenda covers migration and will discuss priorities for the 2016 European semester.

European semester

There will be a short debate on the priorities for the 2016 European semester, which will focus on the country reports published by the Commission on 26 February. The UK report, which is overall positive, includes analysis of the economic situation, Government policies, macro-economic imbalances and wider structural issues. There may also be a discussion on steps taken under the excessive deficit procedure and macroeconomic imbalance procedure.

Inter-institutional agreement on better regulation (IIA)

The GAC will vote to adopt the IIA and will also discuss the implementation of the legislative programming element of the IIA.

Cohesion policy

At the end of 2015, the Commission published a report setting out how member states had agreed to spend the European structural and investment funds allocated to them, as required under article 16 of the common provisions regulation (EU 1303/2013). The EU Commissioner for Regional Policy, Corina Cretu, will formally present the article 16 report and the Council conclusions will be adopted.

HOME DEPARTMENT

Terrorism Prevention and Investigation Measures

The Secretary of State for the Home Department (Mrs Theresa May): Section 19(1) of the Terrorism Prevention and Investigation Measures Act 2011 (the Act) requires the Secretary of State to report to Parliament as soon as reasonably practicable after the end of every relevant three-month period on the exercise of her TPIM powers under the Act during that period.

The level of information provided will always be subject to slight variations based on operational advice.

<table>
<thead>
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<th>Category</th>
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<tr>
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<td>TPIM notices in respect of British citizens (as of 29 February 2016)</td>
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<td>TPIM notices revoked (during the reporting period)</td>
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<td>TPIM notices revived (during the reporting period)</td>
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<td>Variations made to measures specified in TPIM notices (during the reporting period)</td>
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<tr>
<td>The number of subjects relocated under TPIM legislation</td>
<td>2</td>
</tr>
</tbody>
</table>

The TPIM review group (TRG) keeps every TPIM notice under regular and formal review. The TRG met on 14 and 15 December 2015. The next TRG meetings will take place on 18 March 2016.

TRANSPORT

HS2 Phase One Hybrid Bill Select Committee Report

The Minister of State, Department for Transport (Mr Robert Goodwill): I am today publishing the Department’s response to the second special report from the Select Committee for the HS2 Phase One hybrid Bill that was published on 22 February 2016.

The Select Committee was tasked with considering petitions from those specially and directly affected by the Bill and subsequent additional provisions to the Bill. Their second special report marked the culmination of over 18 months of Committee deliberations which began in July 2014. Over the course of the Select Committee process, 2586 petitions were lodged against the original Bill and the subsequent five additional
provisions to the Bill. The Select Committee heard approximately 1,600 of those petitions in formal session, with the remainder withdrawing, or choosing not to appear before the Select Committee, mainly as a result of successful prior negotiation with HS2 Ltd.

Where the Select Committee considered it appropriate to do so, they suggested modifications to the Bill powers, the provision of specific undertakings and assurances to petitioners or the provision of additional mitigation works. During the Select Committee process, five additional provisions were made to the Bill and many of these contained further mitigation measures that were agreed with petitioners and the Select Committee during the course of the hearings. The Select Committee’s recent report summarises their hearings and contains further general recommendations as well as recommendations on specific petitions in relation to those issues where they felt an intervention was required.

In responding to the Select Committee, we have endeavoured to be as constructive as possible and have similarly aimed to confine our responses to those areas of the report where it seemed beneficial to note our agreement to the recommendation or to offer a clarification, where appropriate.

Alongside the response to the Select Committee report, we are also publishing a number of additional documents today. These are the Statement Of Reasons Command Paper, an equalities impact assessment consultation response report, together with supporting documents and a water framework directive assessment update.

The Statement Of Reasons Command Paper, which is entitled the “Government overview of the case for HS2 Phase One and its environmental impacts”, is required by Parliamentary Standing Order 224A in order to assist the House during the third Reading of the HS2 Phase One hybrid Bill. This document summarises the work that has already been done to assess, control and mitigate the environmental impacts of HS2 Phase One, and explains why the Government continue to take the view that the HS2 Phase One project is worthy of its support.

Two equalities impact assessment (EQIA) updates were published for consultation in 2015 to take account of changes to the Phase One Bill scheme made by the additional provisions to the Bill. The summary report that is being published today provides HS2 Ltd’s response to issues raised by consultation responses received on the two EQIA updates. I am also placing some supporting documents into the Libraries of both Houses and these are the original hybrid Bill EQIA, the EQIA update consultations for Euston and the update consultation on the remainder of the Phase One route and the summaries of responses to both consultations.

The Phase One hybrid Bill was assessed for compliance against the water framework directive (WFD) objectives in a series of published documents. Since then, the Court of Justice of the European Union has ruled in favour of a challenge against a WFD objective assessment process. In doing so, the Court of Justice clarified the way in which compliance with the directive’s key environmental objectives should be interpreted in the assessment of new developments and scheme proposals. In light of the ruling, the WFD assessment for the proposed scheme has been reviewed and updated and we are publishing this today.

Copies of the response to the Select Committee can be found on the www.gov.uk website. Copies of the statement of reasons, the equalities impact assessment consultation response report, together with supporting documents, and the water framework directive assessment update will be made available in the Libraries of both Houses.

[HCWS602]
CABINET OFFICE
Commissioner for Public Appointments

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): I announced on 2 July 2015 that the Government had asked Sir Gerry Grimstone to lead a review of the public appointments system. I am now pleased to announce the completion of the review.

The role of Commissioner for Public Appointments was established in 1995 following a recommendation made by Lord Nolan and his Committee on Standards in Public Life. Lord Nolan also recommended seven principles of public life, which have been adopted throughout public life, including in public appointments.

The Government agree with the emphasis Sir Gerry places on the original conclusions reached by Lord Nolan in 1995 that Ministers should be at the heart of the public appointments system and that ultimate choice, responsibility and accountability for making appointments should rest with Ministers. Lord Nolan’s principles have stood the test of time and are as applicable today as they were 20 years ago. This is reflected in Sir Gerry’s updated principles for public appointments which will be known as the public appointments principles.

The Government welcome the review and thank Sir Gerry for his work. The Government also published today their response. This response, along with the full report “Better Public Appointments” can be found on gov.uk and copies have been placed in the Library of both Houses.

Attachments can be viewed online at http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-11/HCWS609/.

[HCWS609]

TREASURY
Finance Bill 2016

The Financial Secretary to the Treasury (Mr David Gauke): Finance Bill 2016 will be published on Thursday 24 March.

Explanatory notes on the Bill will be available in the Vote Office and the Printed Paper Office and placed in the Libraries of both Houses on that day. Copies of the explanatory notes will be available on gov.uk.

[HCWS610]

HEALTH

NHS (Charges and Payments) Regulations 2016

The Minister for Community and Social Care (Alistair Burt): Regulations have today been laid before Parliament to increase certain national health service charges and voucher values in England from 1 April 2016.

In the 2015 spending review, the Government committed to support the five-year forward view with £10 billion investment in real terms by 2020-21 to fund front-line NHS services. Alongside this, the Government expect the NHS to deliver £22 billion of efficiency savings because we must make the best use of NHS resources.

We have increased the prescription charge by 20p from £8.20 to £8.40 for each medicine or appliance dispensed. 90% of prescription items are dispensed free, and this will remain the case. To ensure that those with the greatest need, and who are not already exempt from the charge, are protected we have frozen the cost of the prescription prepayment certificates (PPC) for another year. The three-month PPC remains at £29.10 and the cost of the annual PPC will stay at £104. Taken together, this means prescription charge income is expected to rise broadly in line with inflation.

Charges for wigs and fabric supports will also be increased by an overall 1.7%.

The range of NHS optical vouchers available to children, people on low incomes and individuals with complex sight problems are also being increased in value. In order to continue to provide help with the cost of spectacles and contact lenses, optical voucher values will rise by an overall 1%.

Attachments can be viewed online at http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-11/HCWS607/.

[HCWS607]

NHS (Dental Charges) (Amendment) Regulations 2016

The Minister for Community and Social Care (Alistair Burt): Regulations have today been laid before Parliament to uplift dental charges in England from 1 April 2016.

In the 2015 spending review, the Government committed to support the five-year forward view with £10 billion investment in real terms by 2020-21 to fund front-line NHS services. Alongside this, the Government expect the national health service to deliver £22 billion of efficiency savings because we must make the best use of NHS resources.

We have taken the decision to uplift dental charges for those who can afford it, through a 5% increase this year and next.

This means that the dental charge payable for a band 1 course of treatment will rise by 80p in 2016-17, from £18.90 to £19.70, and by 90p in 2017-18, from £19.70 to £20.60. The dental charge for a band 2 course of treatment will increase by £2.60 in 2016-17, from £51.30 to £53.90, and by £2.40 in 2017-18, from £53.90 to...
The charge for a band 3 course of treatment will increase by £11.20 in 2016-17, from £222.50 to £233.70, and by £10.60 in 2017-18, from £233.70 to £244.30.

Dental charges remain an important contribution to the overall cost of dental services, first introduced in 1951, but we will keep protecting the most vulnerable within society. NHS dental treatment will remain free for those under the age of 18, those under the age of 19 and receiving full-time education, pregnant women or those who have had a baby in the previous 12 months, and those on qualifying low-income benefits. If someone does not qualify for these exemptions, full or partial help may be available through the NHS low-income scheme.

Attachments can be viewed online at:

[HCWS606]

HOME DEPARTMENT

Biometrics Commissioner (Annual Report)

The Minister for Policing, Fire, Criminal Justice and Victims (Mike Penning): My right hon. Friend the Minister of State, Home Office (Lord Bates) has today made the following written statement:

“I am pleased to announce that today my right hon. Friend the Home Secretary is publishing the second annual report of the Biometrics Commissioner.

The Biometrics Commissioner, Alastair MacGregor QC, is appointed under Section 20 of the Protection of Freedoms Act 2012. His responsibilities are:

To decide applications by the police for extended retention of DNA profiles and fingerprints from persons arrested for serious offences but not charged or convicted;

To keep under review national security determinations made by Chief Officers under which DNA profiles and fingerprints may be retained for national security purposes;

To exercise general oversight of police use of DNA samples, DNA profiles and fingerprints.

His report is a statutory requirement of section 21 of the Protection of Freedoms Act 2012.”

I am grateful to Mr MacGregor for this report. No redactions to it have been made on the grounds of national security. The Government will consider it and produce a full response shortly.

Copies of the report will be available from the Vote Office.

[HCWS613]

Home Office 2015-16 Funding

The Secretary of State for the Home Department (Mrs Theresa May): The Home Office is seeking an advance of £195,000,000 (one hundred and ninety five million pounds) in 2015-16 from the Contingencies Fund. Urgent expenditure estimated at £195,000,000 (one hundred and ninety five million pounds) has been sought in a Supplementary Estimate for the Home Office. Pending that approval, urgent expenditure estimated at £195,000,000 (one hundred and ninety five million pounds) will be met by repayable cash advances from the Contingencies Fund.

[HCWS614]

Forensic Strategy

The Minister for Policing, Fire, Criminal Justice and Victims (Mike Penning): I am pleased to announce that my right hon. Friend the Home Secretary is today laying before the “House the Forensic Science Strategy - a national approach to forensic science delivery” (Cm 9217), copies of which are available from the Vote Office.

This strategy articulates the Government’s vision for a clearer system of governance to ensure quality standards and proper ethical oversight, and a cost effective service that delivers robust relevant forensic evidence across the criminal justice system, strengthening public and judicial trust in forensic science.

Through consultation with our key partners including the police, Forensic Science Regulator, Crown Prosecution Service and forensic service providers, the strategy sets out how forensic science will keep pace with the changing world to deal with significant threats and challenges—for example, child sexual exploitation and the proliferation of digital forensic material generated by this crime. It also addresses what can be best delivered at national and local levels, setting out the Government’s expectations in the following areas:

- consistent quality management across policing, including a clearer statutory role for the Forensic Regulator,
- enhanced governance for the forensics system, including a wider role for the ethics group,
- a review by policing of the case for moving current fragmented provision into a Joint Forensic and Biometric Service,
- ongoing oversight of the health of the supply chain, including contingency plans developed by policing to cope with disruption to the market
- use of the Police Innovation Fund to encourage innovative new approaches to the application of forensic science,
- working closely with research councils to identify new opportunities and influences for forensic science cost effectively,
- working with the College of Policing to understand the capabilities required within the forensic science workforce, and:
- nurturing a stronger partnership with industry and education to ensure that learning programmes are future proofed and aligned to the business requirements.

[HCWS612]
Changes in Immigration Rules

The Minister for Immigration (James Brokenshire):

My right hon. Friend the Home Secretary is today laying before the House a Statement of Changes in Immigration Rules.

A new rule is being added to the general grounds for refusal rules (with consequential changes to armed forces, family and private life, and visitor provisions), to provide a new discretionary power to refuse applications on the basis of litigation debt. Each year, the Home Office is awarded considerable litigation costs by the immigration and asylum chamber of the tribunal and the courts. A number of applicants do not pay these costs. At present such litigation debts are not taken into account when considering applications to be granted entry clearance, leave to enter or leave to remain. The new rule provides a power to refuse such applications if the applicant has not paid a litigation debt, in order to encourage payment of such debts. It is right that people who are ordered to pay costs to the Home Office should do so.

The threshold is also being reduced from £1,000 to £500 at which foreign nationals who incur NHS debt can be refused entry clearance or further leave to enter or remain in the UK. These changes are aimed at preventing the abuse of our valuable public services.

There are a number of changes to visitor rules, which will:

- allow Kuwaiti citizens to benefit from the electronic visa waiver and for holders of Indonesian diplomatic passports to travel visa free to the UK as a visitor;
- update the permit free festival list (which allows visitors to perform at listed festivals and receive payment) for 2016-17;
- remove the mandatory entry clearance refusal for holders of non-national documents, which do not establish a nationality, owing to the holder’s status, but which the UK is otherwise prepared to accept as they are recognised as valid for travel in all other respects;
- simplify the journey for those non-EU citizens who usually do not require a visa for the UK, but whose passport has been lost or stolen and are therefore returning home on an emergency travel document.

Updates are made to the definition of public funds, to include payments made by local authorities and devolved Administrations in Scotland and Northern Ireland which replace the discretionary social fund.

The changes insert appendix SN into the immigration rules. This specifies how notices that applications are invalid or void and the outcomes of administrative review applications will be served. The new rules set out unified provisions for service of the notice types that it covers.

The statement also makes changes to the immigration rules on skilled and highly skilled work routes, students, family and private life, and administrative review, and the changes to the rules concerning overseas domestic workers set out in my statement of 7 March 2016.

LAW OFFICERS’ DEPARTMENT

State Opening of Parliament

The Leader of the House of Commons (Chris Grayling):

As I informed the House yesterday, Her Majesty the Queen will open a new session of this Parliament on Wednesday 18 May 2016.

[HCWS608]

WORK AND PENSIONS

Personal Independence Payment

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson):

Later today I will be publishing Command Paper Cm. 9194: “The Government response to the consultation on aids and appliances and the daily living component of Personal Independence Payment”.

PIP was introduced with the intent of supporting claimants with the greatest need to help them meet the extra costs arising from their disability or long-term health condition. In line with this, it was expected that these extra costs would be significant and ongoing. In December last year, the Department for Work and Pensions launched a consultation on aids and appliances and the daily living component of personal independence payment because of concerns that the policy on aids and appliances might not be not working to achieve this.

This was in light of concerns highlighted by the first independent review of the PIP assessment undertaken by Paul Gray, and evidence that suggested that significant numbers of people who are likely to have low or minimal ongoing extra costs are being awarded the daily living component of the benefit solely because they may benefit from the use of aids and appliances for certain activities. These aids and appliances are often provided free of charge by the NHS and local authorities or can be purchased for a low one-off cost. The number receiving the daily living component of PIP solely as a result of needing aids or appliances had also tripled in the space of 18 months for claims assessed under normal rules. In addition to this, there had been a number of judicial decisions, based on the current legislation, that had broadened the scope of aids and appliances to include articles, such as beds and chairs, which are unlikely to be a reliable indicator of extra costs.

The consultation ran from 10 December 2015 to 29 January 2016 and invited views on how support can best be provided to help meet the costs of people who rely on aids and appliances. The Department was keen that as many people and groups as possible had the opportunity to contribute their views, and held a number of meetings and events with key stakeholders to ensure this.

Having carefully reviewed the evidence, I have decided to proceed with halving the number of points awarded from two to one for the use of aids and appliances in
relation to the fifth and sixth daily living activities. The considered view of the Department is that the need for an aid or appliance when completing activities five and six is a less reliable indicator of extra costs than for other activities, and that halving the points for these activities will allow us to continue to deliver PIP in line with our initial policy intent. Points will continue to be awarded for the use of aids and appliances, including on activities 5 and 6, and the points awarded for all other descriptors remain unchanged.

My intention is that these changes will take effect in January 2017, following review by the Social Security Advisory Committee (SSAC), in line with normal procedure. Additionally, as PIP is due to be devolved in Scotland, I will be discussing these changes with the Scottish Government following the Scottish Parliament elections to ensure implementation is in line with the recommendations of the Smith Commission. The Government continually monitor the effectiveness of PIP to ensure it is delivering its original policy intent and that improvements are implemented where they are identified. A second independent review of PIP is due to be delivered by April 2017.

In addition to delivering these changes, I remain committed to ensuring that we offer the most appropriate and effective support and best possible claimant experience for disabled people. In my meetings with disabled people and stakeholder organisations I am often told about the need for better co-ordination across health and disability support services and the potential to improve outcomes for those with a long-term disability or health condition through closer working between services. That is why I am announcing that the Government will be considering the case for long-term reform of disability benefits and services that is fair for the taxpayer and for those with disabilities or health conditions. Work will be taken forward over the coming months across Government and in consultation with those who provide relevant health and disability services. The findings will be reported to the Prime Minister later in this Parliament.
Written Statements
Monday 14 March 2016

BUSINESS, INNOVATION AND SKILLS

Labour Market and the Economy

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid):

Today I am announcing the Government’s response to the Low Pay Commission’s 2016 report and recommendations on the National Minimum Wage.

The main recommendations put forward by the Low Pay Commission are about the rates of the National Minimum Wage from October 2016.

The Commission has recommended that the adult hourly rate of the National Minimum Wage (for 21-24 year olds) should increase from £6.70 to £6.95. The Commission has recommended increasing the youth development rate, which covers workers aged 18 to 20 years old, from £5.30 to £5.55 and increasing the rate for 16 to 17-year-olds from £3.87 to £4.00. It recommends that the apprentice rate should increase from £3.30 to £3.40. The Commission recommend that all of these changes take place from 1 October 2016.

The Commission has also recommended that the accommodation offset increases from the current £5.35 to £6.00 from 1 October 2016.

The Government accept all of the rate recommendations.

On the subject of compliance and enforcement of the National Minimum Wage, the Low Pay Commission’s report recommends that the Government consider introducing a requirement on employers that the payslips of hourly-paid staff include a clear statement of hours being paid for, and that the Government introduce a formal, public protocol for HM Revenue & Customs to handle third-party whistleblowing on breaches of the National Minimum Wage.

The Government are committed to the effective enforcement of the National Minimum Wage. As suggested by the Low Pay Commission, we will consider these options in full.

A copy of the Government’s response will be placed in the Libraries of the House.

I am also pleased to announce that the Government have today written to the Low Pay Commission setting out the remit for their 2016/17 report. The Commission is asked to recommend the National Minimum Wage rates and the National Living Wage rate that will apply from April 2017 as well as an indicative rate for the National Living Wage for April 2018.

DEFENCE

Single Source Contracts

The Secretary of State for Defence (Michael Fallon):

I am today announcing that I have set the baseline profit rate for single source defence contracts at 8.95% in line with the rate recommended by the Single Source Regulations Office (SSRO). I am asking the SSRO further to develop the methodology used to calculate the baseline profit rate over the next year.

I am also announcing revised capital servicing rates as recommended by the SSRO at Table 1 below. These rates will come into effect from 1 April 2016.

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<th>Element</th>
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<th>2016 Rates</th>
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<tr>
<td>Baseline Profit Rate (BPR) (% on contract cost)</td>
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<td>Fixed Capital Servicing Rate (% on Fixed Capital employment)</td>
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<td>Working Capital Servicing Rate (% on positive Working Capital employment)</td>
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<tr>
<td>Working Capital Servicing Rate (% on negative Working Capital)</td>
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</table>

Taxpayers can be confident that we are getting value for money for single source defence contracts as we deliver our £178 billion equipment programme. This profit rate provides a fair return to industry while delivering savings that will be reinvested in defence.

JUSTICE

Commercial Governance

The Parliamentary Under-Secretary of State for Justice (Andrew Selous):

Yesterday the press reported allegations that former employees of the Ministry of Justice have behaved improperly and that knowledge they may have acquired while working for the Department has been used to gain a competitive advantage.

We take all allegations of impropriety extremely seriously. We have launched an immediate investigation to ascertain the facts, which the Cabinet Office’s Proprietary and Ethics team will support.

The rules around former civil servants taking up employment in the private sector are made very clear when they leave. Under no circumstance should they exploit privileged access to Government contracts or sensitive information which could be used to influence the outcome of commercial competitions.

We take all allegations of impropriety extremely seriously. We have launched an immediate investigation to ascertain the facts, which the Cabinet Office’s Proprietary and Ethics team will support.

The rules around former civil servants taking up employment in the private sector are made very clear when they leave. Under no circumstance should they exploit privileged access to Government contracts or sensitive information which could be used to influence the outcome of commercial competitions.

Let me also add, that over the last six months, we have improved our commercial capability, more than doubling the senior commercial experts monitoring work with the private sector. But we know there is still more to do.

I will update the House once our investigation has been completed.
The Minister for Employment (Priti Patel): The Employment & Social Affairs (EPSCO) Council met in Brussels on 7 March. Shan Morgan, Deputy Permanent Representative, represented the UK.

The Council discussed the implementation of country specific recommendations (CSRs) as part of the European semester. Member states, including the UK, agreed that CSRs should be specific but should take into account the national context, aiming for outcomes not outputs.

As part of the European semester process, Ministers adopted the 2016 Joint Employment report and Council conclusions on the 2016 Annual Growth Survey Council also reached general agreement on the 2016 employment guidelines but the UK maintained a parliamentary scrutiny reservation.

The Commission provided an update on progress following the launch of the New Start for Social Dialogue in March 2015 and the Dutch presidency confirmed that the Tripartite Social summit on 16 March would focus on job creation and inclusive growth.

The Council endorsed the Employment Committee’s key messages on the implementation of the Youth Guarantee.

On the labour mobility package, the Commission confirmed that it would publish its proposal for a revision of the 1996 Posting of Workers directive on 8 March. Proposals on changes to social security co-ordination (regulation 883/04) would not be published until after the UK referendum.

Ministers also had an orientation debate to inform the European Commission’s proposed new agenda for skills.

The presidency presented draft Council conclusions on gender and LGBT equality as a package. Despite strong support from many member states, including the UK Council was unable to reach agreement on the conclusions. The Commission confirmed that it would launch its consultation on a European pillar of social rights on 8 March. The pillar would be targeted at the Eurozone but it would be open to all member states to join voluntarily.

Finally, under any other business, the Commission presented briefly to the Council the energy union, the Istanbul convention and gave an update on the state of play on European social fund and youth employment initiative implementation. The chairs of the Employment and Social Protection Committees also presented their work programmes for 2016.
Written Statements

Tuesday 15 March 2016

ENERGY AND CLIMATE CHANGE

Ministerial Correction

The Minister of State, Department of Energy and Climate Change (Andrea Leadsom): An error has been identified in the statement I made as part of the Westminster Hall Debate on Swansea Tidal Lagoon on Tuesday 8 March 2016.

The statement was:

“As I say, the make-up of the committee is being discussed right now, and I will certainly take that point away. I am quite sure that there will be someone from Wales on it, but I cannot say for certain because we have not got the names of individual members yet. I am grateful to the hon. Lady for making that point.”

It should have been:

“As I say, we are discussing right now the details of the review. We intend that the review will be led by an independent reviewer, supported by a Secretariat of civil servants seconded into the review. We will ensure that Welsh interests are represented within the review.”

[HCWS620]

WALES

Localism

The Secretary of State for Wales (Stephen Crabb): I am pleased to inform the House that the Government have agreed a city deal with local authorities in the Cardiff capital region and the Welsh Government. This agreement is another significant step in the Government’s ambition to rebalance the economy and empower our cities as engines of economic and civic renewal.

The Chancellor opened negotiations with Cardiff a year ago, at the March Budget in 2015. The Cardiff capital region city deal is a transformational opportunity and something that both the UK and Welsh Governments and local authorities alike have worked together to deliver.

The city deal includes:

- £1.2 billion investment in the Cardiff capital region’s infrastructure through a 20-year investment fund. A key priority for investment will be the delivery of the south-east Wales metro, including the valley lines electrification programme.

The creation of a non-statutory regional transport authority to co-ordinate transport planning and investment, in partnership with the Welsh Government.

The development of capabilities in compound semiconductor applications. The UK Government will invest £50 million to establish a new catapult centre in Wales. The CCR will also prioritise investment in research and development, and provide support for high-value, innovative businesses.

The Cardiff capital region skills and employment board will be created—building on existing arrangements—to ensure skills and employment provision is responsive to the needs of local businesses and communities. The CCR and the Welsh Government will work with Department of Work and Pensions to co-design the future employment support from 2017 for people with a health condition or disability and/or long-term unemployed.

The Welsh Government and the Cardiff capital region commit to a new partnership approach to housing development and regeneration. This will ensure the delivery of sustainable communities, through the use and reuse of property and sites.

Both the UK and Welsh Government are contributing £500 million to the CCR investment fund respectively. The 10 local authorities in the Cardiff capital region will contribute a minimum of £120 million over the 20-year period of the fund. In addition, over £100 million from the European regional development fund has been committed to delivering the city deal.

Over its lifetime, local partners expect the city deal to deliver up to 25,000 new jobs and leverage an additional £4 billion of private sector investment.

The city deal will develop stronger and more effective leadership and governance across the region through a Cardiff capital region cabinet, enabling the 10 local authority leaders to join up decision-making, pool resources, and work closely with business.

The Government welcome and support co-operation between businesses and local government. As part of the city deal, a Cardiff capital region business organisation will be established to ensure that there is a single voice for business to work with local authority leaders.

This agreement marks the next step in an ongoing process to devolve funding, responsibilities and powers from central and devolved Governments to the Cardiff capital region. I look forward to continuing to hold discussions with the capital region and the Welsh Government in the future, to build upon today’s agreements.

Copies of the agreement will be placed in the Libraries of both Houses.

[HCWS621]
Written Statements

Wednesday 16 March 2016

ENVIRONMENT, FOOD AND RURAL AFFAIRS

March Environment Council

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Rory Stewart): I attended the EU Environment Council in Brussels on 4 March along with the Parliamentary Under-Secretary of State for Climate Change, Lord Bourne. The Scottish Minister for Environment, Climate Change and Land Reform, Dr Aileen McLeod MSP, also attended Council. I would like to update the House on the matters discussed.

Follow-up to COP 21 (climate change)

The Council welcomed the presidency’s summary of the implications of the Paris agreement with a number of member states criticising the Commission’s communication for lacking sufficient positive messages to maintain the momentum of Paris. The UK, supported by other member states, emphasised the importance of 2020 as a moment for raising global ambition. A number of other member states expressed their support for the EU increasing its ambition in light of Paris. However, some member states noted this was not the time to discuss raising the EU’s mitigation ambition. In response the Commission confirmed their view that the EU needed to focus now on the implementation of existing commitments.

Endocrine disrupters

The Council gave unanimous support for the presidency’s draft statement on the General Court’s ruling on the Commission’s failure to adopt delegated acts setting out the criteria for endocrine disruptors.

Circular economy

The Council debated the EU action plan for the circular economy. The UK highlighted work that had been done domestically, expressed support for elements of the action plan such as industrial symbiosis, and expressed overarching concerns for the proposed waste targets, stressing the need to pay close attention to the costs and benefits. Most member states wanted reassurance that a joined up approach was being taken by the Commission. The presidency stated that they will aim for Council conclusions on the action plan to be agreed at June Environment Council.

European semester/annual growth survey 2016

The presidency introduced the discussion of the contribution of the environment to jobs and growth. The UK emphasised that the semester and EU 2020 should continue to be focused on jobs and growth.

Any other business: international wildlife trafficking

The Commission introduced the recently released EU action plan on wildlife trafficking. This was welcomed by several member states. The UK highlighted the valuable nature of member states working on issues such as an import/export ban on raw ivory. The UK encouraged other member states to follow the UK’s move to an importation ban on lion trophies in 2017 if a sustainable approach could not be found.

Any other business: real driving emissions

France provided a paper calling for greater political transparency regarding the third and fourth real driving emission packages and for using the ordinary legislative procedure for the adoption of conformity factors in the future. The UK welcomed the agreement of the second real driving emissions package as a major step forward in tackling air quality issues in member states. In support of the Commission’s approach, the UK and other member states warned against changes to the current process for determining the test procedure and requirements through the technical committee, which would risk delaying agreement of the remaining legislative packages and implementation of this important regulation.

Any other business: further points

The Council noted the information from Austria of the desire to hold a discussion on energy transition.

The Council noted the information from Belgium for further action and speeding up of the implementation of the 7th environmental action plan. The Commission announced the first review date would be in 2018.

The Council noted the information provided by the Commission on the ratification of the Minamata Convention (mercury regulation).

The Commission introduced a paper on innovation deals and noted recent initiatives such as the international green deal on the North sea resources roundabout which was formally agreed the day before Council by the Netherlands, France, the UK and Flanders.

Lunchtime discussion

Over lunch, Ministers discussed the ratification of the Paris agreement where the UK confirmed that ratification would only be possible following completion of the negotiations on effort sharing.

[HCWS622]

PRIME MINISTER

Machinery of Government

The Prime Minister (Mr David Cameron): This written statement confirms that responsibility for the regulation of claims management companies will transfer from the Ministry of Justice to the Financial Conduct Authority. The date for the transfer will be announced in due course.

[HCWS623]
The Parliamentary Secretary, Cabinet Office (John Penrose): It is a long-standing feature of electoral law that if third parties wish to engage in campaigning at an election, they should report their expenditure to ensure transparency, and that there should be spending limits on that expenditure to ensure a fair and level playing field and prevent undue influence.

Part 2 of the coalition Government’s Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014 amended those limits to stop third parties engaging in “distorting” activity during elections; updated the definition of controlled expenditure to include canvassing, events and rallies, as well as election literature; and regulated how spending was applied in individual parliamentary constituencies.

The Government continue to believe that the legislation is a necessary check and balance to ensure free and fair elections, and open and accountable campaigning at elections. The checks just ensure not just fairness for political parties’ candidates, but also between rival third parties—especially on strongly contentious topics.

At the 2015 general election, 68 organisations were registered with the Electoral Commission as third party campaigners. Organisations that spent money campaigning at the general election included the likes of trade unions, the National Union of Students, the Campaign for Nuclear Disarmament (CND), 38 Degrees, the National Society for Clean Air and the Green Party.

As required by section 39 of the Act, Lord Hodgson of Astley Abbotts was appointed last year to conduct a review of the operation of third party campaigning provisions, in relation to the 2015 general election. The Chancellor of the Duchy of Lancaster has today laid Lord Hodgson’s report before Parliament.

The Government are grateful to Lord Hodgson for his comprehensive and balanced report. We are pleased that he recognises the need for effective regulation of those campaigning at general elections to prevent undue influence and the need for transparency about who third party campaigners are and what they are spending.

The package of recommendations proposes tightening some rules and relaxing others. For example, it suggests ending the exclusion for supporters (as opposed to members) of an organisation and requiring campaigners at an election to register with the Electoral Commission if they intend to spend more than £5,000 in any one constituency. It also recommends that campaigners should provide more detailed information about the political issues on which they are campaigning, which would be published by the Electoral Commission. Equally, it advocates clearer guidance by the Electoral Commission to address some misunderstandings about the actual provisions of the legislation.

We will now carefully consider the package of proposals. Some involve changes to the existing regulatory regime, some changes to primary legislation and some are recommendations to the Electoral Commission.

It can also be viewed online at:
COMMUNITIES AND LOCAL GOVERNMENT

Boosting Mobile Connectivity

The Minister for Housing and Planning (Brandon Lewis): I wish to set out, along with my hon. Friend the Minister for Culture and the Digital Economy, how the Government will support digital connectivity to provide the opportunity for everyone to connect to the information superhighway and boost our economic prosperity.

“Fixing the foundations: Creating a more prosperous nation” (Cm 9098) set out our commitment to support market investment and streamline legislation to make it easier to roll out the mobile infrastructure that this country needs.

Views on how this could best be achieved were sought through the call for evidence: “Review of how the planning system in England can support the delivery of mobile connectivity” published on 10 July 2015. The review also sought evidence on the effectiveness of planning freedoms introduced in 2013.

The Government are firmly committed to ensuring there is sufficient capacity to meet the growing demand for mobile connectivity. The majority of respondents recognised that digital connectivity is an essential service that communities and business want and need. There was support for the Government’s ambition to maximise coverage and for commercial investment.

Importantly, it has been recognised that there are opportunities to support mobile connectivity while ensuring local communities retain their role in influencing the visual impact of new infrastructure.

This Government intend to bring forward provisions in England to provide greater freedoms and flexibilities for the deployment of mobile infrastructure. The changes outlined below are vital for our continued economic prosperity and social inclusion for all. They will help ensure that mobile operators have the confidence to invest in their network coverage and boost capacity for both voice and data.

Where a site is already used for telecommunications infrastructure, we will extend permitted development rights to allow taller ground-based masts to be built. The threshold for new ground-based masts will increase from 15 metres to 25 metres in non-protected areas and a new permitted development right allowing new masts of up to 20 metres will be introduced in protected areas. To ensure that there is appropriate community engagement a prior approval will apply where a new mast is being built, meaning consideration will always be given to how to minimise the visual impact of masts.

Operators will also be able to increase the height of existing masts to 20 metres in both non-protected and protected areas without prior approval; between 20 metres and 25 metres in non-protected areas with a prior approval; and have a new automatic right to upgrade the infrastructure on their masts in protected areas to align with existing rights in non-protected areas. There will be a height restriction of 20 metres on highways and residential areas to accommodate vehicle lines of sight and pedestrian access.

In addition, we will lift restrictions on the number of antennae allowed on structures above 30 metres, while removing the prior approval requirement for individual antenna greater than 6 metres in height in non-protected areas and for two small cell antenna on residential premises in both non-protected and protected areas as the visual impact is limited.

We will also grant rights so small cell antenna on residential and commercial premises can face highways, and increase from six to 18 months the right for operators to be able to install emergency moveable transmission equipment.

To complement these changes, we will work with the industry and interested parties to strengthen the sector-owned code of practice to ensure best practice is always applied when it comes to the siting and design of mobile infrastructure.

The Department for Culture, Media and Sport will be consulting key stakeholders for six weeks commencing 17 March on changes to the Electronic Communications Code (Conditions and Restrictions) Regulations 2003 to complement planning legislation. These changes will apply to the whole of the UK.

The code regulations deal with the operational aspects of the way in which telecoms operators exercise their permitted development rights and include requirements to consult with planning authorities. These requirements will be revised to ensure that there is consistency in how operators consult planning authorities where there is no prior approval.

We intend that the planning changes will come into effect from summer 2016 and will apply to England only. The changes to the code regulations will apply throughout the United Kingdom, as telecommunications is a reserved matter, and will also commence in summer 2016.

[HCWS631]

EDUCATION

Educational Excellence Everywhere

The Secretary of State for Education (Nicky Morgan): Nothing better demonstrates this one nation Government’s commitment to social justice than our plans to transform the education our children receive. Since 2010, our education reforms, underpinned by the hard work of teachers and school leaders, have tackled the failures of the past and made a remarkable difference to education in this country. Record numbers of children, for example, are now taught in good or outstanding schools—1.4 million more pupils than in 2010 [i]. A record 18% of new teachers who started training in 2015 have a first class degree [ii] and 81% of teachers and senior leaders say behaviour in their schools is good or very good [iii].

However, the education we offer our children does not yet consistently compare well with education in other leading countries in the world. The excellence our reforms has unlocked in some parts of our schools system has not yet spread across the whole country. For example, 11 of the 16 English local authorities that have fewer than 60% of children attending good/outstanding schools, lower than national levels of GCSE attainment and where pupils make less than national levels of expected progress are in the north of England. Of the 173 failing secondary schools in the country, 130 are in the north and midlands and 43 are in the south [iv].
We need to extend and embed the last Parliament’s reforms so that all pupils and families can benefit, wherever they live and whatever their circumstances.

Today I am publishing a White Paper which sets out our vision to achieve educational excellence everywhere, by providing a world class education to all children, regardless of where they live, or what their background is. The key elements of our approach are:

- an education system that ensures teachers get the respect they deserve and that we have consistently excellent teaching in our classrooms;
- support for existing leaders and help to develop the outstanding leaders of the future; an approach that allows great leaders to run more schools by removing the perverse incentives that prevent teachers from doing so;
- a dynamic school-led system where every school is an academy and where pupils, parents and communities are empowered to have a more significant voice in schools, and more schools working together in multi-academy trusts (MATs);
- preventing underperformance through support and autonomy, including transferring responsibility for school improvement from local authorities to those who know how to do this best; school leaders. There will also be a new focus on achieving excellence in areas where too few children have access to a good school and there are not yet enough high-quality teachers, school and system leaders, governors and sponsors to turn them around;
- high expectations and a world-leading curriculum for all, so that all children receive an education that equips them with the knowledge and character traits necessary to succeed in 21st century Britain;
- fair, stretching accountability that focuses on tackling underperformance; rewarding schools on the basis of the progress their pupils make; and incentivising strong leaders to take over underperforming schools; and
- the right resources in the right hands: investing every penny where it can do the most good—through new, fair, national funding formulae for schools, improved effectiveness of the pupil premium and making the best possible use of resources.

We believe that the fastest and most sustainable way for schools to improve is for Government to trust this country’s most effective education leaders on the frontline, holding them to account for unapologetically high standards for every child, but letting them determine how to reach them. This system will respond to performance, extending the reach of the most successful leaders and acting promptly by intervening where performance is not good enough. It will also ensure they have the necessary tools to seize the opportunities provided by greater autonomy.

Our approach will take our self-improving school-led system to the next level; building capacity and setting up schools to use their freedoms effectively, rather than just intervening in cases of failure. We are providing not just autonomy, but supported autonomy, as the best approach to improve education everywhere.

The approach outlined in this ambitious White Paper represents our best chance of achieving the educational excellence that every child and young person deserves. The White Paper has been placed in the Libraries of both Houses.


[HCWS625]

**School Places**

The Parliamentary Under-Secretary of State for Education (Mr Sam Gyimah): My hon. Friend the Parliamentary Under-Secretary of State for Schools has today made the following ministerial statement.

Today I am announcing £1.15 billion of capital funding for 2018-19 to support the creation of the new school places needed by September 2019.

Ensuring that every child is able to attend a good or outstanding school in their local area is at the heart of the Government’s comprehensive programme of reform of the school system and vital for delivering educational excellence everywhere. We know that our growing population means that new school places are needed in many parts of the country and the Government are committed to providing capital investment to ensure every child has a place at school. The previous Government more than doubled funding for new places to £5 billion in the past Parliament. We are committed to investing £7 billion in this Parliament, and delivering 500 new schools. By May 2015, this investment had already helped to create nearly 600,000 additional school places since 2010, with 150,000 delivered in 2014-15 alone. Many more places are in the pipeline and still to come—with local authorities already having firm plans for 260,000 more places. This progress follows a decrease of 200,000 primary places between 2004 and 2010.

Today we are announcing £1.15 billion of funding for local authorities in 2018-19. This is in addition to the £3.6 billion already announced for 2015-18, taking total investment through this Parliament to £4.8 billion. In doing so, we continue to recognise that good investment decisions require certainty. Announcing allocations for 2018-19 today means local authorities can plan years ahead with confidence, and make good strategic investment decisions to ensure they deliver good school places for every child who needs one.

In making these allocations, the Government are continuing to target funding effectively, based on local needs, using data we have collected from local authorities about the capacity of schools and forecast pupil projections.

Most local authorities are successfully delivering additional school places as the nearly 600,000 new places created since 2010 clearly demonstrates. However, where authorities are not delivering for parents, we will not hesitate to intervene.

Details of today’s announcement will be sent to local authorities and be published on the gov.uk website. Copies will be placed in the Library of the House.

[HCWS628]

**FOREIGN AND COMMONWEALTH OFFICE**

Ministerial Correction

The Minister for Europe (Mr David Lidington): During the debate on the urgent question on the EU-Turkey agreement on 9 March my reply to my right hon. Friend the Member for North Somerset (Dr Fox) was not
worded accurately (Official Report, col 282). I said, “The proportion of all refugees in Germany who get German citizenship is roughly 2.2%”. The correct response should have been, “The proportion of foreign nationals resident in Germany for at least 10 years who get German citizenship is roughly 2.2%”.

The presidency updated Ministers on the proposed European Border and Coast Guard Agency. The presidency confirmed that they are on schedule to adopt a general approach in April, and hope to reach an agreement with the European Parliament by June. The Commission hopes that the agency will be operational by August. We are clear that the UK will not take part in the proposed agency, but we support action by Schengen states to strengthen the external border.

Discussion then turned to progress on negotiation of a revised firearms directive. There were five issues raised for discussion by the presidency: a minimum age for the acquisition of firearms; a requirement for medical testing before obtaining a license; exemptions for museums and collectors; online sales; and which types of weapons to ban. I indicated UK support for options on the minimum age, medical tests, and museums issues which give member states the greatest degree of national discretion. This was supported by a majority of member states. On online sales, most member states supported strict controls. However, the presidency acknowledged that some member states, including the UK, favoured processes that allowed for the verification of the buyer’s identity. The most contentious issue was the banning of semi-automatic weapons. I argued in favour of banning the most dangerous types of these weapons, and that experts needed to conclude work on what those weapons were swiftly. A majority of member states opposed prohibition on the basis that there were legitimate uses of semi-automatic weapons, but indicated they were open to considering additional controls. The presidency concluded that it would take work forward based on majority views.

The counter-terrorism co-ordinator updated member states on the implementation of the November 2015 Council conclusions on counter-terrorism. The co-ordinator said that progress had been made, but barriers remain, and welcomed the presidency’s intention to develop an information sharing action plan for discussion at the June JHA Council. The co-ordinator stressed the importance of improving the use of Schengen information system (SIS) II, allowing law enforcement access to relevant migration instruments, rapid implementation of the passenger name record (PNR) directive, development of national passenger information units, using Europol systems to full effect and providing increased resources to the Europol counter-terrorism centre.

I then presented a joint UK-France paper on data and information sharing in support of the presidency’s initiative. I supported the call to improve the use of SIS II and highlighted the absence of a requirement to record expulsion or removal decisions, the legislative gap preventing the UK from sharing and accessing such data with the Schengen area, and the limited use of fingerprint data in SIS II. I also pushed for progress on systemic, proactive sharing of criminal records data. The UK-France paper drew strong support from the Commission, the presidency, the co-ordinator and other member states. The presidency concluded that efforts would continue towards the June JHA Council and that the UK-France paper would form a key building block for its forthcoming action plan.

To close the day, Germany and France presented a non-paper outlining a draft European initiative to prevent and combat organised domestic burglary. The proposed initiative will be debated in a future meeting of the Standing Committee on Internal Security (COSI).
Justice day began with the agreement of a general approach on the directive on minimum standards for terrorism offences. Member states declared broad support for the proposal during the discussion, but there was an appetite among many for greater ambition in some aspects. Several member states argued for the criminalisation of travelling for terrorist purposes to be extended to intra-EU and EU-inward travel, to fit with the recently adopted PNR directive which includes intra-EU travel. However other member states urged caution to ensure that criminal law was balanced with human rights and fundamental freedoms. The UK welcomed the new directive but noted that we will not be opting in as the UK’s domestic legislation already meets the standards set out in the directive. As the UK is already compliant with UN Security Council resolution 2178 and the additional protocol to the Council of Europe convention on combating terrorism, not opting in will not undermine our co-operation with other EU member states in combating terrorism. The presidency aims to adopt this measure in June.

The presidency then gave an update on the progress of two new proposals under the digital agenda covering handover of consumer rights for digital contents and distance sales of tangible goods, and noted that the proposal on digital content had been welcomed by member states. However, many member states had asked for more time before tackling the proposal on tangible goods in order to wait for the results of the Commission’s ongoing REFIT work on consumer protection. As such, the presidency will first take forward work on digital content, with the aim of the Council agreeing a position on the key parts of the package at the June Council. The Commission agreed with the presidency’s proposed approach, but stressed the importance of not losing sight of the proposal on tangible goods and confirmed that they anticipated the necessary data gathering exercise from the REFIT work being completed in the summer.

On the European Public Prosecutor’s Office (EPPO), the Council discussed the provisions of the draft EPPO regulation concerning expenditure. Most member states supported the position that the costs of investigative work should be met by member states, with a small number arguing for EPPO to meet the costs. A third group sought that this cost could be subsidised by the EPPO in exceptional cases where it is prohibitively high. The UK intervened to emphasise that while the UK does not participate in this measure, we support the shared objective with the EU to tackle this type of crime and welcome the acknowledgement that the EPPO regulation would not impose obligations on Eurojust. Furthermore the UK underlined the need to avoid non-participating member states financing EPPO, which was supported by other non-participating member states. The presidency indicated the issue would be brought back for discussion at a technical level.

On the EU-US umbrella agreement, the Commission updated Ministers on two separate data exchange negotiations with the US. The law enforcement focused umbrella agreement and the exchange of data between commercial controllers under the proposed “Privacy Shield”. The umbrella agreement had been initialled, and with the signing of the Judicial Redress Act by President Obama at the end of February, the EU’s final requirement had that this cost could be met. The Commission suggested that signatures to conclude the agreement could take place at the beginning of June. On the Privacy Shield agreement to replace the invalidated Safe Harbour decision, the Commission informed Ministers that the draft text had been published on 29 February and would now be considered by the group of EU data protection authorities—the Article 29 Working Party—before being submitted to member states for agreement.

Under any other business, the presidency reported back on the conference it hosted earlier in the week on jurisdiction in cyberspace. There were practical ideas to improve mutual legal assistance processes, a call for a clearer framework for relationships with the private sector distinguishing between different types of data, and discussions around the rule of law, proportionality and transparency in the context of loss of location. The presidency will prepare conclusions for the June Justice and Home Affairs Council, to be considered first at expert level.

The Commission then updated Ministers on the proposal for the EU to accede to the Istanbul convention, which has already been signed by 25 member states and ratified by 12.

The Commission also provided an update on the dialogue with IT companies to tackle hate speech online. Following a meeting in early March concerning the type of content to be taken down and time targets, the Commission will facilitate further discussion with a view to bringing proposals for a public commitment or a code of conduct to June JHA Council.

Over lunch, the presidency facilitated a discussion on enhancing the criminal justice response to radicalisation, following the conclusions of the Council and the member states agreed in November 2015. member states discussed the challenges in respect of managing the radicalisation threat in prisons in particular, including whether extremist prisoners should be segregated or dispersed, and considered the value of member states sharing best practice.

Ministers also held an exchange of views on two new proposals for enhanced co-operation on the regulations on matrimonial properties and the property consequences of registered partnerships, following the failure to agree these proposals at the last December JHA Council. The UK had not opted in to either proposal. In the discussion, the UK argued for the removal of references to the charter of fundamental rights from the operative clauses of the two proposals for reasons of best practice in legal drafting.

Statutory Inquiry: Anthony Grainger

The Secretary of State for the Home Department (Mrs Theresa May): I am announcing today the establishment by the Home Office of an inquiry, under the Inquiries Act 2005, to investigate the death of Anthony Grainger who was fatally shot by an armed officer of Greater Manchester police in March 2012.

The inquiry will be chaired by His Honour Judge Teague QC. In accordance with section 3(1) of the Act, I have decided that this inquiry be undertaken by Judge Teague alone as chairman.

Judge Teague is a circuit judge who was nominated by the Lord Chief Justice to lead the investigation and inquest into Mr Grainger’s death. It has been necessary to convert the inquest to a statutory inquiry so as to permit all relevant evidence to be heard by the judge. I have agreed with Judge Teague that the inquiry will
have the same scope as the current inquest, which is being adjourned prior to the setting up of the inquiry.

The inquiry terms of reference are therefore:

To ascertain when, where, how and in what circumstances Mr Anthony Grainger came by his death during a Greater Manchester police operation, and then to make any such recommendations as may seem appropriate. In particular it will investigate:

- The objectives and planning of the operation;
- The information available to those who planned the operation, and the accuracy, reliability, interpretation, evaluation, transmission and dissemination of such information;
- The decision to deploy armed police officers and to make arrests, and the criteria applied in reaching those decisions;
- The command and control of the operation, its implementation, the actions of officers during the arrest phase, and the circumstances in which the officer who fired the fatal shot came to discharge his weapon;
- The suitability or otherwise of the firearms, ammunition and other munitions deployed in the operation;
- Any relevant firearms policies, protocols or manuals in force at the material time, together with any subsequent revisions or amendments;
- Whether—and, if so, to what extent—the judgment, reactions or operational effectiveness of any of the planners, commanders or firearms officers were compromised by extended hours of duty or by limitations in their professional capabilities;
- The extent to which Mr Grainger's injuries would have incapacitated him while he remained conscious;
- Whether, after Mr Grainger was shot, his life could have been saved.

The arrangements for the inquiry will now be a matter for Judge Teague. The Ministry of Justice and Home Office will provide support to him.

**TRANSPORT**

**Rail Reform**

The Secretary of State for Transport (Mr Patrick McLoughlin): In July 2015 Nicola Shaw, the chief executive of HS1, was asked to provide options for the future shape and financing of Network Rail in order to support growth and investment. Her report, published this week, confirms that the rail network should be held as a national asset and a key public service. It builds on good progress already being made by Network Rail and focuses on steps to improve performance for passengers and freight users. I welcome the report’s recommendations.

The Shaw report proposes strengthening the role of Network Rail route managers to increase accountability and efficiency. It also recommends a new northern route, and a new freight route to ensure the rail freight industry can continue to contribute to growth.

My recent consultation on the role of the Office of Rail and Road (ORR) showed clear support for strong independent regulation to put customer needs at the heart of rail. To support the ORR, I will work with it to implement changes to bring greater clarity to its statutory duties and to enhance its working relationship with Transport Focus. I will also update the statutory guidance I provide.

The recent report by the Competition and Markets Authority (CMA) into competition in passenger rail services recommended open access operators could benefit passengers if important reforms are made. These reforms include fairer charges and robust protections for taxpayers and investment. While charges are for the ORR, I hope that changes to charges can be made as soon as possible. I will now explore options for potentially implementing the CMA's recommendations, including legislation if required.

I will make a fuller response to the Shaw report later this year. I am placing a copy of the Shaw report in the Library of the House.

It can also be viewed online at:

Written Statements

Monday 21 March 2016

BUSINESS, INNOVATION AND SKILLS

Green Investment Bank

The Secretary of State for Business, Innovation and Skills and President of the Board of Trade (Sajid Javid):

On 3 March, I formally launched the process of sale of UK Green Investment Bank plc (GIB) into the private sector (Transaction). The company’s success means there is strong market interest in GIB from a number of long term institutional investors and Government funding is no longer needed.

As Government are the selling shareholder and receiving the proceeds of the sale, I believe it is reasonable and appropriate in the context of the transaction to grant the following indemnity on behalf of Government.

BIS will be entering into an agreement with Poyry (electricity market report and associated price forecast provider) to release and share their information as part of the sale process to potential bidders. It is an important component of a bidder’s due diligence, risk assessment and ultimately the price they would be willing to pay. BIS would indemnify for any liability that Poyry incurs as a result of using their information in the sale process that may be brought by potential bidders in relation to the transaction. Poyry has been clear that they require such indemnities to share their information with potential bidders.

The indemnities are uncapped and are not time limited; however, the chances of the indemnities being called upon will reduce over time. It is not possible at this stage to accurately quantify the value of such indemnities. HMG has considered the risks throughout the process and I believe the likelihood of such indemnities being called upon is low.

It is normal practice when a Government Department proposes to undertake a contingent liability in excess of £300,000 for which there is no specific statutory authority for the Minister concerned to present a departmental minute to Parliament giving particulars of the liability created, explaining the circumstances and to refrain from incurring the liability until 14 parliamentary sitting days after the issue of the statement, except in cases of special urgency and/or confidentiality.

Copies of the departmental minute will be placed in the Library of the House explaining the procedure followed and containing a description of the liabilities undertaken.

[HCWS633]

LEADER OF THE HOUSE

Short Money

The Leader of the House of Commons (Chris Grayling):

I wish to update the House on the Government’s proposed reforms to Short money.

The autumn statement in November outlined proposals to reform Short money and last month, the Cabinet Office published a request for views, which was followed by further constructive discussions with political parties.

These discussions have now concluded and the Government are bringing forward a package of proposals to reform Short money and Representative money, recognising the importance of an effective Opposition to hold the Government to account. The changes will deliver an estimated cumulative £3.6 million saving to taxpayer-funded Short money over this Parliament and increase transparency and accountability over how taxpayers’ money is spent.

A motion delivering these reforms will be tabled later today for consideration by the House on Wednesday 23 March. In summary, the motion will propose the following changes:

The annual indexation would be linked to CPI rather than RPI.

The CPI change would mean that Short money figures for the 2016-17 financial year would be based on the uprating of the 2015-16 figures by reference to CPI, rather than RPI.

Transparency requirements would be introduced to safeguard the spending of taxpayers’ money. It would provide for a regime of publishing audited accounts, with a breakdown of Short money spending, including transparency over senior staff salaries.

The Members Estimates Committee would determine the detail of the auditing and transparency regime; the reporting should commence for the 2016-17 financial year.

The transparency regime would reflect the need for enhanced scrutiny of HM Opposition.

The Members Estimates Committee would be tasked to consider the effect of planned reduction in the size of the House of Commons on the Short money formula from 2020-21 onwards, recognising the goal of reducing the cost of politics; it would report by end of the 2016-2017 session.

A minimum funding floor would be introduced for the smallest parties (parties up to and including five MPs). This would be 50% of the IPSA staff allowance for one non-London area MP.

A maximum funding ceiling would be introduced for the smallest parties (parties up to and including five MPs). This would be 150% of the IPSA staff allowance for one non-London area MP.

The resolution would come into effect from the start of 2016-17 financial year.

The Representative money scheme would be amended to mirror the changes to Short money.

In addition, policy development grants will remain frozen, so they will fall in real terms in each year over this Parliament.

These balanced and reasonable proposals will deliver a significant saving of taxpayers’ money, reducing expenditure by 10.6% compared with forecast levels, and will further extend the Government’s ongoing transparency agenda.

[HCWS634]

TRANSPORT

High Speed 2

The Secretary of State for Transport (Mr Patrick McLoughlin): Today HS2 Ltd has published its report on “Broad options for upgraded and high speed railways
to the North of England and Scotland.” I am grateful to HS2 Ltd for its report, which fulfils the remit we gave it, exploring options to:

- improve journey times from Edinburgh and Glasgow to cities further south, including options that could reduce journey times to London to 3 hours or under;
- provide additional passenger and freight capacity where it is projected that future demand will not otherwise be met.

The report considers various options for building on HS2, including:

- upgrades within the footprint of the existing railway;
- new high speed bypasses of constrained track sections; and
- complete new lines on either the east or west of the Pennines.

These alternatives range in cost between £17 and £43 billion to reach a three hour journey time, although some are capable of being constructed in stages. All have their advantages and disadvantages.

HS2 Ltd was asked to look at overall feasibility and costs and the report does not provide detailed consideration of the benefits of particular options. This work would need to be done before any decisions on options or routes could be made.

The Department for Transport and Scottish Government will continue to work in partnership with the ultimate aim of achieving journey times of 3 hours between Scotland’s central belt and London.

That requires us to continue to drive forward our plans for HS2.

From when Phase One opens in 2026, new HS2 trains will be arriving in Glasgow from London in 3 hours 56 minutes.

Journey times will fall further, to 3 hours 43 minutes, thanks to the acceleration of the route to Crewe in 2027.

Then, when the full “Y” Network opens in 2033, journey times to both Glasgow and Edinburgh will be reduced to around 3 hours 38.

In addition, we need to look at what more should be done. I recognise the continuing investment that is likely to be necessary if we are to meet projected passenger and freight growth on the West and East Coast Mainlines.

Therefore, in this control period the Department for Transport and Transport Scotland will take forward work with Network Rail to identify any and all options with strong business cases, for consideration for implementation in CP6 and 7, that can improve journey times, capacity, resilience and reliability on routes between England and Scotland. This will include consideration of how these improvements can be future-proofed to allow further progress towards 3 hour journeys.

I will place a copy of the broad options for upgraded and high speed railways to the North of England and Scotland in the Library of both Houses.

Attachments can be viewed online at http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-21/HCWS635/.

[HCWS635]
Written Statements

Tuesday 22 March 2016

DEFENCE

Type 26 Global Combat Ship Demonstration Phase

The Minister for Defence Procurement (Mr Philip Dunne): Today I am providing an update on our plans for the next stage of the Type 26 Global Combat Ship (T26 GCS) programme.

The 2015 Strategic Defence and Security Review (SDSR15) set out the Government’s clear commitment to build eight Anti-Submarine Type 26 Global Combat Ships, preceded by two additional offshore patrol vessels (OPVs), and to launch a concept study and then design and build a new class of lighter, flexible general purpose frigates.

Alongside work on the national shipbuilding strategy, we are working with industry to develop an optimised schedule for the Type 26 and OPV programmes. As part of this, we have agreed a contract with BAE Systems valued at £472 million to extend the T26 demonstration phase to June 2017.

This will enable us to mature further the detailed ship design, ahead of the start of manufacture, including investing in shore testing facilities, and extend our investment in the wider supply chain in parallel with the re-baselining work which is continuing.

The investment in shore-based testing facilities will test key parts of the ships’ power and propulsion system and the combat system to de-risk their future integration into the class.

Investment in the wider supply chain will cover further key equipment purchases for the first three Type 26 Global Combat Ships including the diesel generators, sonar domes, helicopter handling equipment, mission bay side doors and the stabiliser and steering gear systems, and demonstrates our ongoing commitment to invest in the UK’s ability to design, develop and deliver complex warships to meet the Royal Navy’s future capability needs.

[HCWS639]

TRANSPORT

HS2 Phase One: Financial Indemnity for Affinity Water

The Minister of State, Department for Transport (Mr Robert Goodwill): I have today laid before Parliament a departmental minute from the Department for Transport describing the contingent liability arising from an indemnity that will be provided to Affinity Water Ltd, protecting them from financial loss as a result of any construction damage to at-risk water resources from the construction of the Phase One, London to West Midlands HS2 rail line.

HS2 construction in the Colne Valley has the potential to cause damage to the chalk aquifer from which Affinity Water sources its water supply. An appropriate mitigation strategy will be developed during detailed design of the construction works, using information from ground investigation surveys. With the mitigation strategy in place, it is considered that the risks to the aquifer will be low. However, the risk of potential damage will exist despite the mitigation measures which will be applied. Should the aquifer or the company’s abstraction points be damaged, Affinity Water is likely to face a consequential financial loss. There is no existing protection for Affinity Water in respect of this loss and they would be unlikely to make a successful claim under common law. Under standard compensation arrangements, the basis for compensation would link to the loss in value or damage

This heads of terms city region deal agreement provides a transformative opportunity to position the area as a region of digital opportunity and strength, thereby enabling the highlands to be the best digitally connected rural region in Europe.

Central to this will be a significant funding package which invests up to £315 million of public money into the regional economy. As part of this funding package, the UK Government will commit up to £53.1 million, the Highland Council along with regional partners will commit up to £127 million and the Scottish Government will commit up to £135 million. This funding package will be provided over a 10-year period subject to detailed business cases, statutory processes and implementation plans.

The UK Government’s contribution to the fund will support a set of proposals from the region intended to enable the highland area to be the most digitally connected rural region in Europe by investing into extended digital coverage, including superfast broadband and mobile 4G connectivity.

It will also support a package of new innovation measures that builds on existing academic and industry expertise in Inverness, as well as business support networks across the highlands. This will include exploring ways to support a multi-disciplinary centre focused on the commercialisation of new medical products and technologies, and a northern Scotland innovation hub.

[HCWS638]

SCOTLAND

Inverness and Highland City Region Deal

The Secretary of State for Scotland (David Mundell): In March 2015, the Government announced their intention to negotiate an Inverness and Highland city region deal. As well as deals across England, this followed the successful agreement of a city deal in Glasgow and Clyde Valley. An Aberdeen city deal was announced on 28 January 2016.

I can today inform the House that the Government have reached agreement with the Scottish Government, the Highland Council and other partners on a heads of terms city region deal for Inverness.
to a claimant’s property, which for Affinity Water could include pipes or pumps. However, the water in an aquifer is not a property of Affinity Water and so they have no protection if the project causes damage to the resources on which they are dependent. Therefore, Affinity Water require the Department for Transport to carry the liability for any financial loss arising from any impact of the Phase One construction works on their abstraction points.

The worst-case scenario with respect to the liability would include the cost of replacing three abstraction boreholes, each one is estimated to cost £20 million, and also the cost of providing temporary replacement water supplies during the period for which water abstraction is interrupted. The indemnity will not be limited, however. Under the worst-case scenario, the projected cost of the indemnity is expected to be approximately £77 million. The duration of the liability is scheduled to last for four years from 2017 to 2021, which represents the period of the construction works which might cause the potential damage. The worst-case scenario, in which HS2 must replace more than one borehole, is considered to be remote.

If the liability is called, provision for any payment will be managed through normal supply procedure. The Department will be noting this contingent liability in its accounts.

Attachments can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-22/HCWS637/.

[HCWS637]

**WORK AND PENSIONS**

Office for Nuclear Regulation

The Parliamentary Under-Secretary of State for Disabled People (Justin Tomlinson): Later today I will lay a copy of the Unnumbered Act Paper, the Office for Nuclear Regulation’s strategic plan for 2016-20 before this House. The strategic plan will also be published on the ONR’s website.

I can confirm, in accordance with schedule 7, section 25(3) to the Energy Act 2013, that there have been no exclusions to the published document on the grounds of national security.

[HCWS636]
Written Statements

Wednesday 23 March 2016

BUSINESS, INNOVATION AND SKILLS

Performance Targets (Intellectual Property Office)

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): My noble Friend the Parliamentary Under-Secretary of State for Business, Innovation and Skills (Baroness Neville-Rolfe) has today made the following statement.

As an Executive Agency and Trading Fund of the Department for Business, Innovation and Skills, we set targets which are agreed by Ministers and laid before Parliament. For 2016-17 our targets are:

- We will complete all remaining UK steps necessary for the UPC to come into being.
- We will ensure that overall customer satisfaction is at least 80%.
- We will offer faster handling of patent applications, by providing an examination report with a search report when both are requested at the application date, and meeting at least 90% of requests for an accelerated two-month turnaround for search, publication and examination.
- We will publish 90% of acceptable applications for national trade marks for opposition within 90 days of filing.
- We will develop a robust methodology to measure and report on harm caused by IP infringement and counterfeiting to individuals, communities and the economy.
- We will increase the number of businesses that better understand how to manage IP, reaching 100,000 businesses. Eighty five per cent of the businesses we talk to will be better able to understand IP and its use within their business.
- We will support the export activity of UK companies by providing education, advice and specific case support to 5000 businesses by March 2017.
- We will enhance the capability of our people in leadership and change by designing and running a programme which will move at least 85% of participants up one level on our leadership measure.
- We will implement a new HR and payroll system.
- We will achieve return of capital employed of at least 4%
- We will deliver an efficiency gain of 3.5%.

CABINET OFFICE

EU Referendum (Counting Officers’ Regulations)

The Parliamentary Secretary, Cabinet Office (John Penrose): The Cabinet Office wishes to report the entry into force today of the European Union Referendum (Counting Officers’ and Regional Counting Officers’ Charges) Regulations 2016. The regulations are the final piece of legislation which, taken together, confirm the arrangements for the referendum on whether the United Kingdom should remain a member of the European Union or leave the European Union.

The EU Referendum Act 2015 provides for a referendum to take place on the UK’s membership of the EU. The British people will be asked on 23 June, for the first time in 40 years, whether or not they want to stay in the EU. This is a concrete step towards settling the debate about the UK’s membership of the EU.

The estimated cost of conducting the referendum is £142.4 million. This includes the expenses incurred by counting officers in running the poll, grants to the designated lead campaign organisations, the delivery by Royal Mail of campaign mailings from those organisations, and the cost of the central count. These costs have been discussed and agreed with the Electoral Commission. It is important that counting officers and the Electoral Commission have the resources necessary to conduct the referendum effectively and efficiently.

The European Union Referendum (Counting Officers’ and Regional Counting Officers’ Charges) Regulations 2016 set the maximum recoverable amounts for the services and expenses of counting officers and regional counting officers. The regulations therefore provide counting officers with certainty regarding their allocations, enabling them to plan with confidence for delivery of the poll.

CULTURE, MEDIA AND SPORT

Broadband Universal Service Obligation

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): In November, the Prime Minister announced the Government’s intention to implement a new broadband universal service obligation (USO)—heralding a step change in our ambition for broadband services and reflecting that many now see broadband as an essential service much like electricity and water.

Maintaining momentum on our commitment to implement the USO in this Parliament, I am pleased to announce today’s launch of our consultation on the first step, which is to clarify our powers in primary legislation. The consultation document explains the Government’s rationale for the USO, the proposed measures that we intend to put in legislation, and the road map that we will follow to take this work forwards.

The consultation, which runs until 18 April, is available at: https://www.gov.uk/government/consultations/broadband-universal-service-obligation.

I would encourage you to respond and look forward to hearing your views.

Culture White Paper

The Minister for Culture and the Digital Economy (Mr Edward Vaizey): I am today laying and publishing a Government White Paper on culture.

It is the first ever Government White Paper for all the cultural sectors together, and the first covering the arts for over 50 years.
This White Paper sets out our ambition and strategy for the cultural sectors in the coming years. It outlines the key issues facing the cultural sectors today and the role we want culture to play in our society; what the Government and our public bodies will do to address those issues; and how we will ensure that everyone can enjoy and benefit from culture.

The White Paper sets out how the Government will encourage access and opportunity across the cultural sectors, with a particular focus on children and young people from disadvantaged backgrounds and groups which are under-represented in cultural organisations and audiences. The new Cultural Citizens programme, which was first announced by the Prime Minister in January 2016, will provide new opportunities for young people to experience and take part in cultural activities.

Through the plans set out in the White Paper, the Government and their funded bodies will provide support to local areas to help them develop their cultural ambitions and embed culture in their plans and policies for local social and economic development.

The White Paper also sets out how the Government will use culture to build the UK’s image, soft power and influence in the world and help the cultural sectors to make the most of opportunities to promote the UK’s culture and heritage around the world.

Cultural organisations need to develop new funding models in order to grow and build resilience. The White Paper sets out how the Government will help the cultural sectors to tap into new and innovative sources of funding, and how we will ensure that our publicly-funded organisations have the right structures and relationships to enable them to support the cultural sectors across the country in order to achieve our ambition.

It is the Government’s ambition that all Government Departments should work closely together and with public bodies and other partners to ensure that our children and young people have access to the best cultural opportunities available and people of all ages and backgrounds enjoy the many benefits that culture brings, at every stage in their lives.

I am grateful to all those who took part in the consultations during 2015, in round tables, written submissions and online contributions. Over 230 organisations from the cultural sectors across the country shared their views and ideas with us. The response from the cultural sectors shows they are united in our ambition to ensure that everyone in every community can enjoy and benefit from our rich and diverse culture. This White Paper sets out how we will achieve that.

The White Paper and attachments are also available at: https://www.gov.uk/government/publications/culture-white-paper.

I have arranged for copies to be placed in the Libraries of both Houses. 

HCWS643]

ENVIRONMENT, FOOD AND RURAL AFFAIRS

Agriculture and Fisheries Council

The Secretary of State for Environment, Food and Rural Affairs (Elizabeth Truss): I represented the UK at the Agriculture and Fisheries Council on 14 March in Brussels. Commissioner Hogan introduced the first agenda item on financial instruments and invited the European Investment bank (EIB) to make a presentation. Many member states highlighted the importance of improving farmer access to money, which would support modernisation, innovation, research and productivity. The UK and Ireland called on the EIB to be more proactive with member states and for the Commission to facilitate meetings. The UK also advocated that the EIB should be able to help farmers diversify their product base to higher value products with better market prices.

The second agenda item was on the market situation and support measures. The UK broadly welcomed the package, and gained support for measures that would help farmers boost productivity. These included: improving the transparency of supply chains, allowing farmers to gain earlier signals on price and demand. The Commission agreed to extend the successful EU milk market observatory to beef and pigmeat, allowing the industry access to the latest market data. Assisting farmers by reducing the cost of fertilisers. Commissioner Hogan agreed to look at a temporary suspension of import tariffs for fertiliser. Helping farmers access finance to invest in their businesses and boost their productivity and growth. An increased drive to open up new foreign and third country export markets.

Any other business items

The UK presented an AOB item calling for simplification on the CAP audit process. It highlighted that it should be possible to lighten the burden on administrations and farmers while maintaining prudent financial management of CAP funds. A total of 16 other member states supported the UK. The Commissioner agreed the non-paper would be analysed and discussions would continue on how to further improve the audit and control process.

Italy set out their concerns with front-of-pack food nutrition labelling scheme. The Commission noted that front-of-pack schemes could be an efficient tool to empower consumers. They highlighted the legal requirement for the Commission to review member state schemes and report back to the Council and the Parliament in December 2017. Estonia presented the outcome of the high-level meeting on African swine fever held in February 2016. The meeting, attended by affected and bordering member states, will be held on a six monthly basis to exchange best practice on eradication of the disease.

Draft conclusions were adopted without discussion on reports by the European Court of Auditors on “EU support to timber producing countries under the FLEGT plan” and “Are the fisheries partnership agreements well managed by the Commission”.

HCWS640]

HEALTH

Meningitis C Vaccine (Emergency Donation)

The Parliamentary Under-Secretary of State for Health (Jane Ellison): It is the normal practice when a Government Department proposes to make a gift of a value exceeding £300,000, for the Department concerned to present to the House of Commons a minute giving particulars of the gift and explaining the circumstances; and to refrain
Crime has fallen dramatically over the last 20 years, with previously high-volume crimes like burglary, vehicle-related theft and street violence having more than halved. Crime is also changing: previously “hidden” crimes like child sexual abuse, rape and domestic violence have all become more visible, if not more frequent, and we are developing better measures of the scale of online fraud and cybercrime.

Targeted crime prevention initiatives have made a significant contribution to cutting crime over the last 20 years. However, the changes we are now seeing mean we need to update our approach, building on the successes of the past while making full use of new tools and techniques to protect the public.

The strategy addresses what the evidence suggests are the key drivers of crime: opportunity; character; the effectiveness of the criminal justice system; profit; drugs; and alcohol. It also focuses on how we can use data and technology as powerful tools to prevent crime.

The strategy sets out a range of measures under each driver that will make crime harder to commit and less attractive to criminals. These include, for example:

- Introducing legislation to ban the sale of so-called “zombie-killer” knives;
- Making more information available to consumers on how secure their smartphone is; and
- Keeping people safe from high harm crimes of abuse through implementing the actions in the 2016 violence against women and girls strategy.

The strategy also emphasises that one of the most important lessons of the last 20 years is that neither the Government nor the police can prevent crime on their own. Crime prevention is most effective when Government, law enforcement agencies, businesses, academia, local authorities, voluntary sector organisations and the public themselves all play their part. Working together, we can continue to prevent crime even as it changes.

The strategy is available to download from the gov.uk website.

Copies of the strategy will be made available in the Library of the House.

**HCWS642**

**TRANSPORT**

**Motoring Agencies (Business Plans)**

The Parliamentary Under-Secretary of State for Transport (Andrew Jones): My noble Friend, the Parliamentary Under-Secretary of State for Transport (Lord Ahmad of Wimbledon) has made the following written statement:

I am pleased to announce the publication of the 2016-17 business plans for the Department for Transport’s motoring Executive agencies—the Driver and Vehicle Standards Agency (DVSA), the Driver and Vehicle Licensing Agency (DVLA) and the Vehicle Certification Agency (VCA).

The business plans set out:

- the services each agency will deliver and any significant changes they plan to make;
- the resources they require; and,
The key performance measures, by which their performance will be assessed.

These plans allow service users and members of the public to assess how the agencies are performing in operating their key services, managing reforms and the agency finances.

The business plans will be available electronically on gov.uk and copies will be placed in the Libraries of both Houses.

Attachments can be viewed online at:
http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-23/HCWS646/

[HCWS646]

**Maritime and Coastguard Agency (Business Plan)**

The Minister of State, Department for Transport (Mr Robert Goodwill): I am pleased to announce the publication of the Maritime and Coastguard Agency’s (MCA) business plan for 2016-17.

The business plan sets out:
- the services that the agency will deliver and any significant changes it plans to make;
- the resources the agency requires;
- the key performance measures, by which its performance will be assessed.

This plan allows service users and members of the public to assess how the agency is performing in operating its key services, managing reforms and the agency finances.

The business plan will be available electronically on gov.uk and copies will be placed in the Libraries of both Houses.

Attachments can be viewed online at:
http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-23/HCWS644

[HCWS644]
Written Statements
Thursday 24 March 2016

BUSINESS, INNOVATION AND SKILLS

Help to Grow

The Minister for Small Business, Industry and Enterprise (Anna Soubry): The help to grow (‘H2G’) pilot programme was announced by the Prime Minister in February 2015. Drawing on research undertaken by the British Business Bank (‘BBB’), Government committed to address an identified finance gap for fast growing, innovative SMEs by using the Government’s balance sheet to guarantee loans by private lenders and by co-investing public money alongside private money to bring new lenders to the market. These SMEs are vital to the UK economy and are major drivers of employment and wealth for the country. Ensuring they have access to the right type of finance at the right time is essential to ensure they maximise their growth potential.

Following the pilot announcement and extensive market engagement, BBB has developed three products to test in tackling the identified gap. These are two guarantee products and an option for co-investment in funds. The first contract with a delivery partner will be exchanged shortly. The pilot is expected to last two years and anticipates supporting in the region of £200 million total new lending under H2G. The pilot will be evaluating the appropriateness of the design of the three lending products within H2G alongside lenders’ ability to successfully originate eligible H2G loans.

H2G will support SMEs seeking growth investment between £0.5 million to £2 million for developing new products, processes or services, research and innovation, and expansion into new markets.

The two guarantee products being piloted will give rise to a contingent liability which under managing public money principles require notifying to both Houses. These liabilities will arise when beneficiary SME’s default on their loan repayments and the delivery partner is unable to recover the capital despite reasonable commercial steps being taken to pursue the debt. A departmental minute has been laid concurrently in both Houses which provides further detail on these liabilities.

Subject to the findings of the pilot programme, the intention will be to roll H2G out further in order to ensure innovative, ambitious and growing UK SME’s can continue to be able to access this vital funding.

CABINET OFFICE

Elections: Conduct Guidance

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): As is normal, ahead of the forthcoming elections, guidance has today been issued for civil servants in UK Government Departments and those working in arm’s length bodies on the principles that they should observe in relation to the conduct of Government business in the run up to the forthcoming elections on 5 May 2016 to the Scottish Parliament; the National Assembly for Wales; the Northern Ireland Assembly; to some local authorities in England, including for the directly elected Mayors of London, Bristol, Liverpool and Salford; and for police and crime commissioners in England and Wales.

The guidance sets out the need to maintain the political impartiality of the civil service, and the need to ensure that public resources are not used for party political purposes during this period. The period of sensitivity preceding the local, mayoral and police and crime commissioner elections starts on 14 April, and in relation to the devolved Administrations from 24 March for the elections to the Scottish Parliament; 30 March for the Northern Ireland Assembly; and 6 April for the National Assembly for Wales.

Copies of the guidance have been placed in the Libraries of both Houses and on the Cabinet Office website at: https://www.gov.uk/government/publications/election-guidance-for-civil-servants

Attachments can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-24/HCWS652/

[HCWS652]

Cyber-Security

The Minister for the Cabinet Office and Paymaster General (Matthew Hancock): In the 2015 Strategic Defence and Security Review the Government confirmed that we would invest £1.9 billion over the next five years in protecting the UK from cyber-attack and developing our sovereign capabilities in cyber space, including by creating a national cyber centre.

The new National Cyber Security Centre (NCSC) will open in October 2016. As part of GCHQ, the NCSC will bring together a number of cyber security functions from across Government. It is intended that the current functions of CERT-UK, currently part of the Cabinet Office, will move into the NCSC. Detailed design work is underway on implementing the NCSC, and I will update the House further in due course.

[HCWS653]

TREASURY

Contingencies Fund Advance: UK Government Investments Ltd

The Economic Secretary to the Treasury (Harriett Baldwin): In May 2015 the Chancellor announced that the Shareholder Executive (ShEx) and UK Financial Investments (UKFI) were to be brought together under a single holding company, UK Government Investments (UKGI). UKGI was incorporated on 11 September 2015 and will commence operations from 1 April 2016.

The resources and cash to finance UKGI’s spending will form part of HM Treasury’s main estimate for 2016-17. Parliamentary authority enabling UKGI to be funded is included in the Enterprise Bill which is currently before Parliament but is yet to receive Royal Assent.
Parliamentary approval for resources of £12,100,000 for this new service will be sought in the main estimate for HM Treasury. Pending that approval, urgent expenditure estimated at £2,400,000 will be met by repayable cash advances from the Contingencies Fund.

[HCWS662]

ECOFIN

The Financial Secretary to the Treasury (Mr David Gauke): A meeting of the Economic and Financial Affairs Council was held in Brussels on 8 March 2016. EU Finance Ministers discussed the following items:

* Mandatory automatic exchange of information in the field of taxation

  The Council held a discussion on a presidency compromise text on the Commission’s proposal to amend the directive with regards to the mandatory exchange of information in the field of taxation as part of the EU taking forward the recommendations from the OECD.

* Current legislative proposals

  The presidency gave an update to the Council on the state of play of financial services dossiers.

* State of play of the banking union

  The Commission provided an update on several dossiers linked to the banking union: the single resolution fund, the bank recovery and resolution directive and the deposit guarantee scheme directive. The presidency also provided a short update on progress to establish a European deposit insurance scheme, which the UK is not participating in.

* Fiscal sustainability report 2015

  Ministers adopted conclusions outlining the Council’s position on the Commission’s fiscal sustainability report.

* Follow-up to the G20 Meeting of Finance Ministers and Central Bank Governors on 26-27 February 2016

  Following the first G20 of the Chinese presidency in Shanghai on 26-27 February, the Commission and the ECOFIN chair debriefed Ministers on discussions.

* European semester 2016: implementation of country-specific recommendations drawing on the country reports and in-depth reviews

  The Commission reported to ECOFIN on the implementation of 2015 country-specific recommendations with a particular focus on removing the barriers to investment, following the publication of the country reports, published 26 February.

[HCWS656]

Financial Services Update

The Economic Secretary to the Treasury (Harriett Baldwin): I can today confirm that I have laid a Treasury Minute informing the House of a reduction in HM Treasury’s contingent liabilities to Bradford & Bingley.

The Treasury Minute concerns the guarantee arrangements announced on 29 September 2008 that put in place arrangements in relation to wholesale borrowings and deposits. At March 2015 the maximum contingent liability to HM Treasury on this guarantee arrangement was £2.4 billion.

I can confirm that, following the repurchase of two outstanding Bradford & Bingley covered bonds, the maximum exposure to HM Treasury under this guarantee arrangement has fallen to around £1.5 billion.

If the remaining liability is called, provision for any payment will be sought through the normal supply procedure.

I will update the House of any further changes to Bradford & Bingley associated guarantee arrangements as necessary.

[HCWS663]

National Reform Programme

The Financial Secretary to the Treasury (Mr David Gauke): On 24 March, the Government published the UK 2016 national reform programme. The document was sent to the European Commission, as part of the European semester.

* National Reform Programme

  Under Council recommendation 2010/410 of 13 July 2010, member states send national reform programmes each year, which report to the Commission on their structural reforms and plans.

  The UK 2016 national reform programme reports on actions taken by the UK as a whole, including by the Government and by the devolved Administrations where policy responses are of a devolved competence.

  The 2016 national reform programme:

  * puts the UK’s structural reforms in the context of deficit reduction, the 2015 autumn statement and Budget 2014 reports on the broad macroeconomic context
  * reports on policies to tackle the three country-specific recommendations addressed to the UK by the June 2015 European Council: correcting the deficit, boosting housing supply, and addressing skills mismatches and improving the availability of childcare
  * sets out the UK’s approach to national monitoring, in line with the five headline Europe 2020 targets agreed by the European Council in June 2010.

  The national reform programme is based heavily on the announcements and forecasts of Budget 2016 and the autumn statement and spending review 2015. It is, furthermore, drawn entirely from information already in the public domain.

  A copy of the document has been deposited in the House of Commons Library and is available on the Treasury website.

[HCWS664]

COMMUNITIES AND LOCAL GOVERNMENT

Coastal Communities Fund

The Minister for Communities and Resilience (Mr Mark Francois): I am pleased to announce today the publication of the “Coastal Communities Fund Annual Progress Report 2015”.

The report sets out the impressive achievements of the fund across the UK since it was launched in 2012. It shows the many and varied ways our coastal and seaside
DEFENCE

Defence Estate Rationalisation

The Parliamentary Under-Secretary of State for Defence (Mark Lancaster): The Ministry of Defence (MOD) is currently developing an ambitious programme of estate rationalisation which will provide a plan for a smaller, but significantly better defence estate to meet the needs of the armed forces as set out in the strategic defence and security review 2015. This strategic review of the defence estate will provide a more efficient and better infrastructure laydown in support of military capability for future generations. The MOD expects to announce the final results of this review in the autumn of 2016 but can today confirm the expected release of 10 sites, shown in the table below. The release of these sites supports the generation of £1 billion through land sales and, in part, supports the contribution of up to £1 billion through land sales receipts and land to provide up to 7,000 homes for future generations. The MOD expects to announce the long-term future of our seaside towns so that communities can drive forward their vision, unleash business opportunities and prosperity. The next round of bidding will commence in the summer of 2016.

I have today written to all coastal MPs in the UK, and to all 118 coastal community teams in England, with a web link to the published report. The report can be found on the gov.uk website at: https://www.gov.uk/government/publications/coastal-communities-fund-annual-progress-report-2015

I have placed a copy in the Library of the House.

[HCWS657]

List of Defence sites for potential disposal

<table>
<thead>
<tr>
<th>Site</th>
<th>Constituency and MP</th>
<th>Proposed Release Date</th>
<th>Housing Unit Potential (Up to)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burgoyne Barracks</td>
<td>Damian</td>
<td>By 2020</td>
<td>265</td>
</tr>
<tr>
<td>(Part of Shorncliffe)</td>
<td>Collins (Conservative)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Folkestone)</td>
<td>Folkestone and Hythe</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clive Barracks (Tern Hill, Shropshire)</td>
<td>Owen Paterson (Conservative)</td>
<td>By 2020</td>
<td>600</td>
</tr>
<tr>
<td>Fitz Wygram House—Royal Army Vet Corps (Aldershot)</td>
<td>Sir Gerald Howarth (Conservative)</td>
<td>By 2020</td>
<td>15</td>
</tr>
<tr>
<td>Army Officer Selection Board Westbury (Wiltshire)</td>
<td>Dr Andrew Murrison (Conservative)</td>
<td>By 2020</td>
<td>98</td>
</tr>
<tr>
<td>Defence Training Estate Land near Cove, East of Fleet (Farnborough)</td>
<td>Spanning the constituencies of both Ranil Jayawardena (Conservative) North East Hampshire and Sir Gerald Howarth (Conservative) Aldershot</td>
<td>By 2020</td>
<td>20</td>
</tr>
<tr>
<td>Rylston Road Army Reserves Centre (London)</td>
<td>Greg Hands (Conservative) Chelsea and Fulham</td>
<td>By 2020</td>
<td>0</td>
</tr>
<tr>
<td>MOD Wethersfield (Essex)</td>
<td>James Cleverly (Conservative) Braintree</td>
<td>Transfer to HCA by 2020</td>
<td>4,850</td>
</tr>
<tr>
<td>Chetwynd Barracks (Chilwell, Nottinghamshire)</td>
<td>Anna Soubry (Conservative) Broxtowe</td>
<td>Not before 2020</td>
<td>800</td>
</tr>
<tr>
<td>Thornhill Barracks (Part of Clayton Barracks, Aldershot)</td>
<td>Sir Gerald Howarth (Conservative) Aldershot</td>
<td>Not before 2021</td>
<td>70</td>
</tr>
</tbody>
</table>

I acknowledge that these moves will have an impact upon civilian and military staff. Over the coming months further work, carried out in consultation with all stakeholders including staff associations and the families federations, will determine the future provision for the occupants of these sites. Details on the sequencing and timing of these moves will be established this autumn. The MOD will continue to engage with impacted local authorities to determine how the Department’s assessment of housing unit allocation against each site may be considered as part of the authority’s local plan. I will make a further announcement later this year.

I have today written to all coastal MPs in the UK, and to all 118 coastal community teams in England, with a web link to the published report. The report can be found on the gov.uk website at: https://www.gov.uk/government/publications/coastal-communities-fund-annual-progress-report-2015

I have placed a copy in the Library of the House.

[HCWS657]
The Minister for Schools (Mr Nick Gibb): Today, the Government are publishing their response to their public consultation\(^1\) on the introduction of new secondary legislation to require selected schools to take part in the national reference test (NRT).

The NRT is a further step in the Government’s reform agenda, which will deliver robust and rigorous qualifications for England’s students. Before 2010, pupils received successively higher grades at GCSE each year, but in international league tables England’s performance stagnated. Ofqual has halted this grade inflation through the use of comparable outcomes\(^2\).

Ofqual is introducing the NRT which will indicate if GCSE results should change from year to year. Over time, this will provide an additional method of measuring real changes in national performance at GCSE which is distinct from the use of international comparisons such as the PISA study.

The National Reference Test

Each year, a different sample of 300 secondary schools, both in the state and independent sectors, will be selected to take part. Random samples of pupils from each selected school will take a test lasting about an hour. About 30 pupils from each school will take the English language test and another 30 will take the mathematics test. Ofqual will publish information about overall test performance each summer when GCSE results are announced. The results will not be used for school accountability purposes and results will not be given to individual pupils. Instead, the NRT will provide Ofqual with additional evidence on year-on-year changes in performance.

Participation in the test will benefit both schools and pupils, as it will help to provide more direct evidence of improving school performance at the national level which can be reflected in the grades that are awarded at GCSE, ensuring higher attaining cohorts are rewarded.

The legislation will apply to maintained schools. It will also apply to most academies and free schools through an existing provision in their funding agreements requiring them to comply with guidance issued by the Secretary of State in relation to assessments. It will not apply to independent schools although pupils at independent schools will also be asked to take the test to ensure that the sample of pupils that take the test is nationally representative.

The consultation

The public consultation, which ran from 30 November 2015 until 22 January 2016 allowed teachers, parents, pupils, and all those with an interest to provide their views, which have been taken into account in preparing the final legislation. Having carefully considered the small number of responses received, the Government have decided to proceed with enacting the proposed secondary legislation. It is important that the sample of pupils taking the test each year is fully representative of comparable outcomes\(^2\).

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2. For further information, see: https://ofqual.blog.gov.uk/2015/08/05/gcse-marking-and-grading/
FOREIGN AND COMMONWEALTH OFFICE

Foreign Affairs Council and General Affairs Council

The Minister for Europe (Mr David Lidington): My right hon. Friend the Secretary of State for Foreign and Commonwealth Affairs attended the Foreign Affairs Council on 14 March and I attended the General Affairs Council on 15 March. The Foreign Affairs Council was chaired by the High Representative of the European Union for Foreign Affairs and Security Policy, Federica Mogherini, and the General Affairs Council was chaired by the Dutch presidency. The meetings were held in Brussels.

FOREIGN AFFAIRS COUNCIL

A provisional report of the meeting and Conclusions adopted can be found at: http://www.consilium.europa.eu/en/meetings/fac/2016/03/14/

In her introductory remarks Ms Mogherini briefed Foreign Ministers on her recent visits to Cuba and Argentina, the EU role on the International Syria Support Group and on external aspects of the migration crisis.

Russia

The Council took stock of EU-Russia relations, in a discussion which took place shortly before the announcement of the partial withdrawal of Russian forces from Syria.

As part of the discussion, Ms Mogherini proposed five guiding principles for the EU’s policy towards Russia:

- full implementation of the Minsk agreements as a key element for any substantial change;
- strengthening relations with eastern partners and other neighbours, including central Asia;
- strengthening the EU’s resilience;
- selective engagement where there is a clear EU interest to engage; and
- strengthening people-to-people contacts and support to civil society.

Ministers supported the guiding principles. The Foreign Secretary argued for a united EU position. It was not in our interests to isolate Russia, but sanctions remained necessary and effective: and this was not the time to change tack. The Foreign Secretary added the EU should continue to hold Russia to account when it violated international norms.

Iran

The Council discussed relations with Iran and possible areas of re-engagement following the adoption of the joint comprehensive plan of action and the lifting of all nuclear-related EU sanctions. Ms Mogherini briefed Ministers on her planned trip to Tehran in April, where she will be accompanied by a delegation of commissioners, which will explore different areas of co-operation with Iran. The Foreign Secretary made clear that, while much progress has been made, we continued to have concerns (for example in relation to Iran’s human rights record) and that it was important to pursue a careful and balanced approach to reengagement.

Libya

Over lunch, Foreign Ministers exchanged views with the United Nations Secretary General’s special representative for Libya, Martin Kobler, on recent developments in Libya.

Middle East Peace Process

The Council discussed the latest developments in the region including an update from Ms Mogherini on plans by the middle east Quartet to prepare a report with recommendations for de-escalating the violence and promoting a two-state solution. The Council also discussed an initiative led by France to convene an international conference in Paris by the summer of 2016 with the aim relaunching the peace process in the middle east. Ms Mogherini and a number of member states supported the initiative.

Ministers agreed without discussion a number of measures:

- The Council concluded consultation with Burundi under article 96 of the EU-ACP Partnership Agreement (Cotonou agreement).
- The Council adopted a decision amending restrictive measure against members of the Al-Qaida organisation and other individuals, groups, undertakings and entities associated with them.
- The Council approved a crisis management concept (CMC) for a possible EU military training mission in the Central African Republic.
- The Council adopted the updated version of the common military list of the EU, which acts as a reference point for member states’ national military technology and equipment lists.
- The Council took note of the 17th annual report, which defines common rules governing the control of exports of military technology and equipment.

GENERAL AFFAIRS COUNCIL

A provisional report of the meeting and conclusions adopted can be found at: http://www.consilium.europa.eu/en/meetings/gac/2016/03/14/

The General Affairs Council (GAC) on 15 March focused on preparation of the March European Council, the inter-institutional agreement on better regulation, the European semester and the cohesion policy.

Preparation of the March European Council

The GAC discussed the agenda for the European Council on 17 to 18 March, which the Prime Minister attended. The agenda covered migration and European semester and outcomes of the February European Council.

On migration, I welcomed the outcomes of the EU-Turkey summit and emphasised that more work needed to be done before leaders could reach agreement at the March European Council. I highlighted the need for a more strategic approach to stop people smuggling and dissuade migrants from using the Aegean route.

Inter-Institutional Agreement on Better Regulation (IIA)

The Council formally adopted the IIA text and will focus on implementation at the May GAC and June European Council. The agreement now needs to be
The delivery of the counter-proliferation strategy is a cross-Government effort led by the Foreign and Commonwealth Office and overseen by the National Security Council.

The strategy will be published on the www.gov.uk website.

HEALTH

Food Standards Agency: Triennial Review of Six Scientific Advisory Committees

The Parliamentary Under-Secretary of State for Health (Jane Ellison): On 10 September 2015, I announced the commencement of the triennial review by the Food Standards Agency (FSA) for the six scientific advisory committees (SACs) for which the FSA is the sole or lead sponsor (HCWS183).

The six committees are: the Advisory Committee on Animal Feedingstuffs (ACAF); the Advisory Committee on the Microbiological Safety of Food (ACMSF); the Advisory Committee on Novel Foods and Processes (ACNFP); the Committee on Toxicity of Chemicals in Food, Consumer Products and the Environment (COT); the General Advisory Committee on Science (GACS); and the Social Science Research Committee (SSRC).

The FSA reviewed all six bodies as a cluster, which provided a more efficient review process, and allowed the review to consider any gaps or overlaps in the committees’ functions and opportunities for efficiencies in their operation.

The FSA consulted widely with relevant stakeholders, including Government departments and agencies, the devolved Administrations and others with an interest in the work of the committees. The FSA also completed an open call for evidence so that all those with an interest could contribute. I am grateful to all those who contributed to the review.

I am now pleased to announce the completion of the review and publication of the final report.

The review made eight recommendations which, in summary, concluded that:

- The functions performed by the ACMSF and COT are still required and they should be retained as advisory non-departmental public bodies;
- The advisory risk assessment functions of the ACNFP and the ACAF should be replaced with a new committee which would retain any future functions required from these two committees within the framework of a wider remit on innovation in the food chain;
- The FSA should follow similar models in other Government Departments with external chief scientific advisers and replace the GACS (established in 2007 to provide independent advice and challenge to FSA’s then internal chief scientist) with a Science Council;
- The SSRC should review its future work programme and membership to provide strategic support, scientific advice and challenge which will inform the FSA in delivery of its strategic objectives and help it understand its impact, reflecting the priorities in the new FSA strategic plan;
- The three FSA committees, the SSRC, the new Committee on Innovation in the Food Chain and the new FSA Science Council, should continue to operate openly and transparently as expert committees for the FSA; and
- A number of areas of good practice were also identified by the review, and a further four recommendations are made...
about how to improve the efficiency and impact of the SACs and to ensure they continue to meet the highest standards of governance.

The FSA will now discuss and determine how the recommendations can be implemented. The final report of the review is available online.

Attachments can be viewed online at: http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2016-03-24/HCWS651/.

[HCWS651]

HOME DEPARTMENT

Tier 2 Workers

The Minister for Immigration (James Brokenshire): I am today announcing reforms to Tier 2, the migration route for those undertaking skilled work in the UK, in response to the Migration Advisory Committee’s review of Tier 2, and its separate review of whether nurses should remain on the shortage occupation list.

For too long we have had a shortage of workers in certain roles, and in the past, it has been too easy for employers to recruit overseas. Last May, the Prime Minister set out our ambition to reform our immigration and labour market rules, and to reduce the demand for skilled migrant labour. The Government subsequently commissioned the independent MAC to advise on reducing economic migration from outside Europe. The MAC was asked to look at restricting skilled work visas to genuine skills shortages and highly specialist experts, raising Tier 2 salary thresholds to stop businesses using foreign workers to undercut wages, and a new immigration skills charge to invest in funding for training resident workers.

The MAC published their report on 19 January. It sets out a balanced series of proposals that aim to strike a balance between reducing reliance on non-EEA skilled workers while also supporting growth and productivity. The Government intend to accept the majority of the MAC’s recommendations.

We will increase the Tier 2 minimum salary threshold to £30,000 for experienced workers. This change will be phased in, with the minimum threshold increased to £25,000 in autumn 2016 and to £30,000 in April 2017. The minimum threshold for new entrants will remain at £20,800.

Reflecting ongoing public sector pay restraint and specific recruitment challenges in these occupations, we shall exempt nurses, medical radiographers, paramedics and secondary school teachers in mathematics, physics, chemistry, computer science and Mandarin from the new salary threshold. Where the occupation is not on the shortage occupation list, we shall also give extra weighting to these occupations in the monthly allocation of the Tier 2 (General) limit. Both measures will apply until July 2019. In line with the MAC’s recommendations, nurses will remain on the shortage occupation list, but employers will need to carry out a resident labour market test before recruiting a non-EEA nurse.

Employers will continue to be able to recruit non-EEA graduates of UK universities without first testing the resident labour market and without being subject to the annual limit on Tier 2 (General) places, which will remain at 20,700 places per year. Additionally, we shall give extra weighting within the Tier 2 (General) limit to businesses sponsoring overseas graduates, and will allow graduates to switch roles within a company once they have secured a permanent job at the end of their training programme. These changes will take effect from autumn 2016.

From April 2017, there will be extra weighting within the Tier 2 (General) limit where the allocation of places is associated with the relocation of a high-value business to the UK or, potentially, supports an inward investment. We will also waive the resident labour market test for these applications.

We will simplify and streamline the Tier 2 (Intra-Company Transfer) provisions in line with our international trade obligations to provide a route for senior managers and specialists. All intra-company transferees will be required to qualify under a single visa category with a minimum salary threshold of £41,500. The exception will be the Graduate Trainee category, where we shall reduce the current salary threshold from £24,800 to £23,000, and increase the number of trainees that an employer may bring to the UK from five to 20.

There will be a transitional period until April 2017 to allow those affected to plan for the changes. In autumn 2016, we will close the Skills Transfer category to new applications and increase the minimum salary threshold for the Short Term category to £30,000. From April 2017, we will close the Short Term category to new applications.

From autumn 2016, all intra-company transferees will be required to pay the immigration health surcharge. We will review the extent to which allowances may be counted as salary to ensure we have appropriate safeguards in place against undercutting of the resident labour market and consider how to take forward the MAC’s proposal for a review of skills in the IT sector.

To provide some further flexibility within the streamlined intra-company transfer category, we shall lower the minimum salary threshold for intra-company transferees working in the UK for between five and nine years from £155,300 to £120,000. We will also remove the one year experience requirement for all applications where the worker is paid over £73,900. These changes will take effect from April 2017.

There will be no change to the work rights of dependants of Tier 2 migrants.

The MAC strongly supported the introduction of the immigration skills charge to incentivise employers to reduce their reliance on migrant workers and to invest in training and up-skilling UK workers. The charge will be levied on Tier 2 employers at a rate of £1,000 per certificate of sponsorship per year. A reduced rate of £364 will apply to small and charitable sponsors, as defined by Immigration and Nationality (Fees) Regulations. PhD level occupations, the Intra Company Transfer Graduate Trainee category, and those switching from a Tier 4 student visa to a Tier 2 visa will be exempt.

The Government intend to have completed implementation of these measures by April 2017. As part of the implementation process, we also intend to simplify the immigration rules and guidance for skilled workers coming to the United Kingdom, to make the system clearer and more user-friendly for employers and applicants.
Machinery of Government Change: Environmental Regulatory Functions

The Prime Minister (Mr David Cameron): This written statement confirms that responsibility for environmental regulatory functions will transfer from the Department for Business, Innovation and Skills to the Department for Environment, Food and Rural Affairs. This change will be effective from 1 April 2016.

[HCWS658]
Petition

Wednesday 9 March 2016

PRESENTED PETITION

Petition presented to the House but not read on the Floor

Sunday Trading Hours

The petition of residents of the UK,

Declares that devolving the power to set Sunday trading hours to local councils will lead to longer Sunday opening hours; further that large stores should not be open longer on Sundays; further that longer opening hours would change the nature of Sundays forever; further that millions more people would be required to work on Sundays; and further that a local petition on this matter has been signed by over 300 individuals.

The petitioners therefore request that the House of Commons opposes Government proposals to devolve the power to set Sunday trading hours to local councils and introduce longer Sunday opening hours.

And the petitioners remain, etc.—[Presented by Frank Field.]

[P001679]
Petition

Friday 11 March 2016

OBSERVATIONS

EDUCATION

Funding for Sunderland College

The petition of residents of the UK,
Declares that the level of cuts to the further education budget will be damaging to Sunderland College and could lead to the ending of this essential education service and further declares that a petition on this matter was signed by 266 students and staff of Sunderland College.

The petitioners therefore urge the House of Commons to oppose these cuts, and to call for fair funding for further education in England.

And the Petitioners remain, etc.—[Official Report, 16 September 2015; Vol. 599, c.13P]

[PD01545]

Observations from the Minister for Skills (Nick Boles): Sunderland College will receive around £25 million in education funding (£19 million from the Education Funding Agency, and £6 million from the Skills Funding Agency) for this academic year.

Adult skills funding

In the spending review announced in November 2015, Government committed not to cuts but to significant overall increases in spending on further education for adults. Funding for the core adult skills participation budgets will be protected in cash terms, at £1.5 billion. We will also double our spending on apprenticeships in cash terms by 2019-20 compared to 2010-11, including income from the new apprenticeship levy. In addition, we will expand Advanced Learner Loans to 19 to 23-year-olds at levels 3 and 4 and to those aged 19 and over at levels 5 and 6 to provide a clear route for students to develop high-level technical and professional skills.

This combination of measures means that the total spending power of the FE sector to support participation will be £3.41 billion by 2019-20, which is a cash terms increase of 40% compared with 2015-16.

16 to 19 funding policy

The funding for all institutions that contain 16 to 19 provision comes from the same national funding formula. The precise amount of funding is based on the numbers of students enrolled in the previous academic year and the types of study programme or training that the institution offers their students. As part of the spending review, we announced that we will protect the national base rate of £4,000 per student for the duration of this Parliament. This will bring stability to the sector, and demonstrates a vote of confidence in 16 to 19 education.

As such, 16 to 19 institutions will continue to be funded for an average of 600 teaching hours per year per full-time 16 to 17-year-old student. This supports a significant programme of study: for example, three A Levels and one AS Level, plus around 150 hours of enrichment or tutorial activity across each two-year course.

That said, like the rest of the public sector, 16 to 19 education will be expected to play its part in tackling the budget deficit, and will need to identify some further savings. The Education Funding Agency (EFA) have set out the detail of savings in 2016-17 within their annual letter to the sector, which is available here: https://www.gov.uk/government/publications/16-to-19-funding-funding-for-academic-year-2016-to-2017. The Department will set out as soon as possible details of the reductions which will apply in the remainder of the spending review period. For now, I can confirm that formula protection funding (FPF) will be phased out over the next six academic years, so the final year in which any FPF will be payable will be academic year 2020-21.

With regards to Sunderland College specifically, while the college has seen a reduction in their 16 to 19 allocation recently, this is almost entirely driven by declining student numbers. Indeed EFA analysis shows that the average funding per student at Sunderland College has seen very little change over recent years.
Petition

Tuesday 15 March 2016

PRESENTED PETITION
Petition presented to the House but not read on the Floor

Homelessness in Corby
The petition of residents of the UK,
Declares that there were 35 homeless men and women living on the streets of Corby during the winter of 2014-2015; further that they are without a home through no fault of their own; further that the work of local charities, churches and other organisations does not suffice to ease their situation; and further that an online petition on this matter was signed by 677 individuals.

The petitioners therefore request that the House of Commons urges the Government to put pressure on Corby Borough Council to provide adequate housing for Corby’s homeless people.

And the petitioners remain, etc.

[P001681]
Petition

Monday 21 March 2016

OBSERVATIONS

CULTURE, MEDIA AND SPORT

BBC Licence Fee

The petition of residents of the UK,
Declares that the petitioners are dissatisfied with the BBC licence fee; further that up to 50 MPs recently demanded an urgent Government review of the BBC funding; further that the Magistrates’ Association has been calling for the decriminalisation of TV licence evasion for nearly 20 years, concerned that evaders are punished disproportionately; further that 52.8 million letters were sent in 2014 to suspected evaders which were followed up by 3.8 million visits by TV licence officers, 204,018 prosecutions (or out of court disposals), of which 24,025 were unsuccessful, and 40 imprisonments, for an average of 20 days; further that the licence fee represents a much higher proportion of income for poor households; further that it gives an unfair advantage to one broadcaster; further that the UK is now perceived less favourably internationally by countries that have never enforced TV licence fees or have abolished their TV licence due to its public broadcaster funding model; further that the petitioners find the BBC’s content outdated and biased and therefore do not wish to fund it; and further that an online petition on the matter was signed by 170,000 individuals.

The petitioners therefore request that the House of Commons urges the Department for Culture, Media and Sport to end the BBC licence fee.

And the petitioners remain, etc.—[Presented by Andrew Bridgen, Official Report, 20 January 2016; Vol. 604, c. 1518.]

[PO01669]

Observations from the Secretary of State for Culture, Media, and Sport (Mr John Whittingdale): The way in which the BBC is funded is one of the core issues being considered as part of the on-going Charter Review.

The BBC is a world-renowned, and highly regarded Public Service Broadcaster, known and respected for the quality of its output, and serves as a strong representative of the United Kingdom on the global stage. The security of its funding—currently provided by the licence fee—is an important element in its ability to fulfil this role.

As part of Charter Review, the Government are considering whether the licence fee remains the best way to ensure this security, and fund the BBC, in a continually evolving modern media environment.

In July 2015, our public consultation asked for views on a wide range of issues, including how the BBC is funded, the licence fee, and alternative models. Over 190,000 people responded—and many of the signatories to this petition may have also taken the opportunity to share their views with us as part of this consultation. All of the responses have been read, analysed, and are being considered. They contribute to a large evidence base, of which this petition now becomes part.

The issues that have been raised about the cost of the licence fee for those on low incomes, and decriminalisation of the TV licensing offence, are important considerations, which are forming part of the on-going debate. An independent review by David Perry QC concluded that decriminalisation would have damaging consequences under the current licence fee model, and the Government continue to consider his recommendations.

It is also true that other countries have adopted or considered different Public Service Broadcasting funding models, and we have noted the lessons learned in these instances, as part of our thinking about the appropriate funding model for the UK.

The Government’s position on BBC funding for the next Charter period, and in the longer term, will be set out in the White Paper.
Petition

Thursday 24 March 2016

OBSERVATIONS

EDUCATION

Newark Free School

The petition of residents of Newark,

Declares that the Torch Academy Group’s application for a free school in Newark should be accepted; notes that almost 50% of all secondary school pupils, resident in Newark, are currently being educated at schools outside of the town; further that many parents choose to educate their children at schools outside of the town because they are not satisfied by the academic standards routinely achieved by existing secondary schools in the town; further that over 400 children from Newark are currently being educated at Toot Hill school, Bingham, an outstanding Academy run by the Torch Academy Group; believes that the application provides a once in a generation opportunity to establish a benchmark outstanding secondary school in Newark which all parents of the town can have the confidence to send their children to; further notes that in excess of 200 children have already been registered as prospective pupils for Newark Free School; and acknowledges the outstanding leadership of Mr John Tomasevic, Chief Executive Officer of the Torch Academy Group which is leading the application.

The petitioners therefore request that the House of Commons urges the Government to approve the application for the Newark Free School as soon as possible.

And the petitioners remain, etc.—[Presented by Robert Jenrick, Official Report, 10 March 2016; Vol. 607, c. 532.]

Observations from The Minister for Schools (Mr Nick Gibb):

The application for Newark Toot Hill Free School has been received and will be assessed against the published criteria along with all others received in free school application wave 11. The assessment criteria cover the education and financial plans for the school, the need for the school and the capacity and capability of the proposers.

Free schools are responsive to local demand for new schools. The Department assesses the need for a free school by taking into account the number of places available in existing local schools, the performance of these schools, and the local authority’s projections for the number of school places needed in future years. The assessment also takes into account how the proposed school will enhance parental choice in the area and how well the proposers have engaged with a cross-section of their local community.

The Department acknowledges the support of the residents of Newark and will take this into account as part of the assessment of the Newark Toot Hill Free School. The outcome of the proposal will be announced as part of the wave 11 announcements.
Ministerial Corrections

Wednesday 9 March 2016

FOREIGN AND COMMONWEALTH OFFICE
Syria

The following is an extract from the statement on Syria on 1 March 2016

Mr Ellwood: The hon. Lady asked a series of questions. First, the latest UN Security Council resolution—resolution 2268—which confirmed the cessation of hostilities, underlines the importance of a previous one, resolution 2254, which is all about the ability to gain access to various areas where ownership is sometimes confusing. That is done on a very local basis to make sure that agreements take place and that UN and other convoys have the series of permissions they need, so that they are not halted at checkpoints, with the food being taken from them and used as a weapon of war. It is difficult for me to give a comprehensive reply for the whole of Syria, but these things are done on an area-by-area basis. The method for taking deliveries also reflects the threat level. Clearly, there are areas surrounded by Daesh, where it is impossible to have such agreements.

The hon. Lady spoke about the chemical weapons attack. A number of UN organisations are looking into a wider piece to do with the use of chemical weapons across Syria. They are in the process of completing a report to the UN, which is due shortly. If I may, I will write to her with more details on that.

On the work being done to provide international humanitarian aid, I go back to the conference we had, where we were able to garner an awful lot of support, including from Saudi Arabia, for making sure that money is filtered through the various UN organisations so that they can get through to the various locations.

The hon. Lady mentions a number of other hard-line groups, including Ahrar al-Sham, and there is Jaysh al-Islam as well. They have been considered as moderate; they have not been included in the discussions, and they were not represented in the talks where the Saudis brought the moderate groups together.

The following is an extract from the statement on Syria on 1 March 2016

Mr Ellwood: The coalition does a lot of planning in order to establish the best mechanism to provide aid relief in any particular area. The RAF itself has not been involved in airdrops per se; the United States has been leading on that. As I have said, they have had a marginal effect. They are subject to weather conditions and to who is on the ground to receive the actual aid. It is then a matter of luck as to how that aid is distributed. Often it is unfairly distributed, because the strongest end up grabbing the kit and taking it away with them. That is why the preferred mechanism is to get permission to go through the various checkpoints and deliver the aid by truck.

The following is an extract from the debate on Egypt: British Support on 2 March 2016.

The hon. Member for Cambridge raised the very sad case of Giulio Regeni. I can only echo what I said in my reply to the question. We are very saddened by this tragic death and very concerned about the reports that
he had been tortured. He is an Italian citizen and there is protocol on who can lead and participate in the investigation. Having said that, we have raised our concerns with the Italian authorities. We very much support Italian and Egyptian efforts to investigate and have requested that that be done in full to recognise what happened. The Italian police now have a team on the ground in Egypt. We will continue to raise the matter. I will be visiting the country very soon and will certainly ask further questions, but although the individual studied in the UK, there is a protocol on which country can lead and be involved.

Egypt has elected a President, has a new constitution and now has a Parliament, which is to be celebrated. We are working to help to make parliamentarians stronger and to encourage visits. I hope that the work with the Westminster Foundation for Democracy will continue. As the new Parliament beds in, we want to do more to strengthen this vital institution and I hope that Members with a keen interest in Egypt, many of whom are here today, will be able to play an active role in that.

An error has been identified in my response. The correct response should have been:

The hon. Member for Cambridge raised the very sad case of Giulio Regeni. I can only echo what I said in my reply to the question. We are very saddened by this tragic death and very concerned about the reports that he had been tortured. He is an Italian citizen and there is protocol on who can lead and participate in the investigation. Having said that, we have raised our concerns with the Egyptian authorities. We very much support Italian and Egyptian efforts to investigate and have requested that that be done in full to recognise what happened. The Italian police now have a team on the ground in Egypt. We will continue to raise the matter. I will be visiting the country very soon and will certainly ask further questions, but although the individual studied in the UK, there is a protocol on which country can lead and be involved.

Egypt has elected a President, has a new constitution and now has a Parliament, which is to be celebrated. We are working to help to make parliamentarians stronger and to encourage visits. As the new Parliament beds in, we want to do more to strengthen this vital institution and I hope that Members with a keen interest in Egypt, many of whom are here today, will be able to play an active role in that.

DEFENCE

Royal Naval Deployment: Mediterranean

The following is an extract from the Urgent Question to the Secretary of State for Defence on 7 March 2016

Michael Fallon: On the first point, I welcome the contribution Scotland is making. I am sure that the hon. Gentleman will want to know that some of the Royal Marines on board Mounts Bay are from Arbroath on the east coast of Scotland. I am glad that he welcomes the mission.

On refugees, the hon. Gentleman will know that we have committed to take refugees from the camps in Syria and to take unaccompanied children that the United Nations High Commissioner for Refugees identifies further west in Europe. We have played a leading part in that, as we did in the reconstruction conference on the future of Syria.

So far as military operations in Syria are concerned, we regularly update the information on the Ministry of Defence website. I am very happy to answer any additional questions the hon. Gentleman has.

Letter of correction from Tobias Ellwood

An error has occurred in my response to the hon. Member for Argyll and Bute (Brendan O’Hara).

The correct response should have been:

Michael Fallon: On the first point, I welcome the contribution Scotland is making. I am sure that the hon. Gentleman will want to know that some of the Royal Marines on board Mounts Bay are from Arbroath on the east coast of Scotland. I am glad that he welcomes the mission.

On refugees, the hon. Gentleman will know that we have committed to take refugees from the Syrian region and to take unaccompanied children that the United Nations High Commissioner for Refugees identifies. We have played a leading part in that, as we did in the reconstruction conference on the future of Syria.

So far as military operations in Syria are concerned, we regularly update the information on the Ministry of Defence website. I am very happy to answer any additional questions the hon. Gentleman has.

The following is an extract from the Urgent Question to the Secretary of State for Defence on 7 March 2016

Michael Fallon: The British Government are taking refugees from Syria, as we have made clear, and some of them have arrived here in the United Kingdom. My right hon. Friend the Prime Minister is urging his European counterparts to get to grips with the problem of those who have arrived inside the Schengen area and to take steps to ensure that they are not shuttled from one fence to the next. Europe has to adopt a more sensible policy.

Letter of correction from Michael Fallon

An error has been identified in my response to the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper).

The correct response should have been:

Michael Fallon: The British Government are taking refugees from the Syrian region, as we have made clear, and some of them have arrived here in the United Kingdom. My right hon. Friend the Prime Minister is urging his European counterparts to get to grips with the problem of those who have arrived inside the Schengen area and to take steps to ensure that they are not shuttled from one fence to the next. Europe has to adopt a more sensible policy.